

MILFORD CITY COUNCIL  
MINUTES OF MEETING  
April 9, 2018

A Joint Meeting of the City of Milford Public Works and Finance Committees was held in the Joseph Ronnie Rogers Council Chambers at Milford City Hall, 201 South Walnut Street, Milford, Delaware on Monday, April 9, 2018.

PRESIDING: Mayor Bryan Shupe

IN ATTENDANCE: Councilmembers:  
Public Works Committee Chair Owen Brooks  
Public Works Committee Members Lisa Ingram Peel (Douglas Morrow)  
Finance Committee Chair Douglas Morrow  
Finance Committee Members Christopher Mergner and James Burk  
  
City Manager Eric Norenberg, Police Chief Kenneth Brown and City Clerk Terri Hudson

ABSENT: Finance Committee Member Christopher Mergner

Public Works Committee Chairman Brooks called the Joint Committee meeting to order at 6:00 p.m.

Also present were Public Works Director Mark Whitfield, City Accountant Suzannah Frederick and ICMA Local Government Management Fellow Evan Miller.

*Capital Improvement Plan Update*

City Manager Norenberg reported that staff has been working on a comprehensive Capital Improvement Program for the next five years. He recalled when Local Government Management Fellow Evan Miller previously explained the process involving all City Departments. What is being presented is a full plan that has not been whittled down based on available revenue, though the intent is for Council to see the complete picture of what has been identified as needs over the next five years.

Mr. Miller advised this has been the work of all Department Heads, the Public Works Director and the City Accountant over the past two months. The spreadsheet is broken down by Enterprise Fund/Department and General Fund/Department and individual projects and equipment.

It also includes the department's priorities (essential, desirable, deferrable) as well as the funding source and the specific year. Mr. Miller emphasized the projects have not been vetted and is more of a wish list at this point.

In the upcoming weeks, meetings will be held with the Department Heads to acquire additional information and determine if the projects have been slated for the correct year and whether the costs can be distributed across the five years.

Mr. Norenberg explained that the next key issues will be for our Finance Department to complete preliminary revenue forecasts of each of the funds for next year. Budget meetings will begin in the next couple weeks to review operating budget requests and capital needs. At that time, it will be determined if each of the requested capital items and totals will fit into the reserve fund balances that currently exist.

He asked Council if there are any specific items to inform him of any projects identified in individual wards that are not included on the spreadsheet. As they review the street requests, they will acknowledge some of the street and sidewalk costs that have been discussed over the past year.

Councilwoman Peel noted there are sub-levels of priorities and asked if there is another way to sort by overall priority or because they are being funded by different sources. Mr. Miller advised that each priority was determined by the Department

Head. The next step would be for the City Manager and Mr. Miller to meet with the Department Heads individually and get into those specifics, then prioritize and bring back for further review and approval by Council.

Mr. Norenberg shared that the enterprise funds are very tight at this point. The general fund will be less than all the projects competing for those monies and economic development funds. However, CDBG, grant money, transportation funds and other sources will supplement the projects.

Mr. Miller referenced the street resurfacing and rehabilitation and ADA curb compliant ramp projects noting that financing for private sidewalk improvements and city sidewalk improvements have been included, as well as a number of streetscapes projects. The majority of projects in the Street Department and Parks and Recreation Departments were identified as streetscapes projects and ranked by the Rivertown Rebirth Steering Committee.

City Manager Norenberg advised that the City typically brings in between \$225,000 and \$250,000 in Municipal Street Aid (MSA) from the State of Delaware which can be used toward \$840,000 street rehabilitation. The Delaware League of Local Government is requesting our State Legislators prioritize an increase in the MSA allocation in the next budget. However, even if the increase is approved, it will still not be enough to close that gap.

Public Works Director Whitfield then explained that when the street list was created, the first criterions in the ranking were those designated as in poor/very poor/serious condition. To properly address them, the cost would be \$830,000 a year over the next five years.

He further explained when you look at the total square feet of pavement in the entire City and assuming that rehabilitation is needed every twenty-five to twenty-six years, the estimated cost will be approximately \$830,000 per year.

Mr. Whitfield stressed that if Council wants to keep our streets in the best condition, that is the amount of money that will be needed on an annual basis with the appropriate preventive maintenance.

He also confirmed that Mispillion Street is still scheduled in this year's budget. Councilman Brooks said has been promised by four different City Managers Mispillion would be done and it yet has not been repaired. Mr. Whitfield assured Councilman Brooks it is scheduled this year.

Mr. Norenberg stated that as we go through the budget process and constrain this plan by available money, there is very little chance of \$830,000 being available in next year's budget. As a result, a prioritization process would be required, and local and MSA money combined to accomplish the highest priority streets.

The Public Works Director then explained that we also receive requests from local legislators who have funds available for particular streets and this will provide a good summary of our worst streets. There are also funds that may become available from time to time and by having this list, together with an estimate for each street segment, will allow the City to pursue that grant money in a much quicker manner.

Councilwoman Peel asked if the financing for private sidewalk improvements is the same project that has been discussed with regard to doing the work and have those residents pay it back. Mr. Whitfield confirmed that is correct.

Mr. Whitfield reported that a rough assessment was done of the entire City and the number was actually less than he expected. He feels the \$75,000 estimate could be on the high side.

The City Manager referenced the cost of the West Street curb and sidewalk project and the City's match against the CDBG money and recalled the resolution recently adopted by Council.

Mr. Whitfield has designated the Walnut Street crossing over the Mispillion River as one he plans to bring before the Public

Works Committee meeting next Monday. He wants to create a safer connection between the two sides of the park. He has been working with DeIDOT and looking at various alternatives. The crosswalk must be made ADA compliant which posed another issue because we did not want to go into the bridge deck. The thought is to raise the level of the bridge deck with brick paving or similar material to the same level as the sidewalk on each side and create something similar to a speed bump or traffic calming device of some type.

DeIDOT performed an analysis on the bridge to confirm it will take the additional load. Mr. Whitfield is hoping for something decorative which would become a focal point in the downtown. He also thinks there may be some outside funding sources available for that project.

Councilman Burk stated that he had submitted a request for a crosswalk on Walnut and Clarke Street. Mr. Whitfield explained that DeIDOT is continuing to work on that noting there are a couple of obstacles that have to do with FHWA (Federal Highway Administration) rules.

Mr. Whitfield assured Councilman Burk he continues to work with DeIDOT to make that happen. The installation of ADA compliant ramps noted on the CIP is a Citywide project where requests and alterations are needed based on high usage. In addition, City Manager explained that when the City is working on a sidewalk and the property owner is required to repair their sidewalk adjacent to a corner, that money pays the cost of creating that ADA compliant sidewalk.

Mr. Whitfield said another issue raised is the amount of the money needed to do paving where more than ½ inch of roadway is needed and the intersections made ADA compliant. In addition to the paving, work is needed on the curbing along the street and the sidewalks.

While evaluating the streets, the water and sewer lines are also being evaluated so that work can be done in advance of the road work.

The Public Works Director then referred to the following memo:

*The City's various Departments are faced with aging equipment that will need to be replaced in the near future. Budgeting for these replacements can create a financial burden, in particular with high priced, specialized Public Works equipment. One way to reduce the wide swings in annual budgets is through the creation of an Equipment Replacement Fund. The fund may be initially established using Reserved Funds available in the Water, Sewer, Electric, Solid Waste and General Fund. Each year, money is added to fund based on the annualized depreciated value of the vehicles/vehicle's anticipated useful life. When the vehicle reaches the end of its useful life, money within the fund would be available for its replacement. That does not mean the vehicle must be replaced. It can be retained for a longer period of time, however, when time comes to replace the unit, funds would continue to be available.*

*In the Committee packet is a sample funding scheme for each Department/Division. Using Electric Division as an example, for the 2019 Budget, \$45,159 would be included in the budget for Vehicle Replacement Fund. At the end of 2018, \$1,144,886 of the Electric Reserves would be earmarked for Equipment Replacement, with the \$45,159 being added in 2019. As vehicles are replaced, the Annual Depreciation amount will increase based on the depreciated value of the new piece of equipment. Funds for the purchase of replacement equipment will be deducted from the Electric Equipment Replacement Fund. In short, the fund is self-sustaining, and annual budgeting for replacement equipment is leveled out, without having excessive spikes in expenditures.*

He noted that the Electric, Water and Sewer Departments have fairly healthy reserves and part of those funds would be earmarked for vehicle replacement. A predetermined amount of money will be set aside each year. This will also work with the Police Department who needs at least two vehicles every year and will provide a self-supporting system.

Mr. Whitfield emphasized that these vehicles do not have to be replaced at the time they are fully depreciated. This will only

provide the funding for the eventual replacement of that vehicle.

Councilman Brooks pointed out there are a number of vehicles that never leave the City; Mr. Whitfield agreed adding that they are also reviewing equipment that can have multiple uses and those that make more sense to rent versus purchasing. For example, the City has a pavement roller that has not left the City yard in three years. Though this may have been a difficult piece of equipment to rent many years ago, he is now able to call a rental company and have a roller delivered in 24 hours. He would use it as needed and then return it.

Councilman Burk agreed adding that will also substantially reduce a lot of maintenance and insurance costs.

The Public Works Director estimates the roller to be 12-13 years old and might have 110 hours. As a result, the cost of purchasing that type of equipment in comparison to the amount of time used is not feasible.

Multifaceted pieces of equipment are also being considered. One proposal is for a hook truck which is a heavy duty truck fitted with a hydraulic hook lift hoist system in which various bodies can be used. A leaf bed, a forestry bed, dump bed and there are some that can be used for a garbage truck. Mr. Whitfield recommends the hook body be considered for seasonal equipment that is versatile and can be used year round.

Councilman Brooks asked if routine maintenance is now being done on all City equipment; Mr. Whitfield explained that the routine maintenance is done in-house. Depending on the size and scope of the maintenance, some items will be contracted out. Councilman Brooks said he knows the City has a mechanic.

Councilman Burk said he is aware of some municipalities who do equipment sharing and asked if we have considered that; Mr. Whitfield responded by stating that we actually have shared the street sweeper with the Town of Milton. They have a need but not to the point that buying their own would be cost effective. The City's street sweeper is not used five days a week so that has worked out well.

In addition, Mr. Whitfield recalled allowing our sewer truck to be used in other jurisdictions. Councilman Burk appreciates that and recalled that Milford assisted Blades when they were experiencing some utility issues. In addition, Mr. Whitfield reported that the City has also assisted Harrington and Camden when their equipment went down. A mutual aid agreement is in place which alleviates Milford from having a need for a backup piece of equipment when an adjacent municipality is in possession of one.

Councilman Mergner asked if auto gas options such as propane are being considered with the installation of dual tanks. Mr. Whitfield stated that what is being considered is how much that piece of equipment is used. The Public Works Director has, for example, used compressed natural gas in refuse trucks because they are on the road 220 days a year. In his opinion, it makes sense to put natural gas or propane in those type vehicles, but it is not as economical for a dump truck that is only used for snow plowing. Those vehicles rarely get 8,000 miles a year. Therefore, the maintenance and uplifting costs to add natural gas or propane is being based on the use of the vehicle.

Councilman Mergner announced there are some great programs available where those transition costs to equip vehicles with those type tanks. He recommended that when Mr. Whitfield looks at the fleets, that be considered as a way to save money versus paying diesel and gasoline costs. The State of Maryland puts money into that type of pot though he is unsure if Delaware does that yet.

Mr. Whitfield explained the other thing being considered are hybrid vehicles and as Councilman Brooks pointed out, there is a lot of equipment that never leaves the City. Having an electric or hybrid car that could be used in a small geographic area makes a lot of sense based on the saving of maintenance and fuel. Councilman Mergner agreed.

Councilwoman Peel then asked for more information on the three vehicles included in the CIP for the Planning Department.

City Manager Norenberg explained there are currently two vehicles. The Chevy Colorado is earmarked for the in-house building inspector, but has been lent to the Public Works Department, though it is subject to recall when needed. That is in addition to the Dodge Durango that our Code Official uses.

Mr. Whitfield explained that presently the Colorado is being used in the Public Works Department by some of the supervisors and the reason there is a request in the CIP for a hybrid vehicle which would eliminate the need for the borrowed vehicle.

Planning Coordinator Pierce then explained that the need for three vehicles will be based on the other portions of the operating budget and specifically, if an in-house building inspector is hired. We would require three vehicles for the two Code Officials and the Building Inspector. Based on that, the vehicles may be adjusted back down to two.

Councilwoman Peel then asked about Customer Service and the IT Department each having vehicles; Mr. Norenberg explained those vehicles get very limited usage and share options will be considered in those cases. She recommends evaluating that carefully before three new vehicles are purchased.

Mr. Norenberg also shared that one of the issues that may need to be revisited is the option of mileage reimbursement versus the City purchasing a vehicle. Currently, the Public Works Director and he have allowances versus the City purchasing vehicles for their use. This is a substantial savings to the City in maintenance and insurance costs and is something that may be expanded.

Councilmembers Burk and Peel stated they are both in favor of that idea. Mr. Norenberg reported that the Camry currently owned by the Finance Department has limited in-town errands, including regular trips to the banks. However, it is used by several employees, including those at City Hall, for out of town meetings typically in Dover or Wilmington. It depends on the user preference and whether personal errands will be done before or after the meeting. In those situations, it is more appropriate for the employee to take their personal vehicle.

Mr. Norenberg plans to discuss this with each department before any serious consideration is given to purchasing new vehicles.

Councilman Morrow then questioned the North Walnut Street sidewalk and if that was on the cemetery side or the opposite side. Councilman Brooks also asked if a sidewalk is needed on the cemetery side because he never sees anyone walking on that side. Mr. Whitfield said that was identified when the wall replacement project was being considered. It was reported there are a number of students that cross through the cemetery as part of their route to Milford High School and Central Academy.

Councilman Burk stated that if the sidewalk is not feasible, perhaps a crosswalk can be considered due to that street having two sidewalks up to a point. Councilwoman Peel prefers a crosswalk be installed at the Dairy Queen Intersection. Mr. Norenberg agrees assuming those students will follow the signs and directions.

Councilman Brooks reiterated he has never seen any school kids walk on that side of North Walnut Street.

Councilwoman Peel agrees there are students heading north in that area who need to cross those streets. She has observed them walking through the IG Burton Body Shop/Enterprise lot and crossing at the One Stop Convenience Store. There are also a lot of workers that walk from Perdue to Wawa.

Councilman Brooks stated that he walks by that area every morning to go to the store and that road is like a racetrack.

The Committee then thanked the City Manager, Public Works Director, Evan Miller and the Department Heads who worked

together to create this CIP. Mr. Norenberg said that in addition, Suzannah Frederick and Rob Pierce were also very helpful though Mr. Miller was extremely instrumental.

Councilwoman Peel commented it was very well done and a great overview of what is needed to plan for in the years ahead. Councilman Morrow and Councilman Brooks both agreed that they really liked the new document and thanked everyone who participated.

There being no further business, Councilman Morrow moved to adjourn the Joint Committee Meeting, seconded by Councilman Mergner. Motion carried.

Meeting was adjourned by Chairman Brooks at 6:46 p.m.

Respectfully submitted,

A handwritten signature in cursive script that reads "Terri K. Hudson".

Terri K. Hudson, MMC  
City Clerk/Recorder