

MILFORD CITY COUNCIL
MINUTES OF MEETING
August 12, 2019

A Meeting of Milford City Council was held in the Joseph Ronnie Rogers Council Chambers at Milford City Hall on Monday, August 12, 2019.

PRESIDING: Mayor Archie Campbell

IN ATTENDANCE: Councilpersons Daniel Marabello, Mike Boyle, Lisa Ingram Peel, Todd Culotta, Owen Brooks Jr., Douglas Morrow, Jason James Sr. and Katrina Wilson

STAFF: City Manager Eric Norenberg, Police Chief Kenneth Brown and City Clerk Terri Hudson

COUNSEL: Solicitor David Rutt, Esquire

CALL TO ORDER

Mayor Campbell called the Council Meeting to order at 7:02 p.m.

INVOCATION AND PLEDGE

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

Mayor Campbell expressed his condolences to Councilmember Wilson due to the recent death of her father.

APPROVAL OF PREVIOUS MINUTES

Included in the packet were minutes from the June 3, June 4, June 24 (Workshop and Council Meeting), July 8 and July 22, 2019 Committee, Workshop and Council Meetings. Motion to approve made by Councilmember Culotta and seconded by Councilmember Peel. Motion carried.

RECOGNITION

Deputy City Clerk Christine Crouch

City Clerk Terri Hudson recognized Deputy City Clerk Christine Crouch for completing her educational and professional requirements and being awarded the Master Municipal Clerk designation by the International Institute of Municipal Clerks. She was given a gift certificate and necklace by the City commemorating the accomplishment.

City of Milford Customer Service Employees

Customer Service Supervisor Suzannah Frederick introduced Milanie Velazquez, the City's new bilingual employee in Customer Service, who has already been a tremendous asset to the department.

Milford Police Department Employees

Chief Brown introduced three officers who graduated from the New Castle County Academy on July 11th and are currently in the FTO Program. Council welcomed Cheyanne Rivera, a former Dover Police Cadet and Dover Downs Security Guard, Cole Jackson, a former DNREC Seasonal Officer and Alexander Davis, a former Christiana Mall Security Guard.

The Chief then recognized Sergeant Shane Young, a 16-year veteran of the Milford Police Department, who recently attended the FBI National Academy. Sergeant Young graduated on June 7th after completing ten weeks in their leadership program.

Sergeant Young provided Council with some background on the academy.

MONTHLY POLICE REPORT

Police Committee Chairperson Wilson presented the monthly Police Report on behalf of Chief Brown.

Councilman Morrow moved to accept the report, seconded by Councilman Boyle. Motion carried.

MONTHLY CITY MANAGER REPORT

Mr. Norenberg reported the City Manager Report remains under construction as they continue to enhance the information that may be of use to City Council. He encouraged Council to review the report and asked for comments or suggestions for new items.

MONTHLY CITY FINANCE REPORT

Finance Chairman James noted that this report ends the fiscal year with 100% complete. He reported that revenues came in at 102%, minus the General Fund and the General Fund ended at 101.9%.

The total expenditures were at 94% or 6% below budget, excluding the General Fund. Expenditures of the General Fund were 93.8%, also below budget. The total variance was \$3.5 million, which is close to projection at the end of May. Excluding the General Fund is \$2.8 million.

Last year per the audit, there was a positive variance of \$3.85 million, which aligns with the current budget.

The fund balances show a cash balance of \$10.8 million, reserves of \$25.6 million and impact fees of \$5.5 million for a total of \$42 million.

Councilman Marabello pointed out there is no indication of interest earned on the electric reserves which started and ended at \$8.520 million. However, the difference in the electric reserves at the end of May was \$48,854 and wondered why it was not included in the total. Chairman James will follow-up.

Other than the discrepancy noted, Chairman James made a motion to accept the Finance Report as presented, seconded by Councilmember Wilson. Motion carried.

COMMITTEE & WARD REPORTS

Fourth Ward Back to School Block Party

Councilmember Wilson announced the Annual Back to School Block Party will occur Saturday, August 31st from noon to 4:00 p.m. and encouraged people to attend, emphasizing that everything is free. Any children that attend will receive a backpack full of school supplies and other items.

COMMUNICATIONS & CORRESPONDENCE

Sidewalk Repair Program

Councilmember James reported that he continues to receive a lot of feedback concerning the Sidewalk Repair Project. There remains questions and he has responded to what he is able to with the information that has been provided.

Councilmember Culotta said he has requested some additional discussion at the next Council meeting.

Councilmember Wilson commented that she has been asked that the residents be allowed sufficient time to pay off the amount that is due. The other question was if the City will have the lowest price versus a private contractor. She recommended the property owner receive quotes from other contractors to compare.

Mayor Campbell shared that they are allowed to finance up to five years at zero interest.

Mr. Norenberg asked Council to direct their constituents to call the phone numbers in the letter to answer any questions or concerns. The Public Works Director and Engineering staff will be happy to assist and meet with any resident.

Third Thursday

Councilman Marabello encouraged Council and family and friends to attend Third Thursday. If more people don't support the event, they will most likely abandon the event.

Council Retreat

Mr. Norenberg also reminded Council of the Annual Retreat scheduled for Saturday, August 17th at the Rookery North at 8:30 a.m.

City Manager-Out of Town

As a reminder Mr. Norenberg stated that he will be out of State for the remainder of the week with the intent to be back in time for the Council Retreat.

Parade Magazine

Mr. Rutt announced the City of Milford was mentioned in a national magazine for its downtown art and specifically the wall mural on Arena's Shopping Center.

UNFINISHED BUSINESS

Approval/Appropriation/City Hall Basement Waterproofing & Restoration Project

Mr. Whitfield earlier reviewed the recommendation with the Finance and Public Works Committee to waterproof and restore the City Hall basement.

The costs of the waterproofing, including the interior subfloor drainage system (\$49,750), the exterior drainage system (\$49,000) and the repairs to the chimney (\$23,250), total \$122,900.

The interior renovations are roughly \$213,845; adding the contingency and professional services will be \$280,900.

Tonight, he is asking to proceed with the waterproofing stage of the project and for City Council to authorize funding, not to exceed \$140,000, of which \$122,900 plus \$17,100 in contingencies, will be paid from General Fund Reserves.

Councilmember Marabello moved that staff proceed with waterproofing the City Hall basement, that includes the interior subfloor drainage system, exterior drainage system and chimney repairs for \$122,900, in addition to the contingencies, as was discussed, not to exceed \$140,000, to be paid from General Fund Reserves, seconded by Councilmember James. Motion carried with no one opposed.

NEW BUSINESS

Alcohol Waiver/Chapter 77/Alcoholic Beverages/Ladybug Music Festival

Past DMI President Sara Pletcher advised that they are planning the second annual Ladybug Festival on September 21st. Last year they brought in Gable Music Ventures and more than 2,500 people attended the event that included 40 acts and 16 different venues. Due to rising production costs and an unsuccessful funding increase, the budget will remain the same.

As a result, there will be 15 different venues at the main stage in the Milford Library Amphitheater and 38 acts.

She reminded Council the bands are either women-fronted or women only. The event is a free, family-friendly event. DMI raised the \$25,000 to bring it here.

The alcohol waiver is DMI's portion of the fundraiser. She has partnered with Mispillion River Brewing, Dogfish Head and hopes to partner with EasySpeak Spirits. She understands this is outside the normal realm of wine and beer, but mixed drinks will be served but no shots. In turn, they are paying sponsorship fees and the legal issues are currently being worked on with the State of Delaware. This operation will fall under the umbrella of DMI.

The goal is to raise \$4,000 through these efforts.

Mayor Campbell noted that the Ladybug Festival won the Delaware Tourism New Event of the Year for 2018 and Milford was named the Quaint Village of the Year by Kent County Tourism, made possible by the addition of the Ladybug Festival.

Councilmember Peel moved to allow the waiver of the alcohol prohibition at the Ladybug Music Festival, seconded by Councilmember Culotta. Motion carried.

Budget Adjustment/Milford Police Department Teamsters/Chart Correction

Several months ago, Mr. Norenberg talked about the issue in the alignment of 21 officers who were one step behind on the pay scale in relation to their years of service on the pay chart. Council agreed to resolve the matter and on June 26, 2019, an agreement was reached between the Teamsters and the City.

And, as of July 1, 2019, the rank and years of service for all officers will align with the negotiated pay chart.

All officers impacted by the correction received their retroactive pay back to July 1, 2018 on July 26, 2019. As a result, a supplemental appropriation from General Fund Reserves is needed to fund the retroactive pay for FY2018-19 in the amount of \$28,960. This covers wages, pension contributions and other employee-related expenses that are multipliers of the corrected wages.

Councilmember James moved to approve a supplemental appropriation from General Fund Reserves for the FY2018-19 Police Department payroll to fund the retroactive pay in the amount of \$28,960, seconded by Councilmember Morrow. Motion carried.

Adoption/Resolution 2019-11/Water Fee Schedule ®

Public Works Director Mark Whitfield identified a minor correction to the Water Fee Schedule related to the Irrigation Impact fee. It was initially shown as a set amount but should increase each year and align with the regular water meter.

Mayor Campbell asked if there was anyone in the public who wished to comment. No one responded and the floor was closed.

Councilman Brooks moved to correct the amended Irrigation Impact fee to align with the annual Water Impact fee, seconded by Councilmember Peel. Motion carried.

Approval/Infiltration & Inflow Study/Engineering Services/Sewer Reserves

Mr. Whitfield reported that as part of the Capital Improvement Plan requests, he asked for an investigation of inflow and infiltration (I&I) of ground and storm water into the sanitary sewer system.

This past June, engineers from KCI were utilized to assist in developing a program to begin to identify particular areas the City needs to focus on. As part of the 2018-2022 Capital Improvement Plan, \$250,000 was recommended to be earmarked for I&I investigation and remediation.

In 2019, the City paid Kent County nearly \$870,000 to treat I&I flow. Presently, the City has one invoice from KCI for engineering services, but expects more over the course of the next year. We also expect the need to contract for flow monitors and sewer line televising as part of the investigation.

Mr. Whitfield was asked if the \$50,000 will cover the scope to get the information needed; the Public Works Director feels the biggest cost will be the remediation. Once they identify where the problems are, it is his intent to use the \$200,000 for the remediation. Most of that will be slip lining costs.

Councilmember Marabello then asked how much of the \$870,000 can be reduced percentage wise. Mr. Whitfield said he cannot confidently answer that question. They will identify particular areas based on pump run times during rain events. If they are able to find those areas where the water is gushing in, that bill could be cut in half. However, it could involve multiple locations and the impact would be more costly and the amount saved less. It will depend on what is determined.

It was confirmed flow meters would be installed in a number of the manholes as they go up stream, in order to identify the lines with issues.

He also confirmed that \$870,000 is about 25%, which is a high percentage caused by the wet conditions this year. Typically, 10% is a number they hope for.

Councilmember Peel moved to authorize \$50,000 from Sewer Reserves to cover investigation costs, including engineering services, for the I&I project, seconded by Councilmember Marabello. Motion carried.

Approval/Service Sign Agreement

The City Manager discussed the “Welcome to Milford” Service sign located on Northeast Front Street that replaced the failing sign at Route US 113 and SR 1.

It was agreed to erect a similar sign for clubs serving the community on a site located on City-owned land located near the Kent County Pump Station. The selected design has room for the logos of six organizations, four of which were included at no cost by the sign contractor, with the expectation he could recoup some of the costs from the clubs for adding dates, times and locations of meetings.

Leaving two available spaces, the city has received requests from other organizations that are not typically considered ‘service clubs’, including the Chamber of Commerce for Greater Milford and DMI. Our Parks and Recreation staff was asked to identify and survey other possible service clubs operating in Milford but none were returned. It was discussed in July with the Community and Economic Development Committee who recommended the following option:

Allow additional entrants on a first-come, first-serve basis. Requestors will need to pay for the cost of the sign (\$150) and they must be considered a non-profit, but not necessarily a service club (i.e. Chamber of Commerce for Greater Milford or Downtown Milford. Incorporated).

Community and Economic Development Chairman Boyle moved to accept the above option with the cost of \$150, seconded by Councilmember Peel. Motion carried

Approval/R&R Commercial Realty/Business Park Lot Sales/Contract Renewal

Planning Director Rob Pierce recalled soliciting proposals from real estate professionals to advertise and market City owned property at our Business Park. Council authorized the one-year proposal from R&R Commercial Realty that expired in July.

A copy of the agreement is included in the Council packet.

Though there has been some interest, no lots have been officially sold in the past year. Mr. Pierce reported there has only been one lot sold over the past four years.

Councilman James questioned the 11.5-acre lot listed at \$460,000 compared to one-acre lots at a cost of \$100,000. The Planning Director explained that Masten Realty, who is a Commercial Real Estate Appraiser, provided those established prices a few years ago.

He confirmed that if the buyer does not agree to the list price, the request must be reviewed by City Council. However, all the lots he is familiar with were sold at the asking price.

Mr. Norenberg reviewed several advantages of hiring a commercial realtor to market the land throughout the region, due to the lack of interest by potential buyers while under the City's umbrella.

Councilman James then recused himself due to a possible conflict of interest with this realtor and left the Council Chambers.

R&R Commercial Realtor Keith Walpole of 46 South State Street then informed Council that they use a national commercial site call LoopNet.com. They also use email blast marketing three to four times a month.

Mr. Walpole explained there are a lot of restrictions on the land and there were some deals made when the land was first acquired which prohibits a number of uses. He is in contact with some interested parties and hopes to have one that will be sold in the near future.

Councilmember Culotta moved to approve the R&R Commercial Realty Contract Extension, seconded by Councilmember Wilson. Motion carried.

Approval/Milford Community Parade/Utility Bill Inserts Donations Request

Charles Gray, present on behalf of the Milford Community Parade Committee, requested authorization for the continued partnership and allow the annual utility bill insert. The electric bill insert allows citizens to easily contribute to the parade every year and last year brought in approximately \$3,000. Those funds help assist with transportation costs getting bands to Milford. On average, there are ten to twelve bands at this parade, though five or six is an average in other parades.

He noted the upcoming parade is October 16th at 6:30 p.m.

When questioned, Mr. Gray then explained the name was changed to Milford Community Parade to appeal to a broader audience and to prevent confining it to only Halloween activities.

Councilmember Peel moved to authorize allowing the Parade Contribution flyer be added to the City utility bill and the associated costs, seconded by Councilmember James. Motion carried.

*Approval/Amory Lease Transfer/Delaware Community Reinvestment Action Council (DCRAC)
to Elevated Community Development Corporation (CDC)*

City Manager Norenberg advised that the Armory tenant, DCRAC, has requested the transfer or sublease of the building to Elevated Community Development Corporation (ECDC).

Lillian Harrison was present to represent both DCRAC and Elevated CDC. She explained that earlier this year, DCRAC was granted the Money School. DCRAC is typically a staff of about 6.5 people statewide and covers financial and homeownership topics. When Money School came on board, DCRAC felt it would be beneficial to transfer the least to ECDC. Being a Workforce Development Organization, DCRAC had donated all the labor force to renovate the building.

Ms. Harrison confirmed that DCRAC is a separate entity from ECDC. DCRAC is based and housed in Wilmington and ECDC was formed as a Workforce Development Organization a couple years ago.

Because Ms. Harrison is the DCRAC Housing Director, their statewide services align with what Elevated CDC was offering. Therefore, she has been overseeing the Housing Clinic and the organization for the past year.

The funding is through Elevated ECDC and the reason for the request.

Ms. Harrison also confirmed that the same services and training planned for the Armory will proceed as originally planned. DCRAC is now committed to the Money School. ECDC gained a lot of attraction over the past year and a half, so the funding has gone through their Workforce Development Programs. Money that has been easier allocated to the renovations of the Armory was geared toward ECDC. Because she has been at the forefront of DCRAC's work with financial literacy, they felt secure and confident in asking for the transfer of the lease.

When asked what this transfer would solve, Ms. Harrison said it would allow DCRAC to be a tenant without the responsibility of the fundraising because of their commitment to the Money School and the Lobono Legal Clinic, who are still supporters. She will continue to offer their services and they will continue to partner with DCRAC. This only change is the name of the lessee. All services, including the new ones, will continue to be operating out of that facility, in addition to the Workforce Development Services from ECDC.

She continued by stating there are several different pockets of money that are geared toward Workforce Development. The housing money received was granted by Fulton though they were trying to expand their work in the Wilmington area. Being at the Armory and the work Ms. Harrison has been able to do in the lower part of the State, Fulton is now coming on board to offer their programs and services statewide because the site is centrally located.

ECDC had offered to complete all the renovations at the Armory at no cost to DCRAC, as the lead agency.

Mr. Norenberg explained the current lease prohibits a subleasing without any approvals. He and Solicitor Rutt have been trying to determine how to move forward in the best manner.

Mr. Rutt then added that the lease cannot be reassigned, but DCRAC can sublease. Because of that, he recommends it be subleased to ECDC. However, the original tenant would remain the primary/lessee, and could sublease the amount of the building desired, including all the space. That would keep both on the lease.

When asked for Ms. Harrison's thoughts, she stated that DCRAC is asking to be released from the responsibility of the lease agreement, and the reason they asked her, as the Executive Director of ECDC, to become the main tenant.

Mr. Rutt said if they are occupying the space and the lease transfers, will they enter into a sublease for the space they are occupying. Ms. Harrison confirmed they are interested in becoming the tenant and subleasing the space.

The Solicitor asked why they want to be released from the lease, as opposed to subleasing it to DCRAC. Ms. Harrison explained that in the beginning, DCRAC never wanted to be the lead for funding purposes or the organization responsible for bringing in funds for the renovations. That was one of the reasons she offered the renovation services to DCRAC. That would allow them to not have the burden of finding/hiring someone to renovate the building. Though they could do that, they talked with several agencies and similar organizations with regard to being the lead agency.

At that time, DCRAC had just been given the Fulton Bank Building in Wilmington and was under a capital campaign. They did not want to take on the burden for the capital campaign. She believes they were given a year to two years to raise the funds to renovate the building. If they had finished the capital campaign, it would have worked out, but then came the responsibility of the Money School and the Lobono Law Clinic.

At the time the original lease was put in DCRAC's name, they had not established the Lobono Law Clinic and the transfer of the Money School was not expected to happen so quickly.

Solicitor Rutt explained that Council has to agree to transfer or flip the lease or Council can say DCRAC can sublease the entire lease.

Councilman Culotta recalled that when this was originally approved, there was public comment taken at which time some residents came forward. He feels that needs to be done again.

Solicitor Rutt explained the public comment was on the conditional use application for the building. Councilman James pointed out that will remain the same.

When asked, Ms. Harrison confirmed that DCRAC is stronger financially because they have been around for thirty years. However, they have become burdened with the recent changes and are extended to the max with the capital campaign for the 600 Building and now the Money School and staffing the Lobono Law Clinic. Whereas, this is less of a burden to ECDC and for her, because she is working here.

Councilmember Peel asked if the ECDC was interested in this before, Ms. Harrison said yes, they are a crucial partner. As the Housing Director for DCRAC, there is a great need for housing assistance in the City of Milford. That is the reason Ms. Harrison came ahead of moving the other clinic to Milford. A lead agency was discussed at that time though DCRAC would always have an office in the Armory and their intent was to move to a central location.

Councilwoman Peel said that initially she thought this was a housekeeping issue, but once Ms. Harrison said they did not want to be the lead prior to this discussion, she believes that she may need additional information.

Councilman James thinks he understands, but at this point, is uncomfortable making a decision for the sake of the City. He also is considering the fact that DCRAC is the more solvent entity and believes that must be carefully considered.

Also mentioned by Councilmember Peel is the possible conflict of Ms. Harrison presenting on behalf of one organization initially, and now representing the second organization.

Councilmember Wilson asked if it is possible to hear from the Director or Spokesperson from ECDC to advise of their position, in addition to their financial situation.

Ms. Harrison explained that ECDC has the better capacity right now because of what DCRAC has taken on with the additional two programs. ECDC has the ability to keep the project on target and the reason there is no change to anything. The funding is coming through contracts, RFP's and grants provided to ECDC in relation to their workforce development programs. That can be used for renovations and improvements because they will be housed there. However, DCRAC has the tenure, but is strapped due to having a bigger financial responsibility with the new programs.

Mayor Campbell asked that DCRAC come before City Council. Ms. Harrison said that she will make the request though everyone lives in Wilmington which is why she covers Kent and Sussex Counties.

Councilmember Culotta moved to postpone any action on this DCRAC lease, seconded by Councilmember Morrow. Motion carried.

Introduction/Ordinance 2019-07/Chapter 19/Economic Development & Redevelopment/DDD Incentives Reduces Value Threshold from \$15,000 to Zero

Mayor Campbell introduced Ordinance 2019-07, which reduces the DDD investment incentives from \$15,000 to zero dollars. Planning Director Pierce advised it will be on the August 26th Council agenda for review and approval.

Appointment/Reappointment of Board of Adjustment Members

Councilman Brooks moved to reappoint Brandon Warfel to the Board of Adjustment for another three-year term beginning September 1, 2019. Motion seconded by Councilman James and carried.

Appointment/Reappointment of Planning Commission Members

Planning Director Pierce reported that Raymond Lynch and Dwayne Powel appointments expire on August 31, 2019. Mr. Powell filled the Planning Commission vacancy created when Councilman James was elected.

Since then, Mr. Lynch has resigned, effective the end of his term, and a new Commissioner will be needed preferably out of the first or third ward to keep a Citywide balance.

Councilmember Peel moved to reappoint Dwayne Powell, seconded by Councilman Boyle. Motion carried.

Appointment/Reappointment of Parks & Recreation Advisory Board Members

City Manager Norenberg reported that the Parks and Recreation Board also has staggered terms and Chair Andrew Fulton’s term is expiring.

Councilmember Peel moved to reappoint Andrew Fulton for another full term to the P&R Advisory Board, seconded by Councilmember Boyle. Motion carried.

Authorization/Police Vehicles Purchase/Budget Authorization

Chief Brown referred to the following memo:

Purchase and equip two (2) new 2019 4WD Chevrolet Tahoe Police Patrol Vehicle at state contract:

Vehicles:	\$ 74,462
Graphics & Installation:	\$ 1,700
Equipment:	\$ 14,000
Axon Cradle:	\$ 300
Antenna for Cradle point:	\$ 600
DfVCOM:	\$ 900
Removal of Equip & stripes	\$ 800

He referenced the overage of \$462, which was a result of a light that was not included at the time the budget was prepared. However, he will can easily find that money in another line item. He said there is always money left in the equipment installation line item, in addition to a few others.

Councilman Boyle moved to authorize two vehicles be purchased for the amount of \$92,762.00, with the additional funding to be determined by Chief Brown, seconded by Councilman James. Motion carried.

EXECUTIVE SESSION

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

Pursuant to 29 Del. C. §10004(b)(9) Personnel Matter

Motion carried.

Mayor Campbell recessed the Council Meeting at 8:28 p.m. for the purpose permitted by the Delaware Freedom of Information Act.

Return to Open Session

Council returned to Open Session at 9:12 p.m.

Personnel Matter

Mayor Campbell announced that no action was needed as a result of the discussion in Executive Session. A special Council Meeting was scheduled for Monday, August 19th at 6:00 p.m. to continue the discussion.

ADJOURNMENT

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

The Council Meeting adjourned at 9:13 p.m.

Respectfully submitted,

Terri K. Hudson, MMC
City Clerk/Recorder