

MILFORD CITY COUNCIL
MINUTES OF MEETING
January 22, 2018

A Meeting of the City of Milford Public Works Committee was held in the Joseph Ronnie Rogers Council Chambers at Milford City Hall, 201 South Walnut Street, Milford, Delaware on Monday, January 22, 2018.

PRESIDING: Chairman Owen Brooks Jr.

IN ATTENDANCE: Committee Member: Councilmember Lisa Ingram Peel
Councilmember Katrina Wilson

STAFF: City Manager Eric Norenberg and City Clerk Terri Hudson

ABSENT: Committee Member: Councilmember Douglas Morrow

CALLED TO ORDER

Chairman Brooks called the Committee Meeting to order at 5:30 p.m.

Public Works Director Mark Whitfield was also in attendance.

City Manager Norenberg introduced DEMEC's Vice President of Asset Development Scott Lynch. He then asked to move two items under new business to the beginning of the meeting to ensure Mr. Lynch's complete presentation.

The Committee concurred.

NEW BUSINESS

Green Energy Program/Revision

Mr. Lynch reported the Green Energy Program was created to assist customers who would like to install renewable energy systems on their home. The City of Milford Green Energy Fund was implemented on January 1, 2007 pursuant to the Delaware Renewable Energy Portfolio Standards Act. This policy enabled Milford to establish an independent fund separate from the State of Delaware's Green Energy Fund to support energy efficiency technologies, renewable energy technologies or demand side management programs.

Since then, the City of Milford has received grants for 19 photovoltaic and 23 geothermal projects. Those funds have also been used for energy efficiency. He recalled when DEMEC had an online home energy auditing tool called Energy Depot. This program was discontinued at the end of last year in favor of a better free option offered by the United States Energy Star Program.

Currently, the City of Milford has \$22,055.59 in its Green Energy Fund. DEMEC is recommending using those funds and shifting the focus toward community-supported efforts such as LED streetlights or municipal building climate system upgrades. This would benefit all residents in the community versus individual grants provided to homes or businesses.

Mr. Lynch is asking the Committee to consider this option.

The City Manager recalled that last year, an energy efficiency audit was performed on all City facilities by the University of Delaware of which some recommendations have already been implemented.

Mr. Norenberg noted that he agrees with Mr. Lynch's recommendation and likes the benefit to all the rate payers and not just one home or business.

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He asked for a recommendation from the Committee to support the idea so that they can begin using the \$22,055.59 fund for projects as Mr. Lynch mentioned. The City Manager emphasized that the eligible projects are outlined in the statute and would be presented to Mr. Lynch for consideration and authorization.

Mr. Lynch explained that once he receives an email request and the project is confirmed as eligible, the process is very simple. Once Milford proceeds with the project, the invoices will be collected and shared with DEMEC, who would then reimburse the City.

Mr. Norenberg confirmed we have nothing specific in mind for a project right now though we have a variety of LED Streetlight Projects underway, in addition to the remaining recommendations provided by the University of Delaware for each City building. Unfortunately, that cost will be much higher than what is in the Green Energy Fund, though it will continue to grow overtime.

Chairman Brooks and Councilwoman Peel both are very comfortable with the concept.

Community Solar Project

City Manager Norenberg referenced a related memo and brochure in the Committee packet. He reported that DEMEC conducted a survey in December on behalf of the City of Milford. Customers who participated in the previous Green Energy Program were sent a brochure about a possible program along with a brief survey.

Mr. Lynch proceeded by explaining that instead of putting a solar panel on top of a house, the project will allow a rate payer to benefit from economies of scale by having the solar located elsewhere in the community. This is a program DEMEC modeled and put in the place in the City of Newark where there is an approximate 230 kW solar ray sitting on top of the old municipal landfill. Customers who want to take advantage of solar power are able to enroll without it being placed on their homes.

There are a number of reasons this may appeal to customers, including the lack of funding to invest in an individual system, home is in a shaded area with no access to the sun or someone is unable to install a system because they live in a rental. By the City locating the solar in a prime location, the customer can receive the same solar advantage had it been installed on their home.

It is a program that is widely successful around the country.

DEMEC mailed a survey to the remaining 37 City of Milford customers who had participated in the previous voluntary block purchase program. That program eventually changed and this new program appeals to many of those customers.

Currently in Newark, the 900-panel array at McKee Solar Park provides Newark with a behind-the-meter renewable power source to serve all residents by reducing the City's peak power demand, lowering the wholesale cost of power, generating solar renewable energy credits, bringing locally produced green energy to the City's electric users and reducing the City's carbon footprint.

There is presently a Community Solar Park, approximately 60 kW system in Milford that was part of a larger 15-megawatt development and would be considered for Phase I. Of the approximate 37 customers who were participating in the City of Milford's voluntary program, 13 responded. They were asked if they would be willing to purchase renewable energy at a rate less than the current costs, would they like to participate in a Community Solar Program that is low cost and low risk and would they be willing to pay a one-time \$50 fee to enroll. All respondents answered yes to the first three questions.

Based off this information, they were asked how many potential blocks (one block is one unit of 100 kilowatt hours) of renewable energy they would be willing to purchase. One block would provide a customer 10% of renewable energy with an electric bill of 1,000 kilowatt hours a month.

Approximately 75 to 80% of the respondents preferred to take the maximum of five blocks.

The system, already in place in Milford, would produce conservatively 50 blocks a month for customers. If everyone who expressed an interest followed through, the program would almost immediately sell out.

As a result, the data proved there is sufficient interest in the Community Solar Project and DEMEC is willing to facilitate the City in bringing the program to Milford.

If the Committee agrees, Mr. Norenberg is willing to work with DEMEC to figure out the implementation steps and look at some additional marketing materials.

Chairman Brooks expressed an interest in proceeding with these plans. Councilwoman Peel said she had previously discussed this with the solar representative at her workplace. She agrees there is obvious interest in this program and feels it is a great resource offer for our customers.

Councilwoman Wilson arrived at this time.

Mr. Lynch verified that the previous Green Energy Program involved purchasing out-of-state wind and was in place until 2012. However, the Community Solar has a much greater benefit because a customer can actually drive by and observe the site versus utilizing an out-of-state system.

The City Manager said the 2012 customer billings were reviewed to determine who had participated though several customers no longer lived in the City. The survey was then mailed to the remaining 37 of the approximate 50-60 initial customers. They felt those customers would be more apt to participate in another program rather than surveying the City's entire customer base.

UNFINISHED BUSINESS

Capital Improvement Program/Update

Public Works Director Mark Whitfield reported that over the last six weeks, he has been reviewing the Street Condition Report completed by the University of Delaware Engineering Interns this past summer. He is considering what would be required in terms of dollars and cents in order to start maintaining street paving and keeping it in decent condition.

Mr. Whitfield noted that the City has approximately 5.5 million square feet of pavement it is responsible for maintaining. Using a rough number of \$3.75 per square foot (\$2.00 per sf. is for mill and overlay and \$1.75 per sf. for ancillary expenses such as curbing, storm sewers, handicapped ramps, etc.), the cost to complete all streets would come in at approximately \$20 million. The average life of a wearing surface/pavement is twenty-five years; what should be spent is around \$825,000 per year in terms of rehabilitation.

The Public Works Director recommends the Committee consider addressing all City streets rated poor/very poor/serious condition at an approximate annual expenditure of approximately \$832,000 over the next five years.

The utilities and their conditions must also be considered and Mr. Whitfield suggested there may be opportunities for cost sharing by having either water and/or sewer pay a portion where the lines need to be replaced or repaired.

He also recalled the amount of growth that occurred between 1995 and 2005. Many of those streets will soon be due for rehabilitation. As a result, that estimate will never get smaller and will only continue to get larger over time.

According to Chairman Brooks, Northeast Tenth Street should be added to the list because of the heavy traffic and school buses that use it. In particular, he reported there are between twenty and thirty buses that leave the school at 7:30 and 8:30 a.m. and again at 2:30 and 3:30 p.m.

He said the street is in decent shape though it is beginning to crumble as you get closer to Walnut Street.

Councilman Brooks reiterated that he was surprised that Northeast Tenth Street was not included in the plan and compared it to Airport Road that never had any footing.

Mr. Whitfield pointed out that when this report was generated, one of the worst sections was Tenth Street, from the entrance of Wawa out to Route 113. However, that was added to the Airport Road Project and has been completed.

Mr. Whitfield will go back and review the ratings of the various areas on Tenth Street for Councilman Brooks. However, the recommendation is to review these repairs in a systematic way and how they ranked in comparison to other streets. He agrees there is a question of whether it will last another five years though he recommends a conditional appraisal be done every five years so that a snapshot can be obtained particularly on the streets with heavy truck traffic and heavy loads.

Chairman Brooks pointed out the day they assessed Northeast Tenth Street was a summer weekday when there was no school traffic and no beach traffic. He guesses there are approximately 300 to 400 students driving to school, in addition to the buses and trucks that use that street. On the weekends, all beach traffic in Milford uses that street. He emphasized the road was never paved correctly and causes excessive bouncing to vehicles traveling on it.

When asked the average cost of rehabilitation of roadways over the past couple years, Mr. Whitfield said that the Airport Road Project spiked the average up though he believes the annual funds received from state aid is approximately \$200,000 to \$225,000.

The Public Works Director stated that he will continue to look for other funding opportunities through the State of Delaware, as well as the City's enterprise funds where old utilities need replacing and could pay for 35 to 40% of the street's rehabilitation.

He did clarify that some streets can last thirty-five years though others like Airport Road and Tenth Street will most likely last only fifteen years.

Chairman Brooks mentioned a few other areas of concern on Mispillion and Marshall Streets.

Mr. Whitfield informed Chairman Brooks there is money in this year's budget to address Mispillion Street though they have been holding off until the developer makes a decision in terms of the Landing Project on the River. If he proceeds, the City may be doing something in collaboration with the developer.

City Manager Norenberg shared that the Real Estate Transfer Fund can also be used for infrastructure improvements in addition to public safety.

IACP Fellow Evan Miller then provided an update on the Capital Improvement Plan. He referenced the Capital Project Request Form provided to the Department Heads who were responsible for the budgeting in each department. Included were the Streets, Parks and Recreation, Police, Information Technology, Planning and Economic Development, Water, Sewer, Refuse, Electric, Garage, Finance and Customer Service, as well as those facilities under the care of Christie Murphy.

This form will gather a description of the capital projects being requested for the five-year time frame. The due date is Friday, February 9th.

The City Manager said he hopes to schedule another Public Works Committee meeting in February once the forms are received back so they may get a better idea of what is needed.

Mr. Miller explained the form was split into two parts. The first part of the document is for capital projects and the second part for vehicles and equipment. Keeping them separate makes the process easier when reviewing and consolidating the information because the vehicle inventory needs to be regularly updated. He then reviewed each aspect of the form and the information required.

Also added were Strategic Plan Goals the project will help address.

He will be going through the findings from the Strategic Planning Process which involve not only the citizen survey completed, but the results from the Community Conversations, at the time he meets with each Department Head.

Chairman Brooks and Councilwoman Peel thanked Mr. Miller for the information.

NEW BUSINESS (continued)

Downtown Pedestrian Improvement Proposal

The matter was postponed until a future meeting.

ADJOURNMENT

Due to the time and the start of the Council Meeting, Councilwoman Peel moved to adjourn the Committee Meeting, seconded by Chairman Brooks. Motion carried.

Chairman Brooks adjourned the Public Works Committee meeting at 7:06 p.m.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Terri K. Hudson". The signature is fluid and cursive, with a large initial "T" and "H".

Terri K. Hudson, MMC
City Clerk/Recorder