

MILFORD CITY COUNCIL
MINUTES OF MEETING
February 24, 2020

A Meeting of Milford City Council was held in the Joseph Ronnie Rogers Council Chambers at Milford City Hall on Monday, February 24, 2020.

PRESIDING: Mayor Archie Campbell

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

STAFF: Interim City Manager Mark Whitfield, Police Chief Kenneth Brown and Deputy City Clerk Christine Crouch

COUNSEL: Assistant Solicitor James Sharp, 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.

PUBLIC HEARINGS

Ordinance 2019-30

Milford Marina Enterprises LLC for a Conditional Use for a Planned Unit Development and a Preliminary Major Subdivision on 40.35 +/- acres in R3 (Garden Apartment and Townhouse) and C3 (Highway Commercial) Zoning Districts. Property is located on the south of Cedar Beach Road, east of Beaver Dam Road and west of State Route 1, Milford, Delaware. Present Use: Vacant Land; Proposed Use: 101 Single Family units and 30 Townhouse units for a total of 131-unit subdivision to be known as Knight Crossing. Tax Map 3-30-7.00-035.00, 036.00 & 037.00 (portions)

Planning Director Rob Pierce provided a synopsis of the application.

He informed City Council the applicant proposes to construct a 131-unit residential Planned Unit Development to be known as Knight Crossing. The development would consist of 101 single-family detached condominiums and 30 townhouse condominiums.

The applicant is seeking conditional use approval for the Planned Unit Development with the specific requested deviations outlined in Section II of the staff report. The applicant is also seeking Preliminary Major Subdivision approval.

Based on the information presented, the City of Milford Code and the Comprehensive Plan, the following information was provided:

Evaluation based on "Criteria for Planned Unit Residential Development" as provided in Chapter 230-48.1

Permitted Uses. Uses, accessory uses and signs permitted in any residential district shall be permitted in accordance with the additional requirement and provisions of the article. The proposed single-family detached and townhouse uses are permitted within the City's residential districts and meet this requirement.

Minimum requirements, area and width. In a planned unit residential development, minimum lot area and width may be less than that required by the district regulations, except that no single family lot shall be less than 4,000 square feet in area nor less than 40 feet in width. The width of the lot shall be between lot lines at the front building setback line as determined by the Planning Commission.

The proposed subdivision is a planned condominium arrangement where the dwelling units are constructed on common grounds owned by the condominium association. The typical single-family detached condominium layout is 50' wide by 100' deep, which equals a lot area of approximately 5,000 square feet. The typical townhouse layout 24' wide by 75' deep, which equals a lot area of approximately 1,800 square feet. Lot requirements are listed in the data column on the title sheet for each unit type.

Density. A planned unit residential development is not intended to increase density, but to allow flexibility in the design of the number of dwelling units permitted. If a parcel or parcels have more than one zoning classification, the total permitted density may be located throughout the parcel or parcels. The total permitted density shall be determined by dividing the net development area by the minimum lot area per dwelling unit required by the zoning district in which the land is located. Net development area shall be determined by subtracting 25% of the gross area. Gross area shall not include any wetlands, floodway or similar area not suitable for building as determined by the Planning Commission.

The data column on the PUD sheet shows the density calculation. The total site contains 25.80 +/- acres, which has a net developable area of 19.31 +/- acres. 131 dwelling units divided by 19.31 acres equals a project density of 6.78 dwelling units per acre.

Other requirements. Off-street parking, parking beneath buildings, front, side and rear setbacks, landscaping and buffering, lot coverage, number of units per building and building separation shall be as determined by the Planning Commission. Maximum height shall not exceed 48 feet and four stories maximum.

The applicant is seeking the following deviations from Chapter 230 and Chapter 200:

Chapter 200-5(A)(14) – Reduction in the right of way requirement for the townhouse area from 60' to 50' and a reduction of the pavement width for the townhouse area from 30' to 24'.

Chapter 200-5(A)(16) – Waiver of the requirement to install a 100' right of way cul-de-sac with a 76' diameter paved section on Knight Court. The developer wishes to install a "T" turnaround.

Chapter 200-5(A)(16) – Allow the construction of Knight Court as a dead-end street that is longer than the maximum length allowed of 400 feet.

Chapter 200-5(D)(3) – Allow a reduction in the block width from 275 feet to 250 feet.

Chapter 200-5(E)(4) – Requesting only one front yard setback for a corner lot and then a ½ setback for the other front yard.

Chapter 230-11(B)(1)(a)(2) – Allow an increase in the maximum lot coverage from 45% to 52%.

Chapter 230-11(B)(1)(a)(5) - Allow a reduction in the front yard setback from 30 feet to 20 feet.

Chapter 230-11(B)(1)(a)(6) - Allow a reduction in the side yard setback from 8 feet to 5 feet on each side.

Chapter 200-5(e)(6) – Allow a 25-foot setback for Lots 1-6 between the building envelope and the proposed planted buffer along Beaver Dam Road.

No neighborhood commercial is proposed for this project. The site is adjacent to 14.84 +/- acres of C-3 Highway Commercial land.

A minimum of 400 square feet per unit shall be designated as open space subject to the recreational use. Recreational use requirement – 50% of the required open space shall be set aside for recreation use.

With a total of 131 dwelling units, the project requires 1.20 acres of open space of which 0.6 acres must be designated recreational open space. The development provides 4.74 acres of open space of which 1.42 acres are designated as recreational open space. The proposed recreational open space includes a community clubhouse and swimming pool.

The Preliminary Site Plans have been reviewed for compliance with the City's construction standards and specifications. The applicant is required to construct a water main through the proposed subdivision. The applicant is required to enter into a cost sharing agreement with the Windward on the River developer to construct a regional sanitary sewer pumping station and associated force main. The Knight Crossing project will be served by a gravity sanitary sewer.

Obtained approvals or no objection letters from DelDOT, State Fire Marshal's Office, Sussex Conservation District, DNREC WPCC and DHSS;

The Planning Commission held a Public Hearing on the matter on December 17, 2019, and recommended all waivers with exception of the following two requests:

Chapter 200-5(A)(14) – Reduction in the right of way requirement for the townhouse area from 60' to 50' and a reduction of the pavement width for the townhouse area from 30' to 24'.

Chapter 230-11(B)(1)(a)(6) - Allow a reduction in the side yard setback from eight to five feet on each side

Mr. Pierce noted the application was properly advertised in the Milford Beacon in November 2019 and all property owners within 200 feet mailed a copy of the public notice.

Ben Kulp with Duffield Associates and Don Lockwood of Milford Marina Enterprises represented the application.

Mr. Kulp confirmed the comments made by Mr. Pierce reiterating their plans are to develop a total of 131 units comprised of 30 townhomes and 101 single family units in a PUD and a condo-style development. Individual ownership is just of the unit itself and a maintenance corporation will oversee the open areas and lots.

The road widths within the development will be 25 feet wide per Milford's Code. The right-side road, in front of the townhomes, will be widened to 30 feet to meet the Code with plans for a 50-foot right-of-way. They are requesting a reduction of 10-feet in the right-of-way and not a full reduction of the roadway.

He confirmed that has been addressed since the Planning Commission meeting.

The other item the Planning Commission recommended denial was the five-foot side yard setback. Since then, the layout has been approved by the State Fire Marshal, which should appease any concern the homes may be too close.

The utilities on site will be owned and maintained by the City of Milford. The two entrances onto Beaver Dam Road will be reviewed and approved by DelDOT.

The plan contains a community center for private use by the owners of the units.

Mr. Pierce confirmed the minimum side yard setback for an R2 or R3 is eight feet from the property line.

When asked what impact not being granted the waiver would have, Mr. Kulp explained it will reduce the number of units by approximately twenty.

Mr. Lockwood added that when they first applied and received the change of zone on the advice of Mr. Pierce, they agreed it was the best way to accomplish the goal of this particular plan. They have also done this type of detached condominium in the Rehoboth Beach area after which it was very successful.

He emphasized that these are not really lot lines because this is a condominium association, which means it is an all-inclusive type facility for maintenance, and so forth.

In addition, Mr. Lockwood said they met the fire marshal concerns, noting that Milford Ponds were also given waivers of five foot versus eight.

When asked the risk of the 10-foot reduction, Mr. Pierce explained the City Code requires the 60 foot to provide adequate area for utilities to be constructed across the front. He agrees there have been reduced right-of-way in other subdivisions previously approved, but it is a waiver that must be granted by City Council and the Planning Commission.

Interim City Manager Whitfield added that they would need to consider what type of utilities will be installed in the right-of-way, their depth and relationship to sidewalks. He also noted the other issue is sidewalks and whether they abut the curb, adding that Milford Ponds has a bit of a setback with their sidewalks. All of which would need to be considered.

Mr. Kulp confirmed the sidewalks are throughout the entire development.

In addition to the two parking spaces per unit, Mr. Kulp reported there are 23 additional or overflow spaces.

Councilman Marabello confirmed that is based on the driveway and garage areas.

Mr. Kulp explained that is another advantage to having the roadway widened and using one side of the street for parking would prevent any hinderance to traffic flow.

Eight spaces will be provided at the pool. It was also emphasized this is considered a walking development.

Councilmember Boyle feels that squeezing property lines and other areas to allow for more houses, ends up being a detriment to the homeowners. The result is a community with insufficient parking. He understands there is a garage and that is counted as a parking spot. A couple that moves into a house with a teenager, typically owns two to three cars plus.

Councilman Boyle also expressed concern about the difficulty getting emergency equipment deployed and through the streets because they are congested and narrow. In his community, they agreed to eliminate on-street parking at night for that exact reason.

He has lived in townhouse communities and has always found the biggest issue is lack of parking.

Councilmember Boyle understands that they have met the requirement, but he recommends the City review its current standards which he feels are incompatible with today's lifestyle. He agrees townhouses are a nice way of living and are becoming more prevalent, but parking remains a problem.

Because of that, Councilmember Boyle has concerns with parking and some of the waivers being requested. He feels there is sufficient room to make a very nice community and does not want that to deteriorate into another crowded community. He suggested looking at a couple other communities in Milford that are already facing parking issues and are not yet built out.

It was confirmed this subdivision was built to appeal to 55 plus and all homes will have two-car garages, which creates four spots per single family unit and is adequate for those demographics according to Mr. Kulp.

Because this will include a mixture of basements and non-basements homes, Councilman Marabello worries that people may be using their garage for additional living space/storage which nullifies the use of the garage.

Councilman James pointed out that Council has the responsibility to understand the code, though Councilmembers do not always have to agree with a concept. A plan that meets all the requirements in the City Code needs very serious consideration, in his opinion. However, a waiver is another subject.

He also does not want to legislate how someone lives in their home.

Mr. Pierce then reported that based on their comments regarding the right-of-way and road width reductions, they are willing to give the pavement width required by code for both the townhouse and the single-family area. They are only seeking a reduction in the public right-of-way.

He verified the plan meets the parking requirements, based on the code and the reduction applies to the right-of-way of 60 to 50 feet, and the side setback from a 16 feet separation to 10 feet. All other deviations, as allowed in the subdivision chapter or the PUD code, were recommended by the Planning Commission.

Councilman Culotta disagrees with Councilman Boyle's concern about cluttered subdivision with lack of parking and narrow streets; however, the City Code has been reviewed and analyzed and he thinks the reductions the developer is asking for are not big deals considering what they are providing for the City.

Councilmember Wilson reminded Council to be careful when questions are raised on new projects, when similar projects have already been approved with similar waivers.

Councilmember Boyle agrees though he thinks we may be able to learn from prior shortcomings and address them through corrections. He reiterated that parking is a concern and he has personally experienced that and suggests Council look closely and analyze those numbers per household, which needs to be addressed at some point.

Councilmember Culotta also pointed out that if we require the developer to comply with the 8 feet side yard setback, that would reduce their footprint by 22 units. He believes that will impact affordable housing because of the amount of money needed to develop the land. He emphasized that the less units they build, the smaller return the developer receives. That means a higher per unit cost to the consumer.

When asked the anticipated cost, Mr. Lockwood said they plan to start selling condos in the high \$100's and the single family detached will be \$250,000 to \$400,000.

Councilman James said he does not want to get into the economics of the developer's return on the investment because that could change due to a number of factors. He believes that is up to the developer and his concern is whether or not this is appropriate for the City of Milford and whether it is a benefit to add more housing.

Mr. Lockwood said their goal is to provide a very nice development, a successful project, and a business model they are comfortable presenting to Council.

Mayor Campbell then opened the floor to public comment. No one responded. The floor was then closed.

Assistant Solicitor Sharp reminded Council there were two waivers the Planning Commission did not recommend approval and a vote of six would be needed to overturn the recommendation(s).

Councilman Boyle moved to adopt Ordinance 2019-30, and approve the waiver recommendations made by the Planning Commission, as noted below, seconded by Councilmember Marabello:

Chapter 200-5(A)(16) – Waiver of the requirement to install a 100' right of way cul-de-sac with a 76' diameter paved section on Knight Court. The developer wishes to install a "T" turnaround.

Chapter 200-5(A)(16) – Allow the construction of Knight Court as a dead-end street that is longer than the maximum length allowed of 400 feet.

Chapter 200-5(D)(3) – Allow a reduction in the block width from 275 feet to 250 feet.

Chapter 200-5(E)(4) – Requesting only one front yard setback for a corner lot and then a ½ setback for the other front yard.

Chapter 230-11(B)(1)(a)(2) – Allow an increase in the maximum lot coverage from 45% to 52%.

Chapter 230-11(B)(1)(a)(5) - Allow a reduction in the front yard setback from 30 feet to 20 feet.

Chapter 200-5(e)(6) – Allow a 25-foot setback for Lots 1-6 between the building envelope and the proposed planted buffer along Beaver Dam Road.

Motion carried by roll call vote.

Councilmembers James and Wilson both stated their yes vote was based on the recommendation for the favorable waivers made by the Planning Commission.

Councilmember Culotta moved to authorize the following two waivers, as requested by the developer:

Chapter 200-5(A)(14) – Reduction in the right of way requirement for the townhouse area from 60’ to 50’ and a reduction of the pavement width for the townhouse area from 30’ to 24’.

Chapter 230-11(B)(1)(a)(6) - Allow a reduction in the side yard setback from 8 feet to 5 feet on each side.

Motion seconded by Councilmember Wilson. The following roll call was taken:

<u>No</u>	<u>Yes</u>
Marabello	Culotta
Boyle	Brooks
Peel	Morrow
	James
	Wilson

Motion failed by a 5-3 vote, for lack of a two-thirds majority.

Because of its denial, Councilmember Culotta separated the two issues. He then moved to authorize the following waiver, as requested by the developer:

Chapter 200-5(A)(14) – Reduction in the right of way requirement for the townhouse area from 60’ to 50’ and a reduction of the pavement width for the townhouse area from 30’ to 24’.

Motion seconded by Councilmember Wilson and carried by a super majority vote to reverse the decision of the Planning Commission:

<u>No</u>	<u>Yes</u>
Marabello	Boyle
Peel	Culotta
	Brooks
	Morrow
	James
	Wilson

Motion to authorize the following waiver, as requested by the developer, made by Councilmember Culotta, seconded by Councilmember Wilson:

Chapter 230-11(B)(1)(a)(6) - Allow a reduction in the side yard setback from 8 feet to 5 feet on each side.

<u>No</u>	<u>Yes</u>
Marabello	Culotta
Boyle	Brooks
Peel	Morrow
	James

Wilson

Motion failed for lack of a two-thirds majority (six votes):

Assistant Solicitor Sharp confirmed the result of the vote that will allow the developer to proceed with the waivers, other than the that of Chapter 230-11(B)(1)(a)(6) - Allowing a reduction in the side yard setback from 8 feet to 5 feet on each side, which was denied.

Ordinance 2019-41

Change of Zone/Lands Belonging to Coranado Treasures LTD/1017 S DuPont Blvd, Milford, DE 19963/ 2.84 +/- Acres/Current Zone OB1/Proposed Zone C3/Tax Map 1-30-3.19-013.00

Planning Director Pierce again reviewed the application and recalled the in-depth conversation that occurred at the last meeting. Unfortunately, the applicant was not in attendance and the public hearing postponed until this evening.

The applicant proposes to change the zoning designation of the above referenced parcel from OB-1 (Office Building) to C-3 (Highway Commercial). Any proposed use would be subject to the City Code, specifically the use and area regulations adopted at the time of application.

The Change of Zone request is consistent with the 2018 Comprehensive Plan Future Land Use maps which designates the property as Commercial, for which C-3 (Highway Commercial) is suitable. The Comprehensive Plan States Highway Commercial zones should be located along major transportation routes, including DE 1, US 113, Route 14 and Business 1.

US 113/South Dupont Boulevard is a State-maintained roadway and is considered a principal arterial road according to DelDOT's functional classification map. Site access and entrance improvements would be reviewed and approved by DelDOT as part of the site plan approval process.

The properties to the north and south are both zoned R-1/Single-Family Residential district and each contains a single-family detached dwelling. The property to the east is zoned R-3/Garden Apartment and Townhouse District and will contain future townhouses within the Simpsons Crossing Planned Unit Development. The property to the west, across US Route 113, is zoned R-3 and is part of the Cypress Hall Residential Planned Unit Development.

All properties within 200 feet were mailed a copy of the public notice, which was also advertised in the Milford Beacon on November 27, 2019.

He also recalled the email read into the record at the January 27th meeting, from the adjacent property owner who was opposed to the change of zone application.

The Planning Commission recommended approval of the change of zone application at their December meeting by a unanimous vote.

Mr. Pierce confirmed this property is approximately 3,500 feet south of the site of the proposed convenience store that was previously denied by City Council.

Applicant Dr. Domingo Avado and his wife were both in attendance. Dr. Avado explained they originally purchased the property to have a medical office. However, he has since moved away from Milford and now they recognize the commercial value of the property, though it has not yet been placed on the market.

They did observe the area and the several areas being developed. He feels that transferring the zoning to commercial C3 will open many more opportunities for the City.

Mayor Campbell opened the floor to public comment; no one responded. The floor was closed.

Councilmember Boyle moved to adopt Ordinance 2019-41, authorizing the Change of Zone from R1 to C3 at 1017 South DuPont Blvd, seconded by Councilmember James. Motion carried by unanimous roll call vote:

Marabello-yes, based on the ruling of the Planning Commission.

Boyle-yes, stating the change of zone is consistent with the 2018 Comprehensive Plan and will meet the requirements of Chapter 230.

Peel-yes, based on the Comprehensive Plan.

Culotta-yes.

Brooks-yes, based on the Comprehensive Plan.

Morrow-yes, because it aligns with the Comprehensive Plan and the recommendation of the Planning Commission.

James-yes, it is consistent with the Comprehensive Plan.

Wilson-yes, based on the Comprehensive Plan.

COMMUNICATIONS & CORRESPONDENCE

Community Cleanup Day

Councilmember Boyle reported the Chamber of Commerce and the City have partnered in sponsoring a Community Wide Cleanup Day on April 4th. They have asked for 200 volunteers. The City will also provide materials and equipment. He encouraged neighborhoods and civic groups to participate.

Any questions should be directed to Local Government Management Fellow Christine Hoh at the City of Milford.

Ms. Hoh was in attendance and was asked if this will replace the previous cleanup day that Perdue sponsored last year. She explained it is somewhat putting the two events together and Perdue has been asked to participate.

Park and Recreation's RJ Skinner will be overseeing the project, similar to what has been done in the past.

Carlisle Fire Company

When asked if the Carlisle Fire Company has received their annual allotment, Mayor Campbell explained it is still in the hands of their attorney and Solicitor Rutt's office. It was determined that the fire company always signed an agreement with the City after the first of the calendar year, after which the check was released.

Marvin Sharp agreed to follow up with Solicitor Rutt.

UNFINISHED BUSINESS

Annexation Committee Report-First Baptist Church Petition

Mr. Pierce referred to the following report of the Annexation Committee report:

A public meeting was held in Council Chambers on February 10, 2020 to consider the annexation request for lands described as:

Property Owner: First Baptist Church of Milford
Location: 6044 Old Shawnee Road
Size: 1.14 +/-acres
Existing Zoning: MR - Medium Residential (Sussex County)
Proposed Zoning: R-1 (Single-family Residential)
Tax Map and Parcel Number: 1-30-3 .06- 125 .00

The following committee report was provided to Council:

APPLICANT

A petition by the property owners was submitted on January 2, 2020 to annex 1.14 +/- acres into the corporate limits of the City of Milford.

LOCATION

The property is identified as Sussex County tax parcel 1-30-3 .06-1 25.00 and is located along the north side of Old Shawnee Road approximately 1,900 feet west of the S. Dupont Boulevard intersection.

STREETS

The property contains an existing single-family detached dwelling with one residential entrance along Old Shawnee Road. Old Shawnee Road is a State Maintained roadway and any changes in access would require DelDOT approval.

DRAINAGE

The residential site is already developed. Any future redevelopment of the property would be subject to DNREC storm-water regulations and the owner would be required to obtain any and all permits from the Sussex Conservation District and State of Delaware.

ZONING

The area proposed to be annexed is currently zoned MR (Medium Residential) in Sussex County under the Sussex County zoning ordinance. The applicant requests the property be zoned R-1 (Single-family Residential District) under the City of Milford zoning ordinance.

SEWER

The property is currently served by an onsite septic system under the governance of DNREC. The property owner would be permitted to keep the onsite septic system until such time that sewer became available to the property. Any redevelopment of the property would require connection to City sewer service. It is determined that the applicant would have to extend sewer from the Brookstone Trace development to serve the existing church and the subject parcel containing the single-family dwelling. The property owner would have to design and construct a pumping system to convey the wastewater from the property to Brookstone Trace. All costs associated with the design and construction of the sewer extension would be borne by the applicant. Any construction improvements would need to be reviewed and approved by the City Engineer.

WATER

The property is currently served by an onsite well under the governance of DNREC. The property owner would be permitted to keep the onsite well until such time that water became technically available to the property. Any redevelopment of the property would require connection to City water service. It is determined that the applicant would have to extend water service from the Brookstone Trace development or along Old Shawnee Road to the east in order to serve the existing church and the subject parcel containing the single-family dwelling. All costs associated with the design and construction of the water main extension would be borne by the applicant. Any construction improvements would need to be reviewed and approved by the City Engineer.

ELECTRIC

The property is currently served by the City of Milford.

TRAFFIC

The existing single-family dwelling has a single residential driveway along Old Shawnee Road. Old Shawnee Road is a State Maintained roadway and any changes to the access would need to be approved by DelDOT.

ENVIRONMENTAL ISSUES

The U.S. Army Corp of Engineers will control provisions under Section 404 of wetlands on the parcel. According to the DNREC Navigator website, the property does not contain state mapped wetlands. The property is not located within the 100-year floodplain according to the most recent FEMA Flood Insurance Rate Maps (FIRMs). The property does not contain areas of excellent groundwater recharge according to DNREC Navigator website.

AREA LAND USES

The properties to the south and west are owned by the First Baptist Church of Milford and contain the church and youth center. The properties to the east contain similar single-family detached dwellings. The properties to the east, across Old Shawnee Road, contain single-family detached dwellings.

FIRE AND POLICE

The subject parcel is located within the Carlisle Fire Company district area according to Kent County's online mapping application. Carlisle Fire Dept. already provides fire and EMS coverage to this area. EMS is also currently provided by Kent County Levy Court. Milford Police Department will provide police service.

COMPREHENSIVE LAND USE PLAN

The annexation request is consistent with the 2018 Comprehensive Plan Future Land Use Plan and is designated as Proposed Low Density Residential.

PROPERTY TAXES AND OTHER ECONOMIC CONSIDERATIONS

The proposed annexation will not generate new property tax revenue to the City since the owner is considered a non-profit organization. Extension of utilities would provide additional revenue within the sewer and water system.

ADVANTAGES TO THE CITY

1. The property is within the planning area of the City of Milford.
2. The City would receive revenues (building permits, etc.) for activity on the property.
3. Potential for additional water and sewer user.
4. Identified within the Urban Growth Boundary of the 2018 Comprehensive Plan.
5. Consistent with the Comprehensive Plan Future Land Use exhibits.

DISADVANTAGES TO THE CITY

None.

RECOMMENDATION

Based on the issues and comments discussed in this report, the Annexation Committee of the City of Milford recommends approval of the application, following a unanimous vote, with the following comments:

1. Annexation is consistent with the "Comprehensive Land Use Plan."
2. Property is contiguous to existing City Limits.
3. Any changes to the property are subject to review by the City of Milford Planning Commission and/or City Council.
4. Property is already served by City Electric. The property could be served by City Sewer and Water in the future.
5. An executed Annexation Agreement is required prior to final City Council approval.
6. Upon approval of the annexation committee report, a Municipal Annexation Plan of Services will be submitted to the Office of State Planning for their approval.

The property should be annexed with the R-1 (Single Family Residential) zoning designation.

Signed by Chairman Owen Brooks Jr. and the Annexation Committee Members

The petition will be added to the March agendas for Public Hearings before the Planning Commission and City Council.

Vinyard Shipyard Property Status

Interim City Manager Whitfield then discussed the request by Friends of the Vinyard Shipyard for the City purchasing that property. The property would provide a continuous ownership of riverfront property and provide a missing link for the trail connecting downtown to Goat Island. The ship building could provide an educational venue to display and portray the shipbuilding heritage of Milford.

Mr. Whitfield asked that Council consider the following questions:

- Is Council interested in owning the Vinyard Shipyard property?
- If the City is interested in owning the property, how much City funds, if any, should be used for the purchase?
- If the City does take ownership of the property, how will future maintenance of the property be funded?

The City may elect to own the property only with a business plan outlining how future maintenance would be paid for, without the use of City funds. In short, the ownership and operation of the property should be self-sustaining.

Additionally, if the expectation is that the City maintain the property, it should be clear what the future liability is on the City for that future maintenance.

Mr. Whitfield recommends considering a business plan to ensure the property be self-sustaining in some manner.

No action is needed tonight, though he welcomes additional thoughts. Several past references were then made, though it was agreed to hold a future workshop to discuss the matter.

NEW BUSINESS

Funding Request/Chamber of Commerce for Greater Milford/Riverwalk Freedom Festival

Mr. Whitfield shared that the Chamber of Commerce is requesting \$25,000 to help celebrate the 20th Anniversary of the Riverwalk Freedom Festival.

Chamber Executive Director Jo Schmeiser and Riverwalk Freedom Festival Chairman Angela Dorey are in attendance to provide a brief Powerpoint on the Festival and funding request. The presentation was included in the meeting packet.

Ms. Dorey reported the festival is the Chamber of Commerce for Greater Milford's largest annual fundraiser. The Chamber is currently a 501c6 nonprofit rather than a 501c3 non-profit and is not eligible for grants like most other non-profits.

The September 2020 festival will be their 20th Anniversary and they plan to expand and grow the festival bigger and better than ever. The goal is to draw more visitors to Milford, help boost the economy, as well as encourage the local community to participate more and enjoy. In order to do so we would require additional funds.

Funding would be used for additional and improved activities in the Kids Corner, additional and improved entertainment, increased advertising that includes Red, White and Brew Garden's 20th Anniversary keepsakes and memorabilia, a longer fireworks display, and higher priority will be given to the Festival's security and safety.

It was confirmed that overall, expenses run between \$18,000 to \$19,000 per year.

To support the expansion of Milford's largest and oldest outdoor festival, Ms. Dorey is asking the City to contribute \$25,000 this year and to consider future years as well.

It was confirmed that in the past, Parks and Recreation has contributed to the fireworks, in addition to the City providing other in-kind support from Parks and Recreation, Public Works and the Police Department.

Ms. Dorey further explained the \$25,000 to be used for the following:

- Kids Corner: \$5,000 -Water Fun Gun, Super Speedway, Escape Room, Games, Prizes- was \$211 in 2019
- Advertising: \$5,000 -Broadcast, Print, and Social Media- was \$5,023 in 2019
- Entertainment: \$9,000 -More bands, better known artists, improved staging, and more sound equipment- was \$2,200 in 2019
- Fireworks: \$5,000 -Synchronized music and longer show- was \$10,000 in 2019
- Safety & Security: \$1,000 -Crossing Guards and Police- was \$1,079 in 2019

Councilmember Culotta added that Council recently approved funding for the Ladybug Festival, which is a family-friendly event. He especially likes the upgrades to the Kids Corner which would align with this being a family-friendly event.

When asked about monies from the Economic Development Fund, Planning Director Pierce recalled the possibility of using those funds for the Northeast Front Street Streetscape project in the amount of \$200,000. It was noted there was \$104,000 left in the account at the end of December 2019.

Mr. Pierce recalled that when the Streetscape application was discussed in 2016, there was a 29% commitment of the \$1 million, which will need to be paid eventually from the General Fund Reserves or Economic Development Fund. Land that is sold in the business park will add to the economic development fund.

Councilmember Brooks questioned the funding that was eliminated for the parade committee; Councilmember Morrow agreed that needs to be reconsidered especially considering the number of people it brings to Milford. Councilman Brooks recalled when Jim Gray was told to raise his own money. He thinks it should be all or none.

Councilmember Wilson recalled approximately twenty years ago when City Council voted to eliminate future funding of organizations and events, which was a very difficult decision at the time, because it was mainly involved youth organizations. However, it was recommended at the time by the City Manager who felt there was a question of using taxpayer's money.

Councilmember Culotta pointed out that the question needs to be asked about the greater good of Milford and bringing outsiders into Milford for an event, and those people spending their money here, has a value in his opinion. He does feel it is more of an economic development purpose though he also agrees Council need to decide who should receive funding because they are unable to do it for everyone.

When asked if because this is the 20th Anniversary, will this be requested in perpetuity, Ms. Dorey said they plan to request the funding as they move forward. Taking this to the next level this year, then backing it down a notch the following years, would be a deterrent to participants in her opinion. In the meantime, they will continue their financial contribution and fundraising for the event.

The increase anticipated in entertainment fees, will be in part, to hire more prevalent bands in the area, which will bring in more locals through their following.

Ms. Dorey confirmed that the Chamber receives in-kind donations for these events, and though they do not anticipate raising any less money, they propose the \$25,000 added to this year's event, will allow them to increase activities, have bigger and more fireworks and make the event more superior event overall.

She also noted the festival is open to the public at no cost and the Chamber takes pride in keeping the kids games and activities affordable, which she feels is a way to give back to the community. It was confirmed a total of \$16,4808 was raised through sponsors.

Councilmember Culotta moved to authorize \$25,000 for the 20th Anniversary of the Riverwalk Freedom Festival with budgeting for future years, to be paid from General Fund Reserves, based on the positive impact and promotion of the City, to be paid from General Fund Reserves, seconded by Councilmember Boyle. Motion carried by a 7-1 roll call vote with the following statements made:

Councilmember Peel votes yes, and added the caveat this funding may not always be in the budget but appreciates the 20th year celebration plans.

Councilmember Brooks votes yes though he will talk to Jim Gray about his Halloween Parade because the City stopped giving him money and then he can come to the City and ask for money.

Councilmember Morrow also votes yes adding we spend a lot of money on studies and economic development in Kent County and what really brings our best bang for the buck is events that bring people to Milford. He referenced the all-female concert that put Milford on the map, in addition to this event. However, he agrees the City should talk to the Halloween Parade and other once-a-year events, because other towns and cities are doing a lot more than Milford is. He sees a need to step up to the plate to assist with funding.

Councilmember James also votes yes and agrees this is for the greater good of all citizens of Milford and the tax dollars will benefit all citizens. He does not know if it should be a perpetual contribution, and when reviewing other organizations' requests, these votes need to be kept in mind, because the next person that asks will be aware of this action.

Councilmember Wilson votes no not because she does not believe in the event, but because she feels this is opening doors for many organizations to ask. She feels it will be difficult to pick and choose who receives the money and who

does not. This reminded her of the former Finance Committee Chairman who always said the City is healthy, but not wealthy.

Councilmember Wilson mentioned other situations in which parents are putting out a lot of money for their children to participate in events, which would be somewhat unfair, and the reason she is saying no.

Ms. Dorey agreed with the concern, adding that they embrace those youth activities and ask them to participate in these festivals at no cost, as a way to help promote them, as well as raise funds for them.

Councilmember Boyle recommends this matter be added to the next Community and Economic Development Committee meeting for further discussion. Councilman Brooks recalled when Richard Carmean stopped this and believes it is in black and white somewhere. He said Council needs to stop giving money to everyone again.

Authorization/State of Delaware DNREC Mosquito Spraying Policy

Mr. Whitfield reminded Council that the City has contracted with DNREC's Mosquito Control Section for more than fifteen years to control larval and adult mosquito populations and treat mosquito habitats within City limits, which is handled through an annual agreement.

Councilmember Wilson moved to authorize the execution of the DNREC Mosquito Control Spray Policy for 2020, seconded by Councilmember James. Motion carried.

*Adoption/Resolution 2020-13a/Proceed with PD Borrowing/Schedules Public Hearing
Adoption/Resolution 2020-13b/Proceed with PD Borrowing/Schedules Public Hearing*

Interim City Manager Whitfield reported that the Annual City Election will be held on Saturday April 25, 2020. If Council chooses to place a Bond Referendum on the ballot, the City Clerk needs approximately two months for advertising and to complete all necessary preparation work. Therefore, a decision on the bond amounts need to be at this Council meeting.

The total estimated cost for the police station project is \$18,429,045. The City has a commitment of funding through the State Bond Bill of \$300,000, however, the Bond Bill money requires Delaware Prevailing Wages be used on the entire project. This provision could add 30 to 35% more to the cost of the project. Therefore, staff recommends Council NOT factor the Bond Bill funding in the equation. It is recommended \$18,429,045 be considered for borrowing to fund the new police facility.

Council must decide on the amount of the bond issue. There are two scenarios: 1) an issue of \$15.429 million or 2) an issue of \$18.429 million. Given the historic low interest rate, Council may want to take advantage of borrowing the full amount for the Police Station. The \$15.429 million would necessitate using \$3 million of fund balance operating cash from the Electric Operating Cash, as has been accumulated over the past two years.

In order to obtain the lowest interest rates, the bonds will need to be sold over two years as bank-qualified bonds. Therefore, each issue needs to be below \$10 million. It is proposed there be one issue in June 2020 and a second issue in January 2021.

The two scenarios would be a borrowing for 30 years with an average interest rate of 2.41%. A \$0.01 tax increase results in \$89,000 in revenue. Each \$0.01 tax increase equals \$20/year to a home owner with an assessed property value of \$200,000.

Scenario 1 – Borrow \$15,429,045

The \$15,429,045 would require \$782,000 per year in debt payments resulting in a \$0.09 tax increase, or a \$15 per month increase on an average property owner (or \$180 year).

Scenario 2 – Borrow \$18,429,045

\$18,429,045 would require \$932,000 per year in debt payments, resulting in a \$0.105 real estate tax increase, or a \$17.50 per month increase to an average property owner (or \$210 per year).

Additional monies through the Community Transportation Funds for the project have been verbally committed by our local State Representative for the sidewalks and parking lot area. However, because there are no firm commitments or cost estimates, those funds cannot be included in the funding options at this time. The Bond Bill money may also be factored into the project at a later date, provided the provision for Delaware Prevailing Wage is waived. Should these funds become available, it may result in borrowing less money for the second bond issuance (January 2021).

Using \$3 million from the Electric Fund carries some challenge risks, since the five major rate payers are large businesses who comprise of over 60% of the electric usage.

Additionally, the numerous electric customers who live outside the City will not receive a benefit with the new police station. For these reasons, Council may want to consider a decrease in electric rates rather than using the profits from electric for the new police station.

Lastly, given the historic low interest rate, staff believes it is more prudent to borrow the entire amount needed.

Councilmember Peel asked if there is a way to separate the prevailing wage/labor work; Mr. Whitfield said he is unsure if there are restrictions on the bond funds, but one proviso would be to use that money for the architect fees in lieu of the building expense portion.

Councilmember Morrow disagrees with Mr. Whitfield regarding electric customers living outside the City not receiving any benefits from the new police station. His opinion is those electric customers will get a ton of benefits because they receive services from Milford Police. He said Chief Brown can confirm how many times Milford Police go outside the City which is every day.

Mr. Whitfield said he wanted to address it as a potential challenge risk. Councilmember Morrow said that may be now but there has been money transferred to balance the General Fund budget though there have never been any challenges yet. He emphasized the new police station will benefit both Kent and Sussex Counties and will attract officers and we will not have the turnover we have now. It will also attract more people to live in Milford.

Mayor Campbell prefers borrowing the smaller amount of \$15,429,000, which would result in a smaller tax increase for our residents and on an average \$200,000 home, less than a \$200 annual increase.

Councilmember Culotta stated that we also need to consider the historic, low rates that are available and believes this is the time to strike when the iron is hot. It was agreed that once the study is completed, perhaps customers will receive a lower electric rate, which would be a return to all electric customers. However, he agrees it is a tough call and it is easy to go either way.

Councilmember Peel asked if the numbers being presented, are based on the assumption that everything will go as planned and no changes will need to be made.

Mayor Campbell pointed out several deficiencies at the current building and especially the ongoing flooding issues which have occurred since it was built. Council agreed there is no debate on the need, but instead the manner in which it will be funded.

Assistant Solicitor Sharp referenced the two different resolutions, recommending that one be voted on, and depending on the outcome, vote on the next one.

A discussion followed regarding the current interest rates. Councilman James pointed out that presently, the City has the ability to borrow more money, with a lesser impact on our taxpayers, which provides the opportunity to borrow the \$18.4 million. With the \$3 million being considered out of electric operating cash, he does not feel a difference of \$30 a year will negatively impact a taxpayer's decision to vote for or against the project. He also agrees that all utility rate payers must be taken into consideration. There are a couple scenarios and whether the additional operating cash should

be returned to the ratepayer, or used to pay off existing higher-rate bonds in the electric utility, which could also positively impact the electric rate paid by our customers.

Councilmember James welcomes any public comments, adding that this is difficult, but a decision needs to be made that is best for ratepayer and the taxpayer, who are often the same person.

Councilmember Marabello understands referencing the borrowing of the full \$18.4 million and using the \$3 million to pay off the higher interest rate loan could be a simple swap. However, he feels the money has been saved for a specific purpose, which purpose is now to build a new police station. He believes there is enough from his analysis of the City's finances to use the \$3 million and favors the \$15.4 million.

He also does not believe interest rates will be increasing.

The current interest rate is 2.41% and Councilman Marabello pointed out we are making less on our CD's. Using the City's money would actually make the City .5%.

He also added that if money is needed in the future, Council has the authority to increase property taxes without a referendum. However, he also feels there is plenty of money in impact fees and realty transfer tax that can be used for resources.

Mayor Campbell then opened the floor for public comment regarding the two resolutions.

Resident Sara Pletcher then prepared to speak.

A conversation ensued about appointee's ability to speak on matters during public hearings. Assistant Solicitor Sharp affirmed it is appropriate for a Planning Commissioner to speak, as long as it did not involve issues that have been, or will be, reviewed and/or action taken by the Commission.

The following comments were then included in the record:

Sara Pletcher of 8 Elizabeth Street:

I agree with the recommendation in Resolution 13B for the following reasons:

I feel the amount in option A saved per year is not substantial enough to garner more votes to pass a referendum. Voters will typically vote yes or no for a tax increase, regardless of how much the increase is. Therefore, if option A only saves \$30 a year by using electric funds and potentially raising electric rates in the future to make up for that loss, is not the best business decision. Ultimately, we need a new police station and I believe you are more inclined to have a favorable recommendation with option B, because the difference in the annual costs will not substantially impact a taxpayer.

Second, as staff stated, the electric reserves is made up of money from all electric customers, some of which are not within City limits, such as Shawnee Acres, which is a large neighborhood in this community. They are not represented by any Councilmember, nor can they utilize Milford Police Department's service. Using their electric funds to upgrade a service they cannot fully access, is opening the City to litigation potentially and community backlash.

It is my understanding that if someone has a complaint in Shawnee Acres, they would call and the State Police would respond.

Also, Shawnee Acres has on many occasions stated they do not want to become part of the City of Milford, which is their choice.

Ms. Pletcher further noted that the Shawnee Acres HOA could claim the City is using their electric money for a service they cannot access. She feels that if Council were to approve this, it would potentially open up a can of worms.

Joe Wiley of 202 Lakeview Avenue-

Sara has a good point and from a business perspective, with rates being historically low, I agree it would be in the City's best interest to borrow the full amount. I also feel that if there is \$3 million in surplus in the electric fund from the past two years, and because Milford is supposed to have all their utility funds in separate baskets, they really should refund that money back to their electric customers through some type of rate reduction. In that way, we will see the true cost of buying electric in the City of Milford.

Nina Pletcher of 428 South Walnut Street-

I appreciate the difference of approximately \$30 a year because she asked last time to have that number broken down for individual households. Historically, this town cannot pass a referendum. If the goal is to get a referendum that works, \$30 is not going to change whether a person votes yes or no. That person is going to vote yes or no, if they want a police station or the person does not.

I think it is an insult to the citizens of this City to say they would not consider that direction. I agree with option B to borrow the entire amount.

There being no further persons wishing to speak, the floor was closed.

Assistant Solicitor Sharp recommended voting on Option A first because it is first on the agenda. There was some discussion about the procedure regarding the two separate options before City Council.

Councilmember Culotta then moved to adopt Resolution 13A, using the \$3 million from electric operating funds, seconded by Councilmember Boyle:

RESOLUTION 2020-13A
AUTHORIZING THE ISSUANCE OF GENERAL OBLIGATION BONDS
IN AN AMOUNT NOT TO EXCEED \$15,500,000 AND
SCHEDULING OF PUBLIC HEARING ON MARCH 23, 2020

WHEREAS, the City Council of the City of Milford, Delaware ("Council") has been advised that up to \$15,500,000 is required to finance the design, construction and equipping of a police station and to complete other necessary infrastructure improvements in connection therewith as well as other miscellaneous capital projects (the "Capital Project").

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

1. The Council hereby proposes unto the electors of the City that an amount of money not exceeding \$15,500,000 (exclusive of original issue discount) be borrowed to pay for the costs of the Capital Project and to pay the costs associated with the financing. The borrowing is expected to be accomplished through the issuance of the City's General Obligation Bonds, Series of 2020 (the "2020 Bonds").
2. The average rate of interest on the 2020 Bonds shall not exceed 3.5%.
3. The 2020 Bonds shall be secured by the full faith and credit of the City.
4. The 2020 Bonds shall be paid or funded from tax revenues of the City.
5. The City will utilize the 2020 Bond proceeds to fund the Capital Project and will be authorized to use a portion of the proceeds of the 2020 Bonds to pay costs associated with the issuance of the 2020 Bonds.
6. A Public Hearing upon this Resolution shall be held in the Joseph "Ronnie" Rogers Council Chambers at 201 S Walnut Street, Milford, Delaware on Monday, March 23, 2020, commencing at 7:00 p.m., at which time the City Council shall vote upon the final authorization for the 2020 Bonds.

Assistant Solicitor Sharp pointed out that typically when there is a tie vote, the vote goes to the Mayor. However, there is also a second option that can be considered.

Motion carried by the following 5-4 vote, with Mayor Campbell voting in favor of the motion, breaking the initial 4-4 tie:

Marabello-yes
Boyle-yes
Peel-no
Culotta-no
Brooks-yes
Morrow-yes
James-no
Wilson-no
Campbell-yes

Further discussion followed regarding the procedure and manner in which to address the second resolution, which is also on the agenda.

Assistant Solicitor Sharp then recommended public comments be taken on Resolution 2013B.

Nina Pletcher of 428 South Walnut Street-

I want to know what happens if the referendum does not pass. Remember what I said—this town has a reputation of never getting a referendum passed. The school district has been there multiple times. Put your best foot forward because this is the only shot.

But what will you do if this does not pass? Voters are either going to vote yes or no on a tax increase.

Councilmember Wilson said the City will need to be very creative if that happens and she agrees with Ms. Pletcher.

Councilmember Morrow stated from a historical perspective, every referendum the City has passed in the 35 years he has been a Councilmember. He added that he has put a lot of thought behind this.

Councilmember James also pointed out that the survey completed by City residents resulted in one of the top concerns being safety of the residents. They were in support of increased funding for the police.

In addition, he feels the story is simple. It was built forever ago and Milford has now doubled the amount of police officers it was built to accommodate.

Councilmember Peel feels this is a psychological vote (inaudible—multiple conversations occurring at same time).

Councilmember Brooks said the bad part about the City of Milford is that 75% of the people have never been in the police station, which is good. But if they went there and saw what the police offices are putting up with and the equipment and because they have no room to move around, they would understand the problem.

Councilmember Wilson pointed out that though a lot of people did not participate in the surveys, though safety was the number one concern in each ward. That was confirmation to move ahead with the new police station.

Joe Wiley of 202 Lakeview Avenue-

We can all agree there is a need for a new police station, but to get a referendum passed for a large sum of money in town, where an \$180 or \$200 annual increase is being asked, I do not believe will make much difference. He agrees with Nina Pletcher that the taxpayer is either going to vote yes or no.

I also think that in order to pass a referendum, transparency is needed. Like Councilman James said, utilities were set up in separate baskets and I think they should be kept separate, so this is cleaner and people understand what is going on and continue to have faith in their City government. Otherwise, people will say the City asked for a rate increase in electric at some point, and they were overcharged or the City found more revenues than were needed, and did not do

what they should do for the ratepayers and adjust that rate, or give the money back, but still keep everything separate. Then they went back to the taxpayer and told them a new police station is needed.

I agree most people know it is an old police station and needs to be replaced. But there is a need to be transparent and keeping those utilities separate. I recall a previous standing policy of keeping electric separate, water separate and sewer separate in order to be transparent.

Either way, I don't care and will vote for whatever is put forward, but I feel it is better saying to the public that we feel we are doing the right thing. Giving everyone a lower electric rate could mean a person is saving \$180 on their electric bill a year, and I am willing to give it to the police department to build a new building.

As a business person, I did a quick calculation and the \$18 million will cost about \$70,000 a month, which is \$840,000 per year. If the City is collecting \$1.5 million extra each year, there is already twice the amount of money needed to start building a police station.

There being no further comment, Mayor Campbell then closed the floor to further comment.

Councilmember James moved to defer action on this matter until the end of the meeting and allow sufficient time for our Assistant Solicitor to research the matter, seconded by Councilmember Wilson. Motion carried by roll call vote.

Introduction/Ordinance 2020-09/Personnel Code/Chapter 55/Tuition Reimbursement Policy

Item postponed until the next Council meeting.

Funding Authorization/Manhole Sealing/Sewer Capital Reserves

Item postponed until the next Council meeting.

Funding Authorization/City Hall Exterior Stair Repair

Funding Authorization/Information Technology Office Fit-Out/General Fund Reserves

Mr. Whitfield reported that he is recommending the IT Area and basement restrooms be restored back to their original state prior to the basement waterproofing project. In addition, repairs are needed to the exterior steps at the front entry area and side entry area of the City Hall building. The basement waterproofing is near completion, with the exception of the installation of the custom-made chimney caps.

The IT staff has been displaced from their offices since the basement project began in November 2019. They have created a temporary work area until it can be fully restored.

While the mason contractors were on site, it was noted that several concrete steps were unstable. After further evaluation of the steps, it was found that the caulking and mortar around each precast stone tread has been deteriorating for the past several years.

In order to ensure the best safety practices, it is recommended the existing steps be removed, cleaned and reset with new caulk. The existing bricks at the step risers will be cut out and pointed up within the step area with new matching mortar. The scope of work and pictures of each of the areas to be repaired and restored are in the packet.

Each element of the project would be completed by a specialty contractor. The cost to complete the interior restoration of the IT area and restrooms is \$45,300. The cost to repair the exterior steps at front and side entry ways is \$30,500.

Mr. Whitfield confirmed the IT area is open as a result of the recent renovations and needs to be closed off for fireproofing and security purposes. The balance of the basement can be addressed at a later date.

In addition, the steps are becoming safety hazards and need to be addressed. This will also take advantage of the masonry contractor currently being used who is familiar with the building.

Councilman James moved to authorize the IT Area/Restroom Restoration and Exterior Step Repairs projects with funding not to exceed \$75,800 from General Fund Reserves, seconded by Councilmember Wilson. Motion carried.

Introduction/Ordinance 2020-12/Public Works Department Fees

Mr. Whitfield discussed the need for Council to consider a recommendation to adopt hourly rates for labor and equipment, though this is only at the introduction stage and will be added to the next agenda for Council action.

Temporary Recess & Return

Adoption/Resolution 2020-13a/Proceed with PD Borrowing/Schedules Public Hearing (continued)

Adoption/Resolution 2020-13b/Proceed with PD Borrowing/Schedules Public Hearing (continued)

Assistant Solicitor Sharp explained that though the majority voted in favor of Resolution 2020-13A, in order for Resolution 2020-13B to be considered, the Councilperson that voted in favor of the first resolution needs to make a motion to reconsider that, based on the additional information received, related to the public comment and subsequent discussion by City Council. If no motion is made, Resolution 13B will be defeated with Resolution 13A going to referendum.

Motion made to reconsider Resolution 2020-13A made by Councilmember Brooks, based on the additional facts presented, seconded by Councilmember Morrow. Motion carried.

Motion to revoke Resolution 2013A and adopt Resolution 2013B scheduling a Public Hearing on the borrowing of bonds not to exceed \$18,500,000, seconded by Councilmember Peel:

RESOLUTION 2020-13B
AUTHORIZING THE ISSUANCE OF GENERAL OBLIGATION BONDS
IN AN AMOUNT NOT TO EXCEED \$18,500,000 AND
SCHEDULING OF PUBLIC HEARING ON MARCH 23, 2020

WHEREAS, the City Council of the City of Milford, Delaware (“City”) has been advised that up to \$18,500,000 is required to finance the design, construction and equipping of a police station and to complete other necessary infrastructure improvements in connection therewith, as well as other miscellaneous capital projects (the “Capital Project”).

WHEREAS, the Capital Project is expected to be financed through the issuance of the City of Milford General Obligation Bonds, in one or more series, including the Series 2020 Bonds (the “Bonds”).

NOW, THEREFORE, THE CITY OF MILFORD HEREBY ORDAINS:

1. The Council hereby proposes unto the electors of the City that an amount of money not exceeding \$18,500,000 be borrowed to finance the Capital Project.
2. The average rate of the interest of the Bonds shall not exceed 3.5%.
3. The Bonds shall be secured by the full faith and credit of the City.
4. The Bonds shall be paid or funded from the tax revenues of the City.
5. The City will be authorized to use the Bond proceeds to fund the Capital Project and will be authorized to use a portion of the proceeds of the Bonds to pay costs associated with the issuance of the Bonds.
6. The City Council hereby establishes that a Public Hearing upon the Resolution and the proposed borrowing described herein shall be held on Monday, March 23, 2020 at 7:00 p.m., in the Joseph “Ronnie” Rogers Council Chambers at the Milford City Hall located at 201 South Walnut Street, Milford, Delaware 19963, and hereby directs that notice of such hearing be published and posted as required by Article VIII of the Charter of the City of Milford.

Motion then carried by the following vote with the statements so noted:

Marabello-no. As stated before, I analyzed the cash flow quite a lot and believe we have enough money and there is more to use if we wanted to and vote no.

Boyle-no. We are going to ask the public to vote on this and agrees that \$30 is not a whole lot, on an annual basis, but at least it is an effort to consider something to help offset the public's cost. Going for the full amount appears Council is not involved with trying to offset the costs and save the taxpayers some money. As stated earlier, there are probably more optics, but at least it demonstrates Council is trying to find a way to offset the cost by providing some funding.

Peel-yes, I wish to stay with my original vote.

Culotta, yes. I appreciate Councilman Boyle's opinion, because rates are at an all-time low, and it's a great borrowing environmental and I prefer considering, as was discussed, if there is money that can be turned into a reduction in electric rates for the electric users and support keeping it departmentalized.

Brooks-yes.

Morrow-yes., after hearing the comments from the public.

James-yes. If there are monies available, I believe the Charter allows using funds from other funds, for safety purposes, and in this situation for the police station. But if there is money in other funds, I would prefer each fund be departmentalized and let them stand on their own and use it instead use it for other assistance.

Wilson-yes, based on keeping those funds separate and I definitely want to make the rate payers pay less, if possible, and make them happier with a reduction in rates. I feel the full amount needs to be borrowed to make sure we have everything in place to build a state-of-the-art police station.

Assistant Solicitor Sharp announced that the result is that Resolution 2020-13B is hereby adopted.

EXECUTIVE SESSION

Councilmember Brooks moved to go into Executive Session reference the below statute, seconded by Councilmember Marabello:

Legal Matters:

Pursuant to §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, but only when an open meeting would have an adverse effect on the bargaining or litigation position of the public body;

Motion carried.

Mayor Campbell recessed the Council Meeting at 9:35 p.m. for the purpose as is permitted by the Delaware Freedom of Information Act.

Return to Open Session

Councilmember Peel moved to return to Open Session, seconded by Councilmember Wilson. Motion carried.

Council returned to Open Session at 9:50 p.m.

Legal Matters

Mayor Campbell announced that no action was needed.

ADJOURNMENT

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

The Council Meeting adjourned at 9:51 p.m.

Respectfully submitted,

Terri K. Hudson, MMC
City Clerk/Recorder