

MILFORD CITY COUNCIL
MINUTES OF MEETING
October 21, 2009

A Meeting of the Public Works Committee of Milford City Council was held in the Joseph Ronnie Rogers Council Chambers of Milford City Hall, 201 South Walnut Street, Milford, Delaware on Wednesday, October 21, 2009.

PRESIDING: Chairman Owen Brooks, Jr.

IN ATTENDANCE: Committee Members-Councilmen Michael Spillane and Jason Adkins
Mayor Daniel Marabello

ALSO: City Manager David Baird and City Clerk Terri Hudson

P.E. Randy Duplechain, Davis, Bowen and Friedel, Incorporated (DBF)

Chairman Owen Brooks called the Committee Meeting to order at 4:07 p.m. and turned the meeting over to City Manager David Baird.

City Engineer Mark Mallamo was also present.

Mr. Baird said the meeting was called to bring the committee up to speed on some projects he, City Engineer Mark Mallamo and DBF Engineer Randy Duplechain had been working on. Two of the items need the committee's recommendation and in particular, the last letter on the State Revolving Funds which he will also present to city council at the October 26th agenda.

S.E. Front Street Paving & Sidewalk Project

The first project Mr. Baird spoke about was the S.E. Front Street paving and sidewalk repair project. He said this project actually began two years ago when the state announced they would be paving Route 36 from Route 113 to Rehoboth Boulevard. The city asked them to hold off because the work the city needed to do. He recalled some road work occurred last year between Route 113 and Walnut Street during which the city performed some storm drainage work before it was paved. They were asked to hold off on the eastern half of the project because sidewalk and curbing work was needed.

Mr. Baird announced the city has since received \$894,208 in funding from the state for street paving and ADA compliant curb depressions at each of those intersections. The state was planning to spend that amount for the paving work, but instead offered the city the money to do those improvements as part of the curb and sidewalk improvement project. This will allow the work to be coordinated to prevent the two projects from interfering with one another.

He then referred to the following cost estimates prepared by DBF:

Replace with Standard Curb & Sidewalk	\$475,529.50
Replace with Curb Gutter & Standard Sidewalk	\$503,369.50
Replace with Standard Curb & Stamped Sidewalk	\$675,977.40
Replace with Curb Gutter & Stamped Sidewalk	\$703,817.50
Replace with Standard Curb & Brick Sidewalk	\$803,355.00
Replace with Curb Gutter & Brick Sidewalk	\$831,195.50

Costs are based on Complete Removal & Replacement on both sides of street.

Mr. Baird then referenced the second preliminary cost estimate that would only replace the sections that are necessary. It would not be a uniform fix but is being presented as an illustration of the cost difference. The lowest cost difference of the complete replacement is \$475,000 compared to \$275,220 for partial replacements for an overall savings of \$200,000.

Description	Quantity	U/M	Unit Cost	Total Cost
Sidewalk Removal	17,000	SF	\$3.00	\$51,000
Standard Sidewalk	11,000	SF	\$6.00	\$66,000
Driveway Restoration	2,000	SF	\$7.00	\$14,000
Curb Removal	3,800	LF	\$8.00	\$30,400
Curb	3,900	LF	\$22.00	\$85,800
Tree Removal	6	EA	\$500.00	\$3,000

Subtotal \$250,200
Contingency \$25,020

TOTAL \$275,220

Mr. Baird noted that all of that work would need to be funded by the city if we were to move forward.

He pointed out the preliminary cost estimate of \$275,000 would bring the estimated total project to \$1.26 million of which the city's portion would be \$367,677:

DESCRIPTION	QUAN	U/M	UNIT	TOTAL
Miscellaneous curb and sidewalk replacement	1	LS	\$ 250,000.00	\$250,000.00
Pavement mill & overlay and handicap ramp replacements	1	LS	\$ 659,500.00	\$659,500.00
Miscellaneous water main improvements prior to paving	1	LS	\$ 50,000.00	\$50,000.00
Maintenance of Traffic Estimate	1	Est	\$ 50,000.00	\$50,000.00
			Subtotal	\$1,009,500.00
Mobilization (3%)				\$30,285.00
Construction Contingency (10%)				\$100,950.00
Survey, Engineering, Cont. Admin. & Inspection (12%)				\$121,140.00
			TOTAL EST.	\$1,261,875.00
Available DeIDOT Funds				\$894,208.00
City of Milford Funds				\$367,667.00

Mr. Baird informed committee members the city's portion of the funding would come from municipal street aid. The city does not budget its annual allocation of municipal street aid. It is placed in a separate account which is used for transportation related improvements. Currently, there is approximately \$650,000 in that account. Of that, \$150,000 is earmarked for repairs needed to the Washington Street Bridge. The city manager believes it is appropriate to use that funding because each year we receive \$278,000 from the state though this year there was zero dollars allocated. The downfall is if this money is used, there is no guarantee of any funding in future years.

Mr. Duplechain explained the DeIDOT project is from Walnut Street to Rehoboth Boulevard. He referenced a match line that will extend to Rehoboth Boulevard of about 3,400 feet which is in the DeIDOT's project.

He explained the \$994,208 was DeIDOT's cost to do a mill overlay of the street and add the handicap ramps at each intersection. He believes the asphalt costs have gone down so he is hoping there will be some flexibility.

Mr. Duplechain referred to the lines in yellow (see attached) where the curb will be removed and replaced. The highlighted hatched areas are the sections of sidewalk earmarked for replacement. He advised that Mr. Mallamo and a DBF engineer determined the locations.

Mr. Duplechain advised the \$275,000 estimate is \$275,000 is for only for sidewalk and curb replacement. If council prefers the entire street be done, it will cost approximately half a million dollars. The balance of the sidewalk is in good enough shape to keep. He explained the decision is whether to do a total replacement for a half million or partial replacement for approximately \$280,000.

Mr. Brooks noted some properties have had new sidewalks installed; Mr. Duplechain stated that we will try to keep them.

He then informed the committee that some of these areas have twelve to fifteen feet of paving from the curb. To save money, they are proposing a standard five-foot replacement, leaving the balance in grass and tying their walkways and driveways in. That would prevent having to replace fifteen feet of concrete though that will be discussed with the property owners. He reported there are 104 properties along this street and a number of easements needed because the sidewalks extend into those properties. He and Mr. Baird have been discussing whether it will be required to get all those individual easements because of the fact it is a sidewalk project and the city may have the right to go in and replace the sidewalks. However, that is yet to be determined.

Mr. Brooks advised there are some properties on Second and Front Streets with a strip of grass in the front that is not normally maintained. He hopes this will take care of that problem. In addition, on the north side from McColley to Marshall, the sidewalk and curbing are gone. Mr. Duplechain agreed that in some of those areas, both the curbing and sidewalks will be replaced.

Mr. Duplechain addressed Mr. Brooks' first issue, stating they will actually leave a gap between the back of the curb and the sidewalk because of the utility poles located there. They do not want to put the utility poles in the sidewalks so they will leave a grass strip of approximately two to three feet.

Mr. Duplechain said there are a few areas where trees have destroyed the sidewalk and curbing. Those trees will need to be removed. However, the areas where sidewalks are being replaced will have a grass strip created between the curb and sidewalk to allow enough room for the existing utility poles to remain. He recalled receiving an estimate of what it would cost to put the utilities underground and the cost was astronomical.

He added that even if you can get underground with the utilities, you still have to serve the houses with individual service and placement of transformers was a problem since the homes are so close to the street.

Mr. Brooks asked how many of the houses have off street parking; Mr. Baird said the majority of the homes do though some do not. Mr. Duplechain said there are no alleys behind the homes but there are off street parking spaces for some of the properties. The remainder must park in the street.

Mr. Baird then confirmed the state will pay for the paving (mill, overlay and the cost of the ADA compliant curb cuts at

each corner.)

Mr. Spillane asked what specifically the city is paying for and if the properties with no sidewalk will have new sidewalks installed. Mr. Baird explained that is the reason they are proposing this today. Many of the new curb cuts will be put in as part of the state project and many would lead to no where. The sidewalks either exist, are nonexistent or need repair and replacement.

Mr. Brooks asked how many homes are rentals; Mr. Baird estimates 50% in that area.

Mr. Spillane then confirmed the property owners are responsible for sidewalk maintenance. He asked that if the plan is only to replace the sidewalks in disrepair, is it possible to require sidewalks be installed in those areas without sidewalks and asked if there is enough funding to cover all of that work. Mr. Baird feels that is an option. We would have a special assessment against those properties where it was proposed to be replaced.

The city manager reiterated there may be some sidewalks removed that are in good shape to make sure there is positive drainage away from the property out into the street because the curb line will have to be adjusted. In those scenarios, those property owners should not be responsible because their sidewalk is in good shape.

Mr. Spillane agrees with that scenario. Mr. Baird said in those cases, it will be determined by a picking and choosing. Someone may get a new sidewalk in front of their house and not have to pay for it because it is part of the project.

Mr. Spillane feels that any sidewalks needing replacement should be the responsibility of the property owner. Mr. Baird said if that is the case, the city has a program where property owners can repay the replacement costs over a five-year period interest free. Therefore, the city would still have the initial capital outlay, but we would enter into, either a special assessment, or allow them to pay it back through the city loan program. The city could handle it either way.

Mr. Spillane feels that is something that should be considered. Mr. Baird said the city has that authority, though council will need to make that determination.

Mr. Brooks asked if that is just sidewalks or curbing as well. Mr. Duplechain said it includes curb replacement in some areas. Mr. Brooks stated the city pays for curbing. Mr. Baird said that considering those areas where there is damage, the current number of \$250,000 can probably be cut to \$125,000 if there was a special assessment involved. He said that is only an estimate and the exact number could only be determined by inspecting each individual property.

Mr. Spillane said if a large portion could be saved, those funds could be used to fix other areas where sidewalks or streets needed repairs.

Mr. Duplechain reported that some of the areas have brick sidewalks which are in extremely poor shape. They would be replaced with concrete though there was one option submitted for brick. He is unsure what reaction those property owners will have when the brick sidewalks are replaced with concrete.

Mayor Marabello questioned the sidewalks in good shape and what would be needed for them to conform to the regrading of the street. Mr. Duplechain explained they looked at the grading in those areas being replaced and believe they can be tied back in properly. Some of the concern is changing the curb height which could create a water backup onto some of these properties. He said the reveal of some of the curbing is only a couple of inches.

The mayor asked for assurance those issues were all taken into consideration with the \$250,000 estimate.

Mr. Duplechain stated yes, that many of the curbs will need to be replaced with very little reveal. The six inch curbs cannot be replaced in some areas. There is one block they will somewhat depress. He emphasized that curbing will not have a full six-inch reveal throughout the entire block. If a six-inch reveal was provided, it would cause other issues that the city would not be able to afford to get into with this project. The areas for proposed sidewalk replacement can be tied

back at similar elevations to those that exist.

Mr. Adkins asked at one point we force the property owners to pay for replacing their sidewalks. In their opinion, they may feel their sidewalk is not bad enough to replace. Mr. Baird agrees that could be the case with other situations such as housing violations or speeding violations. They will simply be told this is the area the city is working on at this time.

Mr. Duplechain agrees that there will be different opinions because he feels it is a judgment call of what will need to be removed and/or replaced.

Mr. Baird explained that financing is an issue because the money will need to come from somewhere. He asked if there is support to move forward with this project. Secondly, it needs to move forward to a point the project can be bid. He feels it may be a questionable bid climate right now based on the number of projects out there. It may be best to wait until late winter or early spring to bid the project. In that manner, many of the stimulus projects will have been completed by that time. Right now, we are dealing with estimates and he prefers real numbers which cannot be obtained until the bids are received. These figures are the best available at this time though he is hoping they will be better than is currently projected.

Mr. Duplechain explained there are a number of stimulus projects that need to be awarded, some in December and some no later than February so there are a number of projects right now. That is the reason for possibly delaying the bid. He had also considered giving a little flexibility on the starting date in case the contractor was involved in a project that needed to be completed first. That is the concern with the bid climate right now.

Mr. Brooks said he is also concerned about money noting that 50% of the homes are rentals. He feels that once the property owners are billed, they will most likely increase the rent being paid by the tenant.

Mayor Marabello asked if there is a deadline for the \$894,208 Southeast Front Street paving project. Mr. Baird said there is no time restriction adding those agreements normally remain open for several years.

Mr. Baird will move forward with the paving and sidewalk project to a point where bid documents can be developed and we are able to gauge some of the options and costs the finance committee will need.

S.E. Water and Sewer Extensions

The city manager then referenced the water line running down Southeast Front Street that needs to be addressed at an estimated cost of \$50,000.

Mr. Duplechain explained the \$50,000 is a number they put in, but if and when the Fisherhawke property is developed, they will need to replace the existing four-inch water mains. He is trying to prevent them from coming back later and cutting into the newly paved streets. Part of the money is to improve the intersections and stub the water lines out of the paving area of Front Street. In that manner, if they do come in and replace those lines, they would not have to get into the street.

He said there are also two water mains, an old and new main, in a portion of the street. Mr. Duplechain feels it would be an appropriate time to abandon the old water main though a lot of the old services from the residences are still tied to the water main. However, that would be a much larger project and there are no projected numbers at this time.

When asked if the city had experienced any problems with water main breaks in this area, City Engineer Mark Mallamo said he is unaware of any on South Front Street.

Mr. Brooks asked if this line would run to Mispillion Street; Mr. Duplechain said they would tie into the larger main, stub out and tie the line back in.

Mr. Brooks then asked if there would be any problems connecting back into the older four inch lines. Mr. Duplechain said there is always an issue of tying into the older lines noting they are probably cast iron. If they were transite, that would be an issue too. His concern is after the street is paved, a year from now connections may be needed which will require cutting into the new paving.

When asked the condition of the older line, Mr. Duplechain said he is unaware of its condition though he does not believe we have had any issues lately. Mr. Mallamo said there have been no recent breaks or repairs needed in this area though there has been on the North Front Street area.

Mr. Duplechain believes that all services are still on the four-inch line and not the larger one. He said there are 104 houses on that line. If there is money available, he would recommend the work be done now. He said that chances are that once the street is paved, one of the services could break. At a minimum, getting it stubbed out will help when the Fisherhawke property is developed though he is unaware of any immediate plans for that site.

He said if there is any interest, they will put a cost estimate together.

Mr. Baird said that he and Mr. Duplechain both agree that though it is not broken, it would be nice to do the work now.

Mr. Baird again asked for a general consensus on how to proceed with Southeast Front Street; Mr. Brooks asked for some clarification. Mr. Baird explained it will allow a final design so the documents can be put together so the project can be bid. In the interim, we can continue conversations with the finance committee on how to best pay for it. More than likely, it will be spring before the bid results will be presented to city council.

Mr. Duplechain added that if there is any interest in a total replacement of the sidewalks, he would include an additional bid item to determine what those costs would be. We would add additional lengths of sidewalk in the bid form to include removal and replacement. He suggests replacing all the curbing to give it a uniform look. Council could then make a decision on how much or how little to do. He explained that if only sections of the sidewalk are replaced, it will end up with a checkerboard look.

Mr. Brooks agrees it should be a continuous sidewalk. Mr. Baird agrees that Mr. Duplechain's idea of bidding it both ways with an alternate. One would be for those areas identified and another line would be for the entire area.

Mr. Brooks asked if it would increase the costs of the process to get the additional bid; Mr. Duplechain said no, they prefer a base bid and then an alternate bid which council would decide whether or not to award.

Mr. Baird said if there are no objections or additional comments, they will proceed as has been discussed. He will continue to keep everyone informed of the status of the project though he anticipates a later winter or spring bid.

Mr. Spillane asked that they be informed of the amount the city will be reimbursed by the property owners for repairs. Mr. Duplechain said that can be included though that would be separate from the actual bid. He added that if the city decides to do everything, and the property owners are assessed, it would be easier from a standpoint of why one person's sidewalk is being replaced when compared to the adjacent neighbor.

Mr. Baird said the second item being presented is sewer and water extensions to the southeast portion of Milford. He referenced the information in the packet.

He stated that all of this area is contemplated for development and we need to determine the best way to provide water and sewer service to that area.

As part of the referendum that was passed, Mr. Baird recalled a new storage tower, a new water treatment plant and new wells are proposed in the southeast area of town. That portion is funded through the bond issue. The second issue is the sewer component that is not funded. He is trying to determine the best way to phase in these improvements based on the

need while, at the same time, not break the bank as they move forward.

He then referred to the general overview showing the different phases. One proposal is to start the design on some of the sewer improvements.

Mr. Duplechain advised that what is being funded in the bond bill is a water extension, new wells and water tank. Tentatively, it was placed on the Hall property which is currently in the annexation process. He said it is also where the access road for the overpass will be located. The only portion of the project the city is funding will be to connect the new water system into the existing lines in Hearthstone and West Shores over to the elevated water tank. The cost of the balance of the water system will be the responsibility of the developers as they build.

The location of the lines shown in yellow (see attached) would be necessary to serve the entire area in the future knowing the elevated storage tank will be available for storage and fire capacity. The looping would connect into the existing main and extend around with some interior loops. Each development would have loops within their subdivision.

Mr. Brooks confirmed that the developer will pay for any extension; Mr. Duplechain stated yes adding that one section of main will be installed from the existing water main in Hearthstone to the site of the new elevated storage tank by the city. The proposed location of the tank was determined through a computer analysis of the city water system. The model also determined another source of water was needed in the area of the tank. At least one well is proposed at this point.

Mr. Duplechain referenced the potential new wells on the plan as the development occurs. Additional supply will be needed to feed those as the building is done.

Mr. Spillane confirmed the location of the water tower and asked if there is anything proposed on the other side. Mr. Duplechain verified the 750,000 gallon tank will be able to handle the entire area. The additional wells will also help.

Mr. Spillane asked what extensions the city will be paying for; Mr. Duplechain said we will have to pay for the connection to get to the tank from the existing lines in Hearthstone. He pointed out the area the Hearthstone and West Shore lines stop. The new line would tie back into the city water system.

Mr. Baird then confirmed the city will pay for the storage tank, new wells and treatment plan in addition to the initial connection line.

When asked if the treatment plant will be next to the well and tank facility, Mr. Duplechain said they are discussing that possibility. Mr. Baird added if there is sufficient room to allow all of that. He said one of the limiting factors is the 150-foot radius around each well head which was part of the Source Water Protection Ordinance adopted last year.

He anticipates three acres are needed for each well. Mr. Duplechain agreed that is a little more than two acres hoping another well can be added next to the existing treatment facility to prevent duplicating treatment facilities. Obtaining three acres would allow two wells on one site.

Mr. Duplechain reported that when other municipalities adopted their Source Water Protection rules, a 100-foot radius was required versus the 150 feet required by Milford. He is hoping Milford will reduce that number which would allow a little more flexibility on the location of the wells. He said that a parcel in the existing Matlinds Estates subdivision was the original location for the well, but because of the amount of land, it would not fit.

Mr. Brooks asked if it would be easier to extend through the field owned by Key Properties; Mr. Duplechain agreed it would. Mr. Baird said the owner has been cooperative with easements to get through the property. The current focus is on the Hall property because Mr. Bolis, the developer, has put it on the table as a point of consideration. Because some of the area was going to be lost for approaches and exits for the overpass, it could be a good fit. However, nothing has been finalized. From a hydraulic standpoint, the Hall property or Key Properties is the area the water tower needs to be in.

Mr. Baird agreed that though it makes sense to have the well and treatment facility in close proximity, there is also the possibility the wells and treatment facility could be in another location and still feed into the system.

Mr. Duplechain said they have had some discussions with Key Properties about this site, but there is some concern that if all facilities are built on the west side of Route 1 and Key property develops on the east side of Route 1, the line running to the development would become a long dead-end line. There was some discussion that in lieu of putting the well facility on the Hall Property, put the tank on there and the well and treatment facility on the Key Property parcel east of Route 1. This would allow a continuous feed of water back into the system.

Mr. Spillane pointed out that currently, we do not know what is going to occur across Route 1. The cost of extending utilities across Route 1 will be substantially more. Mr. Baird noted that if the city placed any infrastructure across Route 1, it would require shared costs.

Mr. Duplechain said that regardless of where it is placed, a line will need to be extended and the developer would pay those costs. However, he is unsure there will be any additional piping costs. What will need to be considered is the water quality in those areas. Tests have not been performed to determine there is decent water quality. They found good water quality on the Matlinds Estates site when it was tested several years ago and are anticipating good quality on the Hall Property.

Mr. Brooks asked how far Lincoln is from the area development area; Mr. Duplechain said it is very close. Mr. Brooks then asked about the new homes on Johnson Road and whether this would impact their water supply. Mr. Duplechain stated that though he is not 100% sure, typically they have shallow ground water though sometimes they have to go deeper because the water quality has nitrates. However, these wells are in the deeper aquifer which is a confined aquifer which is more protected. The initial wells would be quite a distance from those homes. The State of Delaware would make those decisions through the permit stage.

Mr. Brooks emphasized the need to be a good neighbor and asked for assurance we will not impact any of the individual wells in the area.

Sewer

Mr. Duplechain then presented some options for providing water and sewer service to the three smaller parcels along Route 36. These involve the developers we are hearing from who are most anxious to proceed. Option 2 is an interim option that was phase 1 when the Key Property development east of Route 1 was not considered imminent. This option was to place a pump station along Route 36 and install a temporary force main that would tie into the city system, upgrade the Shawnee Acres pump station and include some upgrades to the force main.

Mr. Duplechain reported that Key Properties has come out recently and asked that we try to proceed with the utility extensions to their property east of Route 1. With that, this is the interim option which still allows the three smaller developments along Route 36 to proceed. If the Key Properties project east of Route 1 wants to start immediately, they would have to install a pump station and force main from the new pump station on Route 36, to the Meadows at Shawnee gravity line on a temporary basis. The Shawnee Acres pump station would then need to be fully replaced to accommodate the flow. A portion of the Shawnee Acres force main and a portion of the downstream gravity line will also need to be replaced. Some of the costs of that phase are included in the information in the packet.

He said the proposal is to design the new Route 1 East pump station and associated force main and replace the Shawnee Acres pump station to accommodate the Key Property development east of Route 1. Key Properties is anxious to start and wanted a proposal to begin their design.

Mr. Baird said he has heard from the developers and received some thing in writing stating they are interested in proceeding with the proposal.

Mr. Brooks was under the impression that Key Properties was not going to do anything until the overpass was put in. Mr. Baird said what they see is the opportunity to move forward by getting the design completed for the sewer improvements. They feel the time is right to get some utility projects done from a cost standpoint.

The city manager said we need to determine how to serve everything on the southeast side of town. He feels in phase 2, there are three components to the improvements. Starting on the east side of Route 1 with the sewer lines that Mr. Duplechain referred to, up to Shawnee Acres pump station, is one component. The second component is everything from the blue (see attached) area shown on the map coming up to the Shawnee Acres pump station.

Mr. Duplechain confirmed the gravity line would tie into West Shores and then come back into the system.

Mr. Baird noted the third component is the work being done from the Shawnee Acres pump station into town.

He explained that those in the purple (see attached) area on the map would pay for the first leg from their site to Shawnee Acres. Those in the blue (see attached) area would pay from their site to Shawnee Acres and collectively would pay for Shawnee Acres back into town.

Mr. Spillane confirmed there is no cost to the city because the upgrade of the pump would be the responsibility of the developers in that area and divided among those needing the extension. Mr. Baird said yes in the perfect world, but inevitably one or two may be ready but the third or fourth are not. He asked if the city wants to step up and assume a portion of that responsibility, then get it back through connection fees or do we allocate the costs to only those property owners who are interested.

Mr. Spillane said if three parties are involved and one does not wish to connect, then the other two should pay. If the third party wants to come in later, he would need to work that out with the other two. Mr. Baird said that is a possibility though it is a very difficult agreement to enter into. At this point, he feels it depends on how badly they want it done.

Mr. Spillane asked if the city will put up the funds, then have the interested developers reimburse the city. Once the third party is added, they would then pay the city their portion. Mr. Baird stated yes.

Mr. Spillane said the other problem is what happens if everything falls through and the entire costs become the city's responsibility. He would not want to see the city enter into an agreement, put up the money and then get stuck with the entire bill.

Mr. Baird explained that is why the proposal is just for the design. He agrees it is in our best interest because the city will do the design. In this case, we would go ahead, do the design and have DBF do the work. In turn, contract with Key Properties to pay the city back for the design work that has been done.

Mr. Spillane confirmed the piping would then be their responsibility though they would have to feed into our system.

Mr. Duplechain advised it is much more complicated which is why a spreadsheet was done showing the many ways to divide it in a fair and equitable manner. He said that what happens in the future, as these properties develop, is the Route 30 pump station will not be able to initially handle the blue (see attached) properties. But the wet well will be sized for future properties in the area of the Route 30 pump station. The pumps would be upgraded to handle the additional development. When this occurs, the flows reach a point in which the pump station cannot handle it. The force main would then be realigned and brought into a common force main extending up to the Northeast Front Street. Then the Route 1 East force main would tie into this connect to the regional force main. The Route 30 pump station would become a regional pump station for the entire southeast Milford area.

He stated should these developers decide to do this, when it is built, they are going to put in some very small pumps and a temporary force main. But the well will be sized so that larger pumps can be added as the development occurs. Therefore, it becomes even more complicated on how to pay for it.

Mr. Baird said that though it is complicated, it will allow things to move forward today but also add some provisions to accommodate later development in that southeast area.

Mr. Adkins confirmed the city will spend \$110,000 for the engineering project though it could take ten years before they decide to move forward. He asked if the engineering work would still be accurate. Mr. Duplechain said yes, unless they decide to change something in the area.

Mr. Duplechain noted the \$110,000 would be reimbursed back to the city by the developer.

Mr. Baird explained the agreement in the packet for the design needs to be approved by city council. Before he takes it to council, he will have a second agreement with Key Properties outlining how they will pay the city. In that manner, council will see both agreements before they would approve the engineering work.

Mr. Duplechain reiterated the city would not be out of the money other than the interim.

Mr. Duplechain again confirmed that this project includes the Route 1 East pump station and associated force main to Meadows at Shawnee, the replacement of the Shawnee Acres pump station along with some improvements downstream of the Shawnee Acres station.

Mr. Baird advised the city is receiving immediate pressure from Milford Housing and Wickersham on the Benson and Emory properties. Both have indicated they are ready to proceed.

Mr. Duplechain added that the developer of the Hall property plans to follow the timeline of DelDOT with the overpass.

Mr. Brooks asked if each of these developers will be talked to individually or as a group. Mr. Baird said they have been here at one time when the overall concept presented. The majority stated they are ready to proceed once the city lets them know what to do. Some work was needed to see how it could be put together and he wanted this committee made aware of these projects and to share the plans to move forward.

Mr. Spillane asked what it is the financial responsibility of the city for the new water tower when it is needed to accommodate new development in this area. Mr. Baird said the tower was needed before any development is considered. It justifies the additional need though a need already exists in the current water system, not only from a storage capacity, but to ensure pressure and fire flow in all areas of the city.

Adding a fourth water tower in this area will help offset some of the demand we are seeing from the center part of the city. Mr. Baird added there are systemwide benefits by having all these developments tied in.

The mayor asked if the new water tower will be up and running before the other two are repaired; Mr. Baird said possibly though there may be some work done on the exterior of the existing towers. It makes sense to have the additional storage before the other tank has to be drained for interior work.

It was confirmed that the Washington Street tower is a critical component to our water system and though it is old, it can be rehabbed and does not have to be removed. Mr. Duplechain said that though there was some discussion about removing it at one time, it would definitely be needed if there was a downtown fire. Otherwise, we would have to rely on the Caulk tower and trying to draw water from the other two tanks. The preference is to keep it up and running.

Mr. Baird sees the next step is to move forward with Key Properties on the design. He will then present this to council, along with some guarantees to ensure the bill will be paid. They will continue to map out the layout as well as work with the other property owners in the area.

Mr. Brooks said he is comfortable with it as long as it understood the majority of the costs will be paid by the developer.

Mr. Spillane asked if it is possible to shorten the extension by cutting through some of the properties to save costs. Mr. Duplechain explained that the concern was that the proposed layouts of the developments would later be changed. Mr. Baird said they had a proposal to cut through the property which is when they found out they are unsure how committed they are to their current plan.

Mr. Duplechain emphasized the property owners are willing to provide some easements so we would not necessarily have to put the water line in the street which is the biggest cost.

Mr. Brooks asked how much could be saved by crossing these properties; Mr. Duplechain estimates 10 to 15% of the cost of the line. It is not a huge cost because the water main is 3.5 feet deep. A gravity sewer line would be much more costly. The impact to them versus what could be gained may not be worth the issue.

Update on Water, Sewer and Electric Improvements

Mr. Baird said the next item is an update to the water, sewer and electric improvements that are underway. On the water side, the committee has talked about the new treatment facility, wells and storage on the southeast side of town.

The second project deals with tank rehabilitation. He is trying to find a quicker way to move forward because the need is creeping up on us.

Mr. Baird feels it will be cheaper to get people in here to do the interior and exterior at the same time. However, it will be difficult to do that based on the current conditions that exist. However, he plans to make that happen and there have been discussions on the best way to bid that portion of the project.

The other issue is the financing which will be discussed by that committee on Monday. They will need to decide whether to use city dollars or possibly borrow some additional money. If additional money is borrowed, the funding is in place through the USDA. If not, they will let us know how to close on the \$5 million loan and we will utilize our reserve funds, which is the holdup.

The city manager reported the cost estimate of \$2.4 million for the complete replacement of the Washington Street Water Plant is still planned. He said that came about when we looking at the possibility of saving dollars because we received the lower interest rate.

Mr. Baird explained the project will need to be done whether it is done now or some years down the road. How we proceed to move will depend on how the finance committee decides how to fund the work.

He stated on the sewer side, there are also some proposed projects. The North Front Street sewer line replacement is currently out to bid. That line will be replaced from Truitt Avenue to Walnut Street and from the Kent County Pump Station up to Rehoboth Boulevard. In speaking with Mr. Duplechain, they have received some requests to extend the bid opening scheduled for November 9th. In order to receive the 2% financing, it must be awarded by city council no later than December 31st.

He reported the I&I work continues. The study is underway though presently no borrowing is anticipated for that portion. However, if repairs are needed, some additional borrowing should be considered.

The electric project has been a regulatory nightmare according to Mr. Baird. They finally received the proposed contract with Delmarva Power for a Construction Agreement for a transmission and interconnection point. Milford's Electrical Engineer Allen Cobb, Solicitor Tim Willard and Mr. Baird have been forwarding comments back and forth. That will be on councils' agenda before the end of the year. Once that is completed, the project will proceed.

Delaware Water Pollution Control Revolving Fund/Commitment Letter

Mr. Baird then referenced the commitment letter from the Department of Natural Resources. He advised the total commitment is for \$2.385 million at 2% for twenty years. The North Shores project is still shown because the state had allocated that money to Milford in a pending category. However, they understand it is not going to proceed at this point and time or at least by December 31st based on recent action of city council.

He advised that DNREC requested the project remain on the commitment letter from the standpoint that if we don't use the funds by December 31st, it will be reallocated back to the state; if we wanted future funds, another application would need to be submitted.

Mr. Adkins said he had e-mailed Mayor Marabello and Mr. Baird about this. He is planning to talk to the residents at North Shores. He prefers having a firm number of exactly who is in favor and who is against the project. He said there has been some money spent on the engineering work.

Mr. Brooks pointed out there was \$70,000 spent on engineering and though people are saying we have lost \$70,000, it is not lost, because down the road that work can be used.

Mr. Adkins indicated that he had a few residents come to him stating they were disappointed the project was scratched. He plans to go door-to-door to find out who is willing to connect. He will return with those numbers.

Mr. Spillane asked that when Mr. Adkins talks to those residents, he also determine how many will be interested in annexing into the city. Mr. Adkins said he was not planning to tackle that. Mr. Spillane feels it would be appropriate if they were going to take city services especially considering the length it would take for the city to recoup the money being spent to extent utility to them. Mr. Adkins said that will be reimbursed through the additional 50% rate they will be assessed. Mr. Spillane understands the increased rate, but believes it will still take a long time for the city to come out ahead. Mr. Adkins said he will consider that though he is only interested in the sewer project.

Mr. Baird said that money would be available later though it would be at a much higher rate. He added their standard rate is 3.97%. However, there is also the possibility that future projects could be put through the USDA program and those rates are currently 2.58%.

Mr. Baird also reported that the North Front Street Project has an estimated cost of \$1.3 million. The difference in the 2% interest rate versus the 3.97% rate is just over \$312,000. He noted the significant savings to rate payers by moving forward with that project.

He said this is being presented to the committee because it is on the agenda Monday night. At that time, the binding commitment letter will also need approval. That approval will finalize that allocation for the funding of that project.

With no further business, the Committee Meeting concluded at 5:28 p.m.

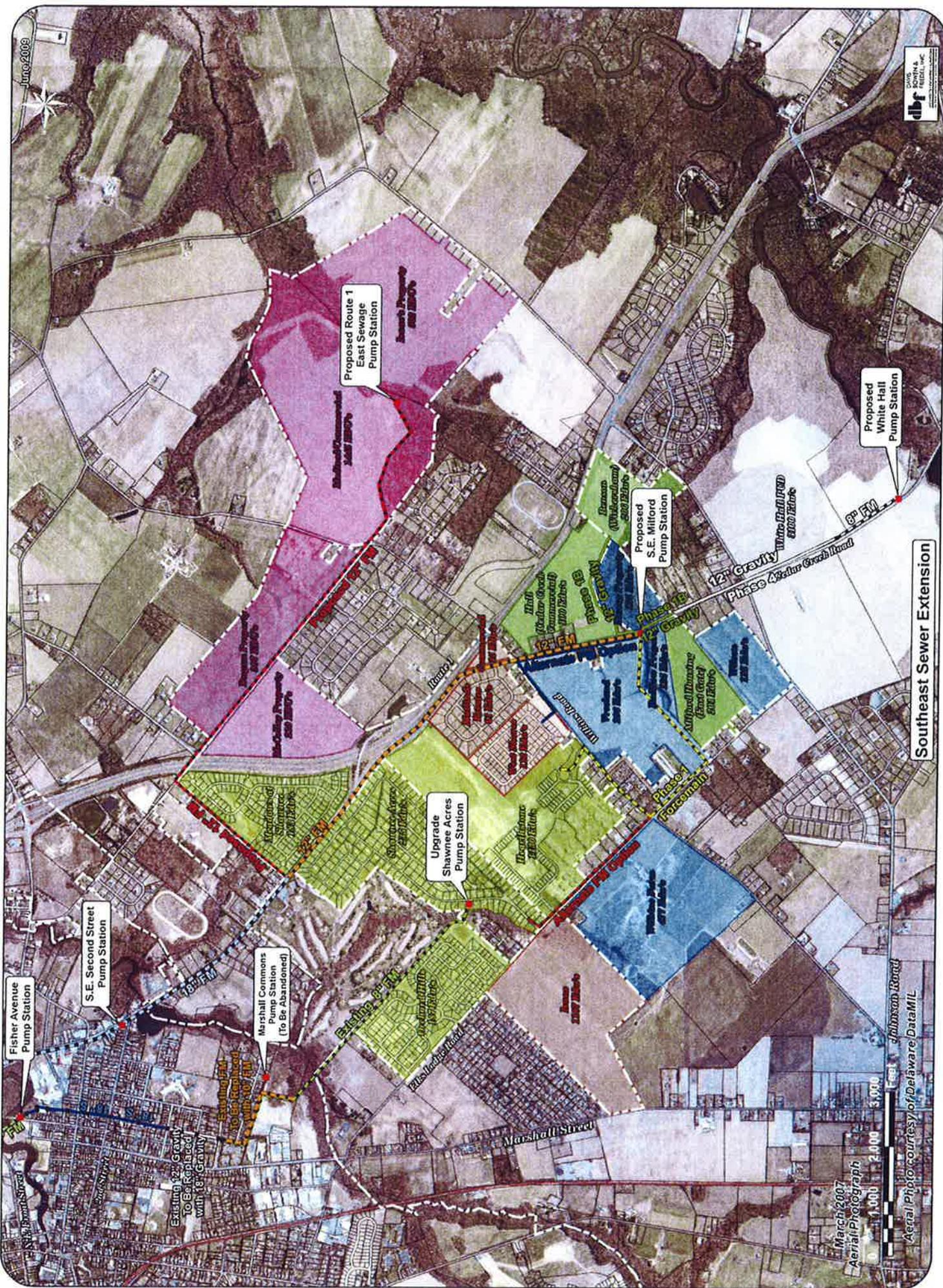
Respectfully submitted,



Terri K. Hudson, CMC
City Clerk/Recorder

Attachments

June 2009

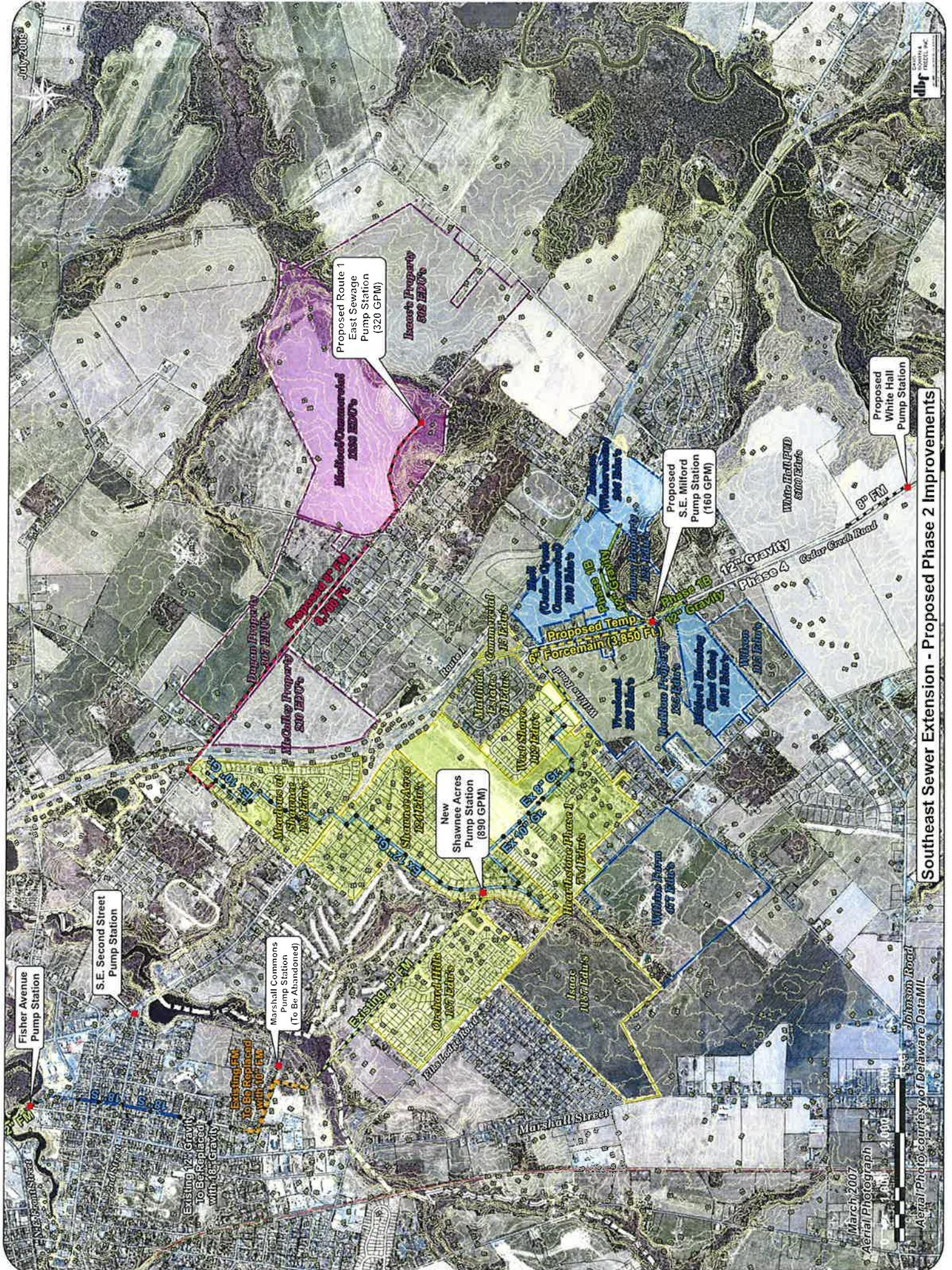


Southeast Sewer Extension

March 2007
Aerial Photograph



Feet
Aerial Photo courtesy of Delaware DataMIL
Chris Van Buren



Proposed Route 1
East Sewage
Pump Station
(320 GPM)

Proposed
S.E. Milford
Pump Station
(160 GPM)

New
Shawnee Acres
Pump Station
(890 GPM)

S.E. Second Street
Pump Station

Marshall Commons
Pump Station
(To Be Abandoned)

Proposed
White Hall
Pump Station

Southeast Sewer Extension - Proposed Phase 2 Improvements

Sept 2008



Southeast Sewer Extension - Proposed Phases 3&4 Improvements

March 2007
Aerial Photograph
1" = 100'

Aerial Photo courtesy of Delaware DataMIL