

MILFORD CITY COUNCIL
MINUTES OF MEETING
February 8, 2021

The City Council of the City of Milford met in Workshop Session by way of video conferencing on Monday, February 8, 2021 in the Joseph Ronnie Rogers Council Chambers at Milford City Hall, 201 South Walnut Street, Milford, Delaware at 6:31p.m.

PRESIDING: Mayor Archie Campbell

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

ABSENT: Councilperson Katrina Wilson

ALSO: City Manager Mark Whitfield and City Clerk Terri Hudson

COUNSEL: Solicitor David Rutt, Esquire

In an effort to adhere to social distancing protocols and best practices imposed by Governor John Carney's State of Emergency Declaration effective March 13, 2020, the City of Milford has canceled all public gatherings until further notice. See February 8, 2021 Council Workshop agenda and packet for additional information.

Milford Housing Development Corporation/Wells Fargo Planning Grant/Public Outreach

City Manager Mark Whitfield introduced Milford Housing Development Corporation (MHDC) Vice President Russ Huxtable and Resource Development Officer Susan Davis.

Mr. Huxtable announced that Milford Housing Development Corporation is working to bring additional grant money into the community. The organization received funding from the Wells Fargo Regional Planning Foundation in the form of a \$100,000 planning grant just before the pandemic hit.

He noted that MHDC was given a twelve to eighteen-month period to use the \$100,000 grant to conduct a survey of residents from the City of Milford within a targeted area. Unfortunately, Covid forced the delay of the program's official opening and MHDC went into hibernation for six months. They worked on reengineering things to accomplish what they needed virtually and still achieve the type of feedback they needed from the community.

Their original plan was to take the survey and complete it on a door-to-door basis. But because that was no longer an option, they looked for ways to ensure the survey could still be completed while getting residents engaged. If they carry out their plan to Wells Fargo's liking, the city would be eligible to apply for a second \$500,000 implementation grant.

Ms. Davis added that Wells Fargo actually asked MHDC to apply for the program on the City of Milford's behalf given their decades of experience developing affordable housing. While their main focus is on the affordable housing aspect, she believes there may be other things they can pass onto the city. For example, she expects an emphasis on housing repair and restoration, community policing, and community engagement.

The survey contains questions about everything from basic demographic information. to how long people have lived in the neighborhood, to why they moved there.

MHDC has been around since 1977 according to Mr. Huxtable. In 1982, they completed work on their first project, the Academy Apartments on North Church Street. Since then, the non-profit has created over 1,200 housing units from Middletown to Long Neck, including a few properties in Maryland.

They organization has previous experience working with the Wells Fargo Regional Foundation through the Restoring Central Dover project that began in 2014. Mr. Huxtable feels there may be some common threads between the two cities and referenced the initiatives that were completed in and around Central Dover that continue to help in guiding the City and local partners in bringing about positive changes.

He emphasized how important the engagement element is because the goal is to keep residents heavily involved in every aspect of the program.

City Planning Director Rob Pierce believes Milford's target area is mostly within the Downtown Development District, though there is one neighborhood included on the south bank of the Mispillion River. Though the focus was on the Downtown Development District, MHDC felt there was a need to expand it and centered it more around the Southeast Front Street area, which is a relatively dense neighborhood with older homes.

Mr. Huxtable felt it was important to inform the City they will soon be announcing the survey planned for the targeted neighborhood residents. Of the approximately 1,700 being contacted, the goal is to receive responses from 200 to 300 families, or 10-15% who live in that area. Gift cards will be offered to those that participate.

Mr. Huxtable stressed the need for feedback from these residents to determine what they would like in their community, how they want to be engaged and what type of programs should be offered. The kickoff survey is going to be critical to the work that will follow.

When asked how the survey will be distributed, Ms. Davis reported that MHDC is sending out postcards with QR codes that will direct residents to the survey. For those who are less tech-savvy, Ms. Davis will send a paper copy of the questionnaire. If all else fails, they are also willing to conduct interviews over the phone.

This will allow them to prioritize those findings in a timeline with accountability and measurements, while moving ahead with the implementation grant and, hopefully, additional grant funds on Milford's behalf.

Both Wilmington and Dover have already received significant funding due to this process and other ideas that benefited those cities.

Efficiency Smart Presentation

City Manager Whitfield introduced Director of Account Management Tom Coyle from Efficiency Smart.

Director Coyle explained that Efficiency Smart is a hands-on service that interacts directly with electricity end users to reduce their usage. It provides information and incentives to drive behavioral and technology changes.

The Efficiency Smart Program involves a three-year contract that ends this month. Milford entered into the program through its DEMEC membership with a three-year goal to reduce energy.

He recalled that when the program first launched on behalf of the eight members of DEMEC, Milford was one of the first to participate, along with Seaford, New Castle, Middletown and Clayton. Others joined subsequently.

The first year, Mr. Coyle said he lived in Ohio though he was actively acting as the Account Manager locally. There is also an Account Manager that lives in Newark and an Energy Consultant that lives downstate in Lewes. They all work very closely with Emily Greene, DEMEC's Energy Services Manager, who is also on this call.

He noted that with a month to go, there is one small project currently underway. Milford is at 107% of the three-year projects and has saved 1,808 megawatt-hours in annual savings. There have been 850 completed residential transactions and those customers have received a rebate/incentive of some sort. Incentives range from the purchase of a 99 cent LED to new discounted appliances, as a result of recycling the old one.

In addition, 19 commercial and industrial projects were completed. This has resulted in a lifetime savings of just over \$2.8 million for Milford residents and businesses.

Mr. Coyle then talked about the many features of the program and benefits to the various commercial customers.

He followed with a review of the contract options and different levels of the program. Milford and the other DEMEC communities now participate in basic performance. They will save Milford's utility a quarter percent annually based on their annual electric sales. That is where the three-year goal number comes from. That is based on the quarter percent load reduction that DEMEC pays for and will continue as those contracts currently exist.

They also offer what is called high performance, which was historically just a half percent of megawatt hours, and the basic performance is a quarter percent and costs 90 cents a megawatt hour of retail sales.

The high-performance product was a half percent or \$1.40 per megawatt hour. Then a year and a half ago, they introduced demand focus. Instead of it being a half percent, it became .4% annually which is .15% higher than what Milford is getting now. That would become a goal of .6% of Milford's summer peak or kW number per year.

All of these numbers, whether basic or high-performance products carries a 70% performance guarantee.

In their eleven years of efficiency, they have never had to pay out and have always hit the target. This means they have never had pay out against their guarantee.

He noted the three-year cost is \$957,140 for high performance and \$615,304 for the basic performance which is what DEMEC is paying should Milford choose to renew based on the quarter percent.

The incremental cost to the city applies if Milford decided to step up to the high-performance level and obtain a kW and higher megawatt annual goal. There is a three-year cost of \$341,836, which provides an additional thousand-megawatt hours of goal and picks up an additional 860 kW summer kW as a goal.

Mayor Campbell asked if Milford moved up to the high-performance level, how much would be saved; Mr. Coyle explained that gets into the cost benefit and the avoided costs for electricity such as demand for transmission. For the basic, Milford's avoided costs are over \$1 million over the three years.

It was confirmed that the high performance is an overall advantage with the savings coming from commercial/industrial customers. When talking about residential customers, and the bigger goals program, there is a need to get more people to take advantage of the no cost/low-cost services.

That additional money paid into the program actually helps fund some of the additional outreach efforts such as partnerships with other people that are targeted specifically at residential customers. It also allows the addition of more programs.

The advantage of the program to everyone is the lowering energy costs and the delay of any increases as Milford continues to grow in load. This will keep from having to go out into the market and buying more expensive power. The high-performance cost per megawatt hours of \$18 is much higher on the market.

The Workshop Session concluded at 7:20 p.m.

Tracy N. Torbert
Transcriptionist

MILFORD CITY COUNCIL

Minutes of Meeting

February 8, 2021

The City Council of the City of Milford convened their regular meeting by way of video conferencing on Monday, February 8, 2021. The meeting was available for public view and participation as permitted.

PRESIDING: Mayor Arthur Campbell

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

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

COUNSEL: Solicitor David Rutt, Esquire

ABSENT: Councilperson Katrina Wilson

In an effort to adhere to social distancing protocols and best practices imposed by Governor John Carney's State of Emergency Declaration effective March 13, 2020, the City of Milford has canceled all public gatherings until further notice. See February 8, 2021 Council Meeting agenda and packet for additional information.

CALL TO ORDER

Mayor Campbell called the Regular Council Meeting to order at 7:23 p.m.

INVOCATION & PLEDGE

At his request, the invocation was provided virtually by Rajan Zed, followed by the Pledge of Allegiance.

APPROVAL OF PREVIOUS MINUTES

Councilman Boyle made a motion to approve the meeting minutes from December 16, 2020 Virtual Council Retreat. Councilman Culotta seconded the motion. Motion passed with all ayes.

RECOGNITION

Introduction/New City Employees

Public Work Director Svaby introduced new employee Matt Patterson who recently started in the Electric Department.

Police Civilian of the Year

Chief Brown introduced the Civilian of the Year Vikki Sessions who was recognized for her work this past year with grants and payroll.

Office of the Quarter/Officer of the Year

Chief Brown then introduced the Officer of the Year Senior Corporal TJ Webb who was recovering from a serious injury he sustained while working full-time with the US Marshal Fugitive Task Force. The incident occurred in Rehoboth Beach and involved a wanted subject from Pennsylvania.

Senior Corporal Webb continues to recuperate at his residence.

POLICE REPORT

Police Committee Chairman Boyle presented the police report for Chief Brown that was included in the packet.

Chief Brown added that he had the largest number of employees with Covid in January and involved a group who had worked on the same shift over the holidays.

MONTHLY STAFF REPORTS

City Manager Report

City Manager Whitfield provided his monthly report. He shared that as of the early January, Katrina White was added to the administrative staff as the City's Deputy Clerk.

He also wanted to recognize both Ms. White and City Clerk Terri Hudson for the work that they did in preparation for the referendum. This was the first time he has actually been in the office to see the process and he was in awe with what was required and the non-stop work over the month or more before the referendum. He actually saw the same questions and information provided over and over, but always with the same professionalism and grace as was afforded the first time. He said that council should be extremely proud of both employees, and the amount of work that was needed to pull off a successful referendum, which he attributes to both employees.

The City Manager also commented on the impact Covid-19 has had to our employees. To date, 23 employees have been infected, 20 recovered and have returned to work. HR Director Jamesha Eaddy continues to work with the Department of Health to have a vaccination site here at City Hall for the convenience of our employees in the future.

Finance Department

Director of Finance Vitola then presented and reviewed his report. He added that they were short staffed in December which bled into the early parts of January and impacted our ability to collect past due balances. However, they have bounced back and are once again on track.

Director Vitola added the number continues to get smaller and presently just over \$100,000. He noted that is considerable when compared to the more than \$500,000 starting number.

- Monthly Financial Reporting
 - The December 2020 Month-to-Date (MTD) and Fiscal Year-to-Date (YTD) Financial Reporting Package was distributed to Council with a narrative addressing financial results.
 - No significant changes were made to the financial reporting package this month.
- Capital Improvement Planning
 - The Fiscal Year 2022-2026 Capital Improvement Plan (CIP) budgeting process will kick off internally on Friday, February 5, 2021 with the distribution of preparatory materials to City staff. Key dates will be shared with Council and the FPWC shortly.

- The next FY21 CIP Budget and Spending Update will be distributed to the Finance and Public Works Committee (FPWC) in advance of the March 8, 2021 meeting.
- The initial draft of the Reserve Fund Policy, which will shape the CIP funding process, has been shared with Department Directors for their review and input.
- With the passage of the Referendum in support of the Police Facility, we have touched base with USDA officials as well as the City’s Bond Counsel, Public Finance Advisors and commercial banks to advance the project financing efforts into a more refined stage of analysis. Recommendations will follow at the appropriate time.
- FY20 Financial Statement Preparation and Audit
 - The process continues into this week with the submission of all governmental and proprietary fund financial statements, government-wide financial statements, and agency fund financial statements.
 - The production of the statement of cash flows and the supporting schedules for Management’s Discussion and Analysis (MD&A) and the footnotes to the financial statements will continue into the week of February 8 and is expected to be completed by the end of the following week.
 - A Request for Proposals (RFP) for the provision of independent financial statement audit services for FY 2021-23 was released on February 3, 2021. We expect to evaluate the responses and make a recommendation to the FPWC and City Council on March 8, 2021.
- Training and Education
 - Energy Efficiency Webinar
 - Several of the Billing and Customer Service staff and I participated in a webinar presented by Tom Coyle of Efficiency Smart, which is the City of Milford’s provider of energy efficiency services and solutions.
 - Tom Coyle will recap the initial three-year engagement during the Council Workshop scheduled for 6:30 pm on Monday, February 8, 2021.
- Billing & Customer Service Department
 - Erica Portillo, a second-year Associates Degree in Accounting Candidate at Delaware Technical and Community College joined the Department in a paid internship role on a part-time, temporary basis. She has made an immediate positive impact on the Department and has taken on administrative tasks as well as payment posting duties in her first two weeks. Please join me in welcoming Erica to the team.
 - The department has largely recovered from the staffing shortage experienced during the last three weeks of December and the first week of January due to short-term medical leave and scheduled leave.

As of	Past Due Accounts	Past Due Amount
8/31/2020	1,286	\$ 540,365
9/10/2020	1,097	371,460
11/5/2020	1,081	247,905
12/11/2020	916	152,802
1/8/2021	1,429	260,088
2/2/2021	1,134	452,622

- After suspending utility service interruptions from December 10, 2020 through January 20, 2021 due to Customer Service and Dispatch team staffing levels, weather conditions derailed the utility disconnections scheduled for January 28. As a result, past due volumes have rebounded to levels consistent with last spring, when utility disconnections were first suspended due to the Governor’s Declaration of a State of Emergency. We continue to monitor past due accounts carefully, offering extended payment plans, COVID-19 relief funds, and referrals to charitable resources. However, the impact of our recent staffing challenges and suspension of utility service interruptions are evident in the figures in the table at left.
- The property tax assessment vendor is on site this week and next to assess new construction and improvements. The updated values will inform the first supplemental billing of FY21.
- The annual stormwater billing has been delayed due to a conversion from the miscellaneous billing module to the utility billing module to consolidate billing for the convenience of the City’s utility rate payers that also have responsibility for stormwater charges. Bills are scheduled to print and be mailed by Friday, February 5, 2021.

Property Tax Levy	Past Due Amounts as of:			
	11/5/2020	12/11/2020	1/8/2021	2/1/2021
2020	\$ 229,290	\$ 132,511	\$ 108,200	\$ 102,144
2019 & Prior	249,788	229,831	221,023	218,418
Total	\$ 479,078	\$ 362,342	\$ 329,223	\$ 320,562

- The sidewalk billing has likewise been delayed due to unexpected challenges merging the sidewalk billing data and payment specifications with the utility billing database. A courtesy letter has been generated and will be included with the billing, which is scheduled to print and be mailed by Friday, February 5, 2021.

Public Works Department

Director Svaby provided the monthly Public Works Department report:

Director's Office

- Initiated Phase II Environmental Analysis and Well Testing at the Rookery to begin in the month of February;
- Analyzed the City's traffic signal warrants and DelDOT's proposal for traffic signal upgrades and ultimate takeover;
- Working Jointly with Planning and Engineering on formalizing development coordination model;
- Organized PD Referendum vote at the Vickers Building;
- Represented Public Works/City of Milford at Kent County Sewer Advisory Board Budget Subcommittee Meeting

Public Services (Water and Sewer)

- Supervised Contractor Fence installation (Grasso Fence) at Kenton's treatment plant.
- Completed and sent 2020 End of Year Water Report to DNREC.
- Calibrated Water and Sewer flow meters in cooperation with TAI Solutions.

Engineering

- Reviewed the construction standards and began revising to clarify standards
- Began creating checklists to standardize inspections
- Completed Inspection of the new watermain installation for Windward on the River
- Completed Inspection of the force main for Windward on the River
- Completed bidding process for the NW 4th Street Watershed Study RFP

Street/Utilities

- Repaired water leak at South Rehoboth Avenue & South East Second Street;
- Installed signage and traffic flow delineator at South Walnut and Jefferson Streets in order to keep vehicles out of Rail Road track bed stones;
- Continued leaf pickup after completing repair of leaf vac truck;
- Repaired water leak at building 500 Milford Crossing meter pit;
- Water, sewer disconnect for building demolition.
- Replace 30 new signs in the down town area as part of sign rehabilitation.

Electric

- Welcomed new Ground Technician employee to department.
- Completed infrastructure installation for Milford Microtel.
- Began infrastructure installation in Simpson's Crossing development.
- Completed installation of Shawnee Acres primary cable replacement.
- Took down and stored Christmas Decorations that were up in the down town area

Tech Services

- Installed instrument rated metering at 106 Silicato Way Microtel;
- Helped customer identify water leak at 601 North St;

- Repaired SCADA RTU communication issue at Milford Ponds pump station;
- Successfully helped customer at 5873 Old Shawnee Rd understand the cause of their higher-than-normal electric bill;
- Identified cause of a provisioning issue with AMI water devices and worked with AMP partners to correct;
- Began assignment to Represent Public Works on the City's Emergency Operations Committee.

Waste Management

- Coordinated Community Solid Waste collection with Blue Hen Disposal and Bill Leowanas (Owner of Watergate) in order to make pickup more operationally and cost efficient.

Councilman Marabello asked how the City is doing on the reduction of I & I. Director Svaby replied that the department hired a high school intern that has helped to identify the mapping flow of sanitary sewers. In addition, the department is using meters to determine if rain or groundwater is causing the increase in flows. The intern will be going out to take readings on those meters and measurements on lines that have been left open.

When asked why this year is so much less than last year's data (17,000 feet versus 180,000 feet), Director Svaby explained that it could simply be a case of the time the sample was taken in both years.

Planning & Economic Development Department

Director Pierce reviewed the monthly Planning and Economic Development report:

- During the first month of the 2020 calendar year, the City issued 12 new residential construction permits. The total construction investment in Milford for January 2021 based on issued building permits was \$6,465,560.
- The City of Milford has seen 74 projects with a committed investment of over \$22.1 million within the Downtown Development District (DDD) area since September 2016 (based on permit valuations from submitted applications). The State of Delaware has committed or awarded over \$2.68 million in grant funds for both large and small commercial and residential projects in Milford. The City has waived over \$346,000 in permit fees and taxes associated with these projects in accordance with Chapter 19 Economic Development and Redevelopment and DDD program guidelines.
- The Planning Commission and City Council will review an extension request for the Knight Crossing Planned Unit Development along with a comprehensive signage plan for Windward on the River during the month of February.
- The Planning Commission has begun reviewing Chapter 230 Zoning and Chapter 200 Subdivision of Land in an effort to address the goals and recommendations from the 2018 Comprehensive Plan, reduce the number of potential Board of Adjustment applications, provide clarity on ambiguous language and modernize portions of the ordinances. The Planning Commission will review several administrative articles within Chapter 230 Zoning at the February meeting. The Commission will also discuss Off-street Parking, Landscape Screening and other Miscellaneous provisions in preparation for the March workshop. The workshops will be held prior to each monthly meeting over the next few months with the intent of having final edits for consideration this Summer.
- The Board of Adjustment will review one new variance application at the February meeting along with three requests that were tabled from January.
- During the month of January, the City completed preliminary reviews of the following projects; Reserves at Sawmill for 12 additional apartment units, Lot 8 Independence Commons for a conditional use site plan, Mispillion Landing apartment project final construction plans, Wickersham revised preliminary major subdivision and Knight Crossing final major subdivision. All review comments have been sent to the applicants and the City is awaiting revised plans and response letters before conducting further review.

- Rental License, Contractor's License and Business License renewals are coming in and the office will be processing the nearly 3,000 licenses over the next month. Administrative staff are being helped by Code Officials in getting these processed. Landlords and business owners had until January 31, 2021 to submit renewal forms and payment.
- Century Engineering, DeIDOT and Planning Staff continue to work on updating the Bicycle Master Plan. A list of projects has been developed by the team and DeIDOT is working on prioritizing these segments based on criteria used by the State. The Bicycle Advisory Committee will review the prioritization efforts and project list in the beginning of March. The City is working with the team members to solidify a date.
- Staff submitted the 2021 Boundary and Annexation Survey (BAS) to the US Census Bureau which is done annually to document changes in the City's municipal limits.
- Attended the Chamber of Commerce for Greater Milford Economic Development Task Force meeting, Greater Kent Committee meeting and Downtown Milford, Inc. Economic Vitality committee meeting.
- Met with DNREC and FEMA as part of a FEMA Community Assistance Call to discuss Milford's floodplain regulations and procedures.
- The Department welcomed a new staff member, Lisa Levis, who filled the vacant permit technician position.
- Code Enforcement responded to complaints of housing code violations at Silver Lake apartments and Brightway Commons.
- Staff continues to work towards implementing the goals and objects of the 2018 Comprehensive Plan, SE Master Plan, Downtown Development District (DDD) application, Rivertown Rebirth Master Plan and Strategic Plan

Councilman Baer asked how long a resident could have a POD unit in their front yard; Director Pierce replied that happened to be one of the many questions that came up during last month's meeting. He added that the ordinance does not provide much guidance on temporary structures though he is familiar and plans to look into the case that Councilman Baer is referencing.

Parks & Recreation Department

Director Dennehy reviewed the Parks and Recreation report:

- The two Park staff began removing holiday decorations during the month of January. Small white lights will remain in the trees during the downtown until the clocks are changed for day light savings time.
- Park staff began maintenance of grass cutting equipment, this is a common winter practice in preparation for the spring and the grass cutting season.
- Staff researched requirements for a new double axel landscape trailer and a new one was ordered for the grass cutting crew (as approved in the capital budget).
- Park staff continue throughout the winter months to empty all of the municipal trash cans throughout the park lands, and downtown areas.
- Park staff also make routine inspections of the parks and associated areas for any downed tree limb removal, which is common during the winter months.
- On January 11th, the Governor amended the COVID-19 guidelines allowing sports to continue with restrictions. MP&R immediately began with our Winter Basketball program, with tryouts January 14th, practices beginning January 19th, and a full game schedule beginning in January. Teams practice one night a week, then play games on weekends. We currently have 7 teams competing and there is a wait list for kids wanting to play (due to the COVID-19 restrictions numbers had to be capped). We also began an instructional basketball program for 6 to 7-year-olds who are learning the very basic fundamental skills in a fun experience. Both parent and community volunteers are actively coaching these teams.
- Our indoor soccer program also commenced mid-January. Soccer is held on a Sunday for participants aged 5-12 who both skills and drills have taught to them, followed by a regular game schedule. Our soccer staff includes

High School students from Milford who are leading by example as instructors and coaches, and are invaluable to our program.

- Throughout all of our programming we are adhering to strict COVID-19 regulations. These include limiting spectator numbers, an aggressive cleaning/disinfecting program, health screening of participants, and the wearing of masks for ALL participants, spectators and staff.
- Director attended (virtually) the monthly Kent County Tourism meeting.
- Director continued to work on the Memorandum of Understanding (MOU) with the Delaware Nature Society, and participated in another meeting to bring additional programming into Milford. A draft MOU was sent to the City attorney for review at the end of January.
- The quarterly Parks and Recreation Advisory Board meeting was held in January. The packet was prepared by the Director who was in attendance.
- Director worked on preparing the grass cutting bids for the Milford Community Cemetery, and a board meeting was held at the end of January.
- Director took the National Parks and Recreation Association exam, and is now recognized as a Certified Parks and Recreational Professional, which is a national certification.

Human Resources Administrator Report

HR Administrator Eaddy reviewed the HR report:

- Interviews were conducted for the positions of Economic Development and Community Engagement Administrator, Information Technology Director and Administrative Assistant, Public Works.
- A job offer was extended for the position of Administrative Assistant, Public Works.
- 3 onsite tours are scheduled for the position of Economic Development and Community Engagement Administrator on March 5, 8-9, 2021.
- 1 onsite tour is scheduled for the position of Information Technology Director on March 18, 2021.
- Onboarded new hire for the position of Part-Time Police Dispatcher.
- February 2021 Excellence Award Nominations: Katrina White, Deputy City Clerk (Winner), Ralph Skinner (Parks Superintendent) and Doreen Wrightsman (Administrative Assistant, Parks and Recreation)
- The Reward and Recognition Committee designed custom City T-Shirts for all employees to celebrate National Employee Appreciation Day on March 5, 2021.
- COVID-19: As of February 28, 2021, the City has zero positive employee cases.
- DeLea Founders Insurance Trust Safety Committee Meeting: Ralph Skinner, Parks Superintendent will be the speaker for a 5-minute Safety Tool Box Talk on Riding Mower Safety at the March 16, 2021 meeting.
- A firm will be selected in March to begin the 2021 Job and Classification and Compensation Study.

Human Resources Office	Jan 2020	Jan-21	FY20 YTD <i>(07/01/19-1/31/20)</i>	FY21 YTD <i>(07/01/20-1/31/21)</i>
Full Time Employees	124	119	124	119
Part Time/Seasonal Employees	10	4	10	4
Vacant Positions	1	7	1	7
Promotions	0	1	6	8

MONTHLY FINANCE REPORT

Finance Chair James thanked Director Vitola for the continuing updates he provides. He reported recent discussions about going to market for an insurance broker with the idea of reviewing our policy premiums and the enhancement of coverages. He thinks it is important that the City get the best bang for its buck, and ensures we have the right coverage and policies in place.

He added that with the submission of the budgets, our Finance Director and City Manager are working out details on the operating budgets, enterprise funds, and general funds.

Chair James stated that he appreciates the detail that is now included in the monthly review.

Following a synopsis of the report, he turned the floor over to Finance Director Vitola to present the December 2020 Month-to-Date and Fiscal Year-to-Date (YTD) Financial Reporting Package.

The executive summary highlights this month's notable developments. No significant changes were made to the presentation of the financial data or the report layout this month.

- Pages 1-2: Cash and Reserve Balances
- Cash and investment balances (page 1) remain strong through the first half of the year, but the standard caution is that reserve requirements and funding commitments (page 2) encumber a significant portion of the balance in each fund, most notably the General Fund, Sewer Fund, the Municipal Street Aid (MSA) Fund and Realty Transfer Tax (RTT) Fund.
- Disbursements were made from all four major Reserve accounts (page 2, lines 18-21) during December. The funds, while substantial in total, simply represent transfers to the Operating Cash accounts to reimburse accumulated capital expenditures initially disbursed through the ordinary accounts payable process in support of reserve-funded initiatives.
- The interest earnings across Reserve Funds rebounded with apparently strong December earnings, but the reality is that this month's interest income offsets the extraordinarily low interest income reported in November. This is not a concern; the majority of the reserves are invested in fixed income securities that are intended to be held until the maturity date. While interest accrues daily on these securities, interest revenue is recorded for held-to-maturity investments only at the time of maturity, and no securities matured during the month of November.
- Page 3-6: Revenue & Expenditures
- General Fund revenues continue the strong trend through 2020. YTD revenue as a function of the annual budgeted revenue is over 70%, but the figure is skewed by the annual property tax billing and the controlled recognition of transfers in and reserve-funded projects, which occur regularly to match the budget. Adjusted for property tax billing, incoming transfers and reserve-funded initiatives, YTD General Fund revenue is still a healthy 55.4% of the annual budget, while expenditures are being monitored closely, again measuring under the levelized budgeted expenditures at the halfway mark of the fiscal year.
- The strength of Enterprise Fund revenues is still evident through the first half of the year, but December's utility results were tame compared with the first five months of the fiscal year, coming in slightly below the levelized monthly budget to pull the YTD revenue variance to just 2% ahead of expectations.
- Electric revenues nonetheless remain higher than YTD expectations, though offset by correspondingly high costs of wholesale power.
- Infiltration and inflow (I&I) continue to contribute to higher sewer treatment costs, pushing total Sewer fund costs over the levelized YTD expense budget. Adjusted for December debt service, Sewer expenditures are \$134,000 over the YTD budget.
- While lower than expected Water and Solid Waste spending help offset the expenditure variance in the Electric and Sewer systems, capital spending funded by current operations has been held deliberately low through the fiscal year so far. Necessary capital expenditures in the second half of the year have the potential to contribute to a reversal of the positive budget variance experienced during the first half of the year.

Councilman Fulton made a motion to accept the department reports as submitted. Councilman James seconded the motion. The motion passed with all eyes.

COMMITTEE & WARD REPORTS

Councilman James expressed appreciation from the James and Fountain families for the support receiving during the passing of his father-in-law, Franklin A. Fountain on January 21st.

Councilman Culotta stated that notifications were mailed to the residents that had improvements done to their sidewalks. After reviewing his, it appears the fees were well within line with what had been done to his sidewalk. However, his neighbor believes he has some discrepancies which were provided to the City Manager.

COMMUNICATION & CORRESPONDENCE

City Manager Whitfield reported that the Rehoboth Boulevard drawbridge will be closed between February 15-19 for repairs. DelDOT is doing their best to get the notification out for advance notification.

UNFINISHED BUSINESS

Chief Brown/Evaluation/Salary

Councilman James made a motion that the discussion in January related to the Chief of Police increased compensation is accepted by Council. Councilman Morrow seconded the motion that passed with all ayes.

NEW BUSINESS

Authorization/Agreement/Delaware Mosquito Control Spray

Councilman Fulton made a motion to continue to participate in the annual State of Delaware Mosquito Control Program and authorizes the policy. Councilman James seconded the motion that passed with all ayes.

Authorization/Change Order/Misphillion Street Group 2020, Project Number: 2020-ST-001

City Engineer James Puddicombe reviewed the information included in the packet.

City Council approved a contract for \$682,386.00 in the below amounts on August 24, 2020 for the Misphillion Street Group Project:

Municipal Street Aid: \$514,440.16

Water Reserves: \$139,327.92

Sewer Reserves: \$28,617.92

Following a review with the approved contractor Diamond Materials LLC, staff has determined that additional work was necessary to ensure the longevity of the proposed construction. Specifically, there are two sections of a ductile iron water main that were installed at an unknown date and have turned brittle due to age. The original contract called for the removal of lead service lines along both of these mains on McColley and Marshall Streets between SE Front and Misphillion Streets. Replacement of the water mains will prevent the risk of unexpected breaks under the newly constructed road frontage and improve water quality for customers in the area.

Therefore, it is recommended to amend the contract with Diamond Materials a Limited Liability Company in the amount of \$94,954.00 to allow the additional work to be performed under the existing project.

Councilman Fulton made a motion that Council amend the contract with Diamond Materials LLC and increase the contract by \$94,954.00 to \$777,340, with \$514,440.16 to be paid from Municipal Street Aid, \$234,281.92 from Water Reserves and \$28,617.92 from Sewer Reserves, seconded by Councilmember Culotta. Motion carried with no one opposed.

Adoption/Resolution 2021-04/Electric PCA/Efficient SMART Agreement

Director Vitola reviewed the information that was provided in the packet.

When asked the cost of the high-performance demand at the incremental rate, Director Vitola replied that it is \$1.40 per megawatt hour total. The first 90 cents will continue to be paid by DEMEC and the next 50 cents per kilowatt hour will be added to the utility bills using the PCA charge.

Councilman Culotta wants a separate workshop to discuss the agreement; Director Vitola suggested that at a minimum, the basic level be renewed to continue engagement of our customers. If Council chooses not to move forward, the City will still pay, but without the ability to use the resources offered in the earlier Efficiency Smart presentation. He concluded by pointing out the current contract expires February 28th.

City Manager Whitfield stated that this would help the high-end users and large corporations. In addition, this is another resource to assist residents with questions regarding their bills.

Councilman James asked if these types of incentives were discussed when developers express an interest to come into Milford. City Manager Whitfield replied that they are discussed and varying suggestions are offered of ways to reduce consumption.

Mayor Campbell called for any public comment or questions on the matter. Hearing none, Mayor Campbell closed the floor and asked for a motion.

Councilman Fulton made a motion to extend the Efficiency Smart agreement for a second term of three (3) years, at the service level of “High Performance”, and incremental rate of \$0.50 per MWh, seconded by Councilman Culotta. Motion passed with all ayes.

Councilman James made a motion to approve Resolution 2021-04 Green/Renewable Energy Fund Program:

RESOLUTION 2021-04
GREEN/RENEWABLE ENERGY FUND PROGRAM

WHEREAS, Appendix B - Rules and Regulations Including the Electric Tariff for the City of Milford (the “Tariff”) authorizes Milford City Council to establish retail electric rates to support the operating cost requirements of an electric utility distribution system, including the cost of compliance with any regulatory requirements, and

WHEREAS, The State of Delaware promulgated the Renewable Energy Portfolio Standards Act (the “RPS Act”) pursuant to 26 Del. C. Chapter 1, Subchapter III-A, which mandated, among other regulatory requirements, participation in the establishment and ongoing funding for the State of Delaware Green Energy Fund through volumetric rate-based charges for all energy sold in Delaware, and

WHEREAS, The State of Delaware exempted municipal electric distribution utilities, including the City of Milford, from the requirements of the RPS Act pursuant to 26 Del. C. Chapter 1, Subchapter III-A, § 363 (the “Exemption”) on the condition that exempted municipal electric utilities establish independent, self-administered Green Energy Funds commensurate with other retail electric companies but no less than \$0.000178 per kWh, and

WHEREAS, The City of Milford maintains the statutory requirement outlined in the Exemption through the Delaware Municipal Electric Corporation (“DEMEC”) and the Delaware Energy Office by (1) providing a fund to support green/renewable energy technologies, energy efficiency technologies, or demand side management programs pursuant to Section 22 of the Tariff and (2) incorporating the minimum rate of \$0.000178 per kWh into the City’s rate structure, and

WHEREAS, The City of Milford desires to expand on its successful record of promoting investment in renewable energy and energy efficiency technologies by increasing the level of green/renewable energy funding commensurate with other retail electric companies in Delaware.

NOW, THEREFORE BE IT RESOLVED by the City of Milford, that the Green/Renewable Energy Fund Program rate shall be \$0.000356 per kWh effective for all consumption billed on or after March 1, 2021, and Resolution 2021-04 is hereby adopted, as stated.

Councilman Marabello seconded the motion that passed with all ayes.

Authorization/Funding/Parks and Recreation/Fence & Handrail Repair

Director Dennehy reviewed his request, referencing the section of guardrail along the Riverwalk Greenway which has required a significant amount of emergency repair work. Over the last few months, he has consulted with a local contractor to establish the best method of repair. After a careful review of the original repairs planned, it was decided that additional work is needed to ensure it is repaired correctly and safely.

The project now includes the removal and replacement of 25 posts, powder coating of the corresponding sections of guardrail and associated concrete repair (approximately 140’ of guardrail).

This project was not included in this year’s capital or operating budget. As part of the 2020-2021 capital budget, \$25,000 was appropriated for another section of railing to be painted. This work was completed and came in well under budget at \$6,350. leaving a balance of \$18,650.

Mr. Dennehy is requesting to use the balance of those funds to pay for the emergency guardrails repair in the amount of \$17,903.25.

Councilman Culotta pointed out the estimate does not include any costs associated with additional work if needed. He asked if anything above this amount requires Director Dennehy to come back; Mr. Dennehy informed Council that the use of capital funds always requires Council approval.

Councilman Boyle made a motion to authorize the Parks and Recreation to utilize \$17,903.25 from the remaining balance appropriated for another section of the guardrails along the Riverwalk in the Capital Budget 2021. Councilman Culotta seconded the motion. Motion carried with all ayes.

Ordinance Introduction/Ordinance 2021-02

Windward on the River, LP/Residential on 27,058 +/- acres of land located along the west side of Beaver Dam Road, approximately 1,100 feet south of the Cedar Beach Road intersection. Application Type: Conditional Use - Comprehensive Sign Plan. Comprehensive Plan Designation: Moderate Density Residential & Commercial. Zoning District: R-3 (Garden Apartment and Townhouse District); C-3 (Highway Commercial District) Present and Proposed Use: Multi-Family Tax Map & Parcel 3-30-7.00-033.00

Mayor Campbell introduced Ordinance 2021-02. Director Pierce then reviewed the information included in the packet.

When questioned, Director Pierce replied this ordinance falls under the current sign code. A public hearing will be held on the conditional use at the next Council meeting.

Adjournment

With no further business, Mayor Campbell called for a motion to adjourn. Councilman Fulton moved to adjourn, seconded by Councilman Culotta. Motion carried.

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

Tracy N. Torbert
Transcriptionist