

AGENDA
REGULAR MEETING OF THE MAYOR AND COUNCIL
April 25, 2023
SEAFORD CITY HALL - 414 HIGH STREET

The meeting will be streamed via live feed.

To view a live meeting visit one of the links below:

- On our website: www.seafordde.com/meetinglivefeed
- On Facebook: www.Facebook.com/cityofseaford
- On YouTube: <http://www.youtube.com/c/CityofSeafordDe19973>

To view this meeting agenda and supporting documentation visit our website: www.seafordde.com/meetings_and_agendas

Comments and questions may be emailed to: Councilinfo@seafordde.com

- 7:00 P.M.** - Mayor Genshaw calls the Regular Meeting to Order.
- Invocation
 - Pledge of Allegiance to the Flag of the United States of America.
 - Changes to the agenda for this meeting.
 - Approval of minutes of the regular meeting on April 11, 2023.

Mayor Genshaw to introduce Reanna Goye who was recently hired as Communication Support Technician at the Seaford Police Department.

ALL ITEMS ON THIS AGENDA MAY OR MAY NOT BE VOTED ON.

PUBLIC COMMENT:

- 1.

CORRESPONDENCE:

- 1.

7:05 PUBLIC HEARING:

1. Wash N Vac III Inc., property owner of 22924 Sussex Highway, Tax Map and Parcel #331-5.00- 50.17, on behalf of Hutton St. 21 LLC., is requesting a final site plan review for the proposed construction of a 3,750 +/- sq. building, parking, stormwater system, landscaping, and demolition of the existing building located on the property.
2. A. Jay Dolby, property owner of 22347 Sussex Highway, Tax Map and Parcel #331-4.00-24.00, 24.01, is requesting a sketch site plan review for the proposed construction of forty-three (43) townhomes.

AGENDA

REGULAR MEETING OF THE MAYOR AND COUNCIL

April 25, 2023

NEW BUSINESS:

1. Present the results of the 2023 Municipal Election, held April 15, 2023.
2. Chris Simms of Smart Utility Management LLC to present Water & Sewer Rate Analysis results and recommendation.
3. Bids - Industrial Park Buffer Fencing Phase III.
4. Present for a first reading amendments to Section 8.2.15 of the Seaford Municipal Code that would regulate the parking of trucks in Commercial Districts.
5. Present for a first reading amendments to the Seaford Municipal Code, Division 1, C-1 General Commercial Districts, Section 15-29 (a)(7) and (a)(26) Uses By Right to define permitted uses and Article 1, Section 15-7 Definitions to define early childhood development and educational facilities.

OLD BUSINESS:

1. .

REMINDER OF MEETINGS & SETTING NEW MEETINGS:

1. Little League Opening Day, 9:00 Williams Pond Park, April 29, 2023.
2. United Seaford Prayer Breakfast, Seaford High School cafeteria, 9:00 April 29, 2023.
3. City Hall and Utility Divisions will begin to observe Summer Hours, 7:00 a.m. - 4:00 p.m., on May 1, 2023.
4. May 2, 2023, Mayor and Council Budget Meeting #1, 6:00 Council Chambers, 414 High Street.

AGENDA

REGULAR MEETING OF THE MAYOR AND COUNCIL

April 25, 2023

LIAISON REPORTS:

1. Administration - Councilman Jose Santos
2. Police & Fire - Councilman Dan Henderson
3. Code, Parks and Recreation - Councilman Orlando Holland
4. Electric - Councilman Matt MacCoy
5. Public Works & WWTF - Councilman James King

Mayor Genshaw solicits a motion to adjourn the regular Council meeting.

NOTE: Agenda shall be subject to change to include or delete additional items (including executive session) which arise at the time of the meeting.
(29 Del. C. S1004 (e) (3))

Date Posted: 04/17/2023

Posted by: ASH



NB#1
4-25-23

**CITY OF SEAFORD MUNICIPAL ELECTION
APRIL 15, 2023
CERTIFICATE OF ELECTION**

The Annual Municipal Election held on **Saturday, April 15, 2023**, resulted as follows:

BALLOTS CAST

Total Number of In-Person Votes	<u>295</u>
Total Number of Absentee Ballots Received	<u>45</u>
Total Number of Ballots Cast	<u>340</u>

FOR CITY COUNCIL MEMBER – THREE (3) YEAR TERM

Jose Santos (Incumbent)	<u>166</u>
Michael N. Bradley	<u>220</u>
Dan H Henderson (Incumbent)	<u>242</u>

BOARD OF ELECTIONS

George F. Stewart, Chair

George F. Stewart 4/15/2023
Signature Date

Mary Borger, Board Member

[Signature] 4/15/23
Signature Date

Ronald Milligan, Board Member

Ronald Milligan 4/15/2023
Signature Date

Subscribed and sworn before me on this 15th day of April, 2023



[Signature]
Notary Public

My Commission Expires: December 17 2023

City of Seaford

NBS# 2
4.25.23



Updated Presentation for Council

FYE 2023 Water & Sewer Revenue Adequacy & Retail Rates Review

March 01, 2023

SUM SMART UTILITY MANAGEMENT / LLC
Rates / Budgeting / Regulatory Consulting

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1 : Executive Summary

2 : Impacts Reducing EDU to 250 Gallons per Day

3 : Minimum Bills Analysis Required for Debt Forgiveness

4-8 : Combined Water/Sewer Rate Review

9-13 : Water Rate Review

14-18 : Sewer Rate Review

City of Seaford

Executive Summary

Background

Due to efficiency improvements in low-flow fixtures and collection systems over the years, the City would like to consider updating its Equivalent Dwelling Unit ("EDU") definition to a more modern value. Currently the City's Code defines 1 EDU equal to the consumption of 300 gallons of water/sewer per day. While new developments with ultra-low flow fixtures can achieve a range of 125-185 gallons per day, Seaford would like to take the first step and consider the impacts from reducing 1 EDU to 250 gallons per day.

Option 1 - Reduce 1 EDU to 250 Gallons per Day, Limit Most Commercial Increases to 6.0%, Increase Residential Flat Rates by 3.0%

Currently, the City of Seaford has installed water meters only on Commercial and Industrial ("C/I") customers; therefore, adjusting the EDU rate down to 250 gallons per day will affect only those approximate 1,200 metered C/I customers and will not affect any of the residential customers since they are all non-metered and charged a flat rate per month. Reducing 1 EDU to 250 gallons per day would increase the total water and sewer charges for this class by approximately \$215,000 (or 10.6% of their total revenue). The City believes an increase of more than 10.0% may be too much of an increase for one year; therefore, rates were designed to limit the impact to only 6.0% to as many commercial customers as possible. Residential customer increases will be limited to only 3.0% in this Option.

Option 2 - Hybrid Includes 6.0% Increase for Residential Customers (Approximately 1/3 of Return on Equity Target)

In addition to lowering the EDU gallons per day to 250 for the metered C/I customers, Option 2 also includes the same 6.0% increase to the fixed residential Water & Sewer rates as well. This 6.0% increase aims to spread out the rate increases necessary to achieve the industry standard Return on Equity (from Option 4) over a 3 year period.

Option 3 - Increase Rates by the Same 8.7% Cost of Living Adjustment for Social Security Benefits in 2023

Previously, Seaford's combined Water & Sewer rates were close to the 2.0% Median Household Income affordability measurement set by Delaware's Clean Water State Revolving Fund ("CWSRF") that would provide principal debt forgiveness for the upcoming sewer plant expansion. Recently, Delaware has since increased that CWSRF affordability metric to 3.0% of MHI; as a result, the City's rates would need to be increased by almost 75% in order to receive this principal debt forgiveness. Since Seaford will not consider such a rate increase to customers, alternatively Option 3 shows what the impact to customers would be if the City were to apply the same 8.7% Cost of Living Adjustment for Social Security scheduled for 2023 to its Water & Sewer rates.

Option 4 - Follow the Industry Standard Return on Equity

Currently, the Net Operating Income for the combined Water & Sewer funds is estimated to be just under \$100,000 for Fiscal Year 2023. This amount is equivalent to a Rate of Return of only 0.6% which is significantly below the industry standard of approximately 4-5.0% for municipal utilities. If Seaford were to adopt a policy utilizing a conservative 4.0% Return on System Equity, then retail rates would need to be increased by a total of \$705,000 which represents a 17.6% increase from current rates. Typically revenue deficiencies identified utilizing the Return on Equity methodology are designed to be implemented over a 3 to 5 year time period to spread out the impact to customers over several years and avoid significant rate shock.

City of Seaford

Impacts Reducing EDU to 250 Gallons per Day

Combined Water & Sewer Rates

	(A)	(B)	(C)	(D)	(E)
	Metered Commercial/Industrial Customers ONLY	Current Revenues at 300 GPD	Proposed Revenues at 250 GPD	Proposed Revenue Impacts	Average Rate Increase Percentage
1	Water	\$745,741	\$790,485	\$44,744	6.0%
2	Sewer	\$1,270,282	\$1,346,498	\$76,217	6.0%
3	Total	\$2,016,022	\$2,136,984	\$120,961	6.0%
4					
5					
6	Individual Customer Impact Range	Number of Com/Ind Customers in Range	Percentage of Com/Ind Customers in Range	Average Monthly Water Bill Impact	Average Monthly Sewer Bill Impact
7					
8					
9	2.6% to 5.9% Rate Increase	68	5.6%		
10	6.0% to 6.1% Rate Increase	852	70.1%	\$1.65	\$3.23
11	6.2% to 10% Rate Increase	206	17.0%	\$5.67	\$8.46
12	10% to 15% Rate Increase	59	4.9%	\$4.47	\$8.83
13	15% to 20% Rate Increase	30	2.5%	\$5.71	\$11.13
14	Total	1,215	100.0%		

For Informational/Discussion Purposes Only

Below would be the impacts to the Commercial and Industrial Metered Customers if the EDU were to be reduced to 225 Gallons Per Day

	Metered Commercial/Industrial Customers ONLY	Current Revenues at 300 GPD	Proposed Revenues at 225 GPD	Proposed Revenue Impacts	Average Rate Increase Percentage
21	Water	\$745,741	\$882,606	\$136,865	18.4%
22	Sewer	\$1,270,282	\$1,493,030	\$222,748	17.5%
23	Total	\$2,016,022	\$2,375,636	\$359,613	17.8%

City of Seaford

Minimum Bills Analysis Required for Debt Forgiveness

	(A)	(B)	(C)	(D)
	City of Seaford	Monthly	Annually	% of Total MHI
1	2020 Median Household Income ("MHI")	\$4,403.33	\$52,840	100.00%
2				
3	Minimum Combined W&S Bills to Qualify for Debt Forgiveness	\$132.10	\$1,585	3.00%
4	Minimum Water Bills to Qualify for Debt Forgiveness	\$44.03	\$528	1.00%
5	Minimum Sewer Bills to Qualify for Debt Forgiveness	\$88.07	\$1,057	2.00%
6				
7	Current Combined W&S Bills	\$75.91	\$911	1.72%
8	Current Water Bills	\$25.74	\$309	0.58%
9	Current Sewer Bills	\$50.17	\$602	1.14%
10				
11	Increase in Combined W&S Bills to Qualify for Debt Forgiveness	\$56.19	\$674	1.28%
12	Increase in Water Bills to Qualify for Debt Forgiveness	\$18.29	\$220	0.42%
13	Increase in Sewer Bills to Qualify for Debt Forgiveness	\$37.90	\$455	0.86%
14	Percentage Increase in Bills to Qualify for Debt Forgiveness	74.02%	74.02%	

City of Seaford

Combined Water & Sewer Operating Expenses & Revenues

Combined Water & Sewer Totals

	(A)	(B)	(C)	(D)	(E)	(F)	(G)
		Fiscal Year Ending 2021 Actual	Fiscal Year Ending 2022 Actual Unaudited	Fiscal Year Ending 2023 Budget	Total Change from FYE 2021 to FYE 2023		Avg. Annual Change FYE 2021 to FYE 2023
1	Combined Operating Revenues						
2	Retail Sales Revenue	\$3,395,236	\$3,886,792	\$3,994,217	\$598,982	17.6%	8.5%
3	Other Revenues	\$775,494	\$958,091	\$902,361	\$126,867	16.4%	7.9%
4	Operating Revenues Subtotal	\$4,170,730	\$4,844,883	\$4,896,578	\$725,849	17.4%	8.4%
5							
6	Combined Operating Expenses						
7	Payroll & Other Costs	(\$791,663)	(\$998,294)	(\$1,063,074)	(\$271,411)	34.3%	15.9%
8	Repairs and Maintenance	(\$283,228)	(\$379,016)	(\$250,201)	\$33,027	(11.7%)	(6.0%)
9	Insurance	(\$420,413)	(\$350,817)	(\$408,117)	\$12,296	(2.9%)	(1.5%)
10	Utilities	(\$213,857)	(\$235,189)	(\$235,000)	(\$21,143)	9.9%	4.8%
11	Other Supplies and Expenses	(\$444,256)	(\$732,280)	(\$824,578)	(\$380,322)	85.6%	36.2%
12	Depreciation	(\$1,179,395)	(\$1,223,619)	(\$1,238,619)	(\$59,224)	5.0%	2.5%
13	Operating Expenses Subtotal	(\$3,332,812)	(\$3,919,214)	(\$4,019,589)	(\$686,777)	20.6%	9.8%
14							
15	Combined Non Operating Expenses						
16	Interest Expense	(\$129,601)	(\$117,670)	(\$108,683)	\$20,918	(16.1%)	(8.4%)
17	Transfer Out	(\$800,000)	(\$800,000)	(\$800,000)	\$0	0.0%	0.0%
18	Capital Contribution	\$328,676	\$122,217	\$125,000	(\$203,676)	(62.0%)	(38.3%)
19	Non-Operating Expenses Subtotal	(\$600,925)	(\$795,453)	(\$783,683)	(\$182,758)	30.4%	14.2%
20							
21	Net Operating Income (Loss)	\$236,993	\$130,216	\$93,307	(\$143,686)	4.2%	

City of Seaford

Combined Water & Sewer Return on Equity

Combined Water & Sewer Totals

	(A)	(B)
		Return on Equity Methodology (Most Common Industry Standard)
1	Total Assets	\$48,005,670
2	Accumulated Depr	(\$27,007,782)
3	Net Book Value	\$20,997,888
4	Outstanding Principle on Debt	\$4,283,238
5	System Equity	\$16,714,650
6	Interest on Debt	3.0%
7	Return on System Equity	4.0%
8	Interest on Debt	\$129,601
9	Return on System Equity	\$668,586
10	Target Net Operating Income	\$798,187
11		
12		
13	FY 2023 Forecast Revenues	\$4,896,578
14	FY 2023 Forecast Expenses	(\$4,803,272)
15	FY 2023 Forecast NOI	\$93,307
16	Target Net Operating Income	\$798,187
17	Revenue Deficiency	\$704,880
18	<i>Revenue Increase Necessary</i>	<i>17.6%</i>

City of Seaford

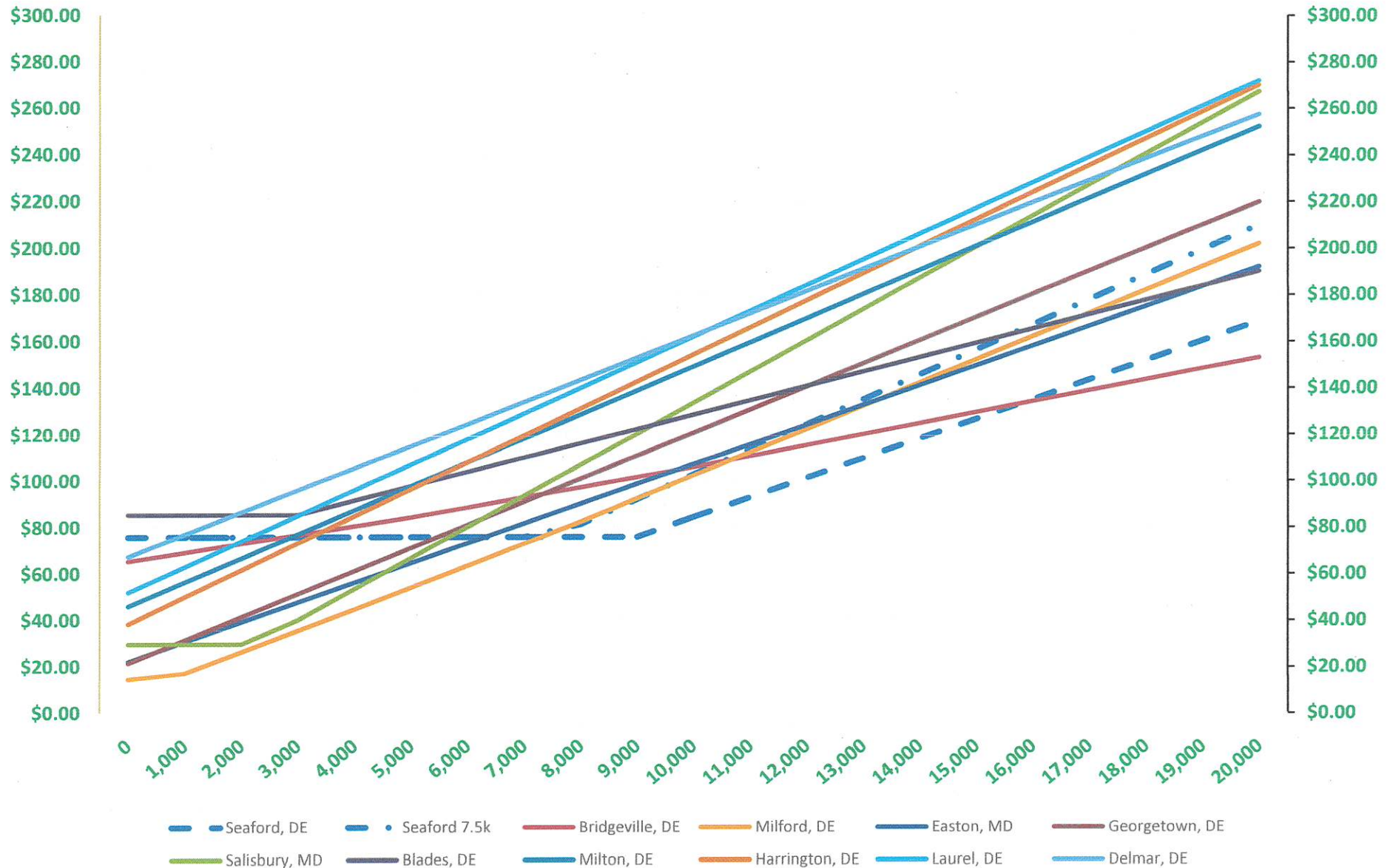
Combined Water & Sewer Rate Increase Options & Impacts

Combined Water & Sewer Rates

	(A)	(B)	(C)	(D)	(E)	(F)
	Customer Class	FY 2023 Budgeted Revenues	Option 1 Impacts 250 GPD & 3.0% Res & 6% Com Incr.	Option 2 Impacts 250 GPD & 6.0% Overall Rate Increase	Option 3 Impacts From the 8.7% 2023 Social Security COLA	Option 4 Impacts For 4.0% Minimum Return on Equity
1	Flat Residential Non-Metered	\$1,924,847	\$57,745	\$115,491	\$167,462	\$338,854
2			3.0%	6.0%	8.7%	17.6%
3	Metered Commercial/Industrial	\$2,016,022	\$120,961	\$120,961	\$175,394	\$356,639
4			6.0%	6.0%	8.7%	17.7%
5	Flat Commercial Non-Metered	\$53,348	\$1,600	\$3,201	\$4,641	\$9,387
6			3.0%	6.0%	8.7%	17.6%
7	Total	\$3,994,217	\$180,307	\$239,653	\$347,497	\$704,880
8	Total Average Rate Impact		4.5%	6.0%	8.7%	17.6%
9						
10	Current Residential Min.	First EDU	\$75.91	\$75.91	\$75.91	\$75.91
11	Monthly Bill Increase		\$2.28	\$4.55	\$6.60	\$13.36
12	Proposed Residential Min.	First EDU	\$78.19	\$80.46	\$82.51	\$89.27
13						
14	Proposed Commercial Min.	First EDU	\$80.46	\$80.46	\$82.51	\$89.27
15	7,501 - 225,000 Gallons	Per EDU ≤ 30	\$63.94	\$63.94	\$65.57	\$70.94
16	Over - 225,000 Gallons	Per EDU > 30	\$69.94	\$69.94	\$71.72	\$77.44

Current "In-Town" Combined Water & Sewer Bills Comparisons

Based on a Range of Consumption in Increments of 1,000 Gallons per Month



City of Seaford

Combined Water & Sewer Rate Comparisons

Combined Water & Sewer Rate Comparisons

	(A)	(B)	(C)	(D)	(E)	(F)	(G)
	Utility	First 3,000 Gallons	First 3,000 Gallons Diff. to Seaford	First 9,000 Gallons	First 9,000 Gallons Diff. to Seaford	Next 1,000 Gallons	Next 1,000 Gallons Diff. to Seaford
1	Seaford, DE	\$75.91		\$75.91		\$8.43	
2	Bridgeville, DE ¹	\$76.70	1.0%	\$101.50	33.7%	\$4.72	(44.0%)
3	Blades, DE ¹	\$85.42	12.5%	\$122.32	61.1%	\$6.15	(27.1%)
4	Easton, MD	\$47.73	(37.1%)	\$98.64	29.9%	\$8.49	0.6%
5	Delmar, DE	\$95.95	26.4%	\$152.95	101.5%	\$9.50	12.6%
6	Milford, DE	\$35.42	(53.3%)	\$92.27	21.6%	\$9.97	18.2%
7	Milton, DE	\$77.01	1.4%	\$138.87	82.9%	\$10.31	22.2%
8	Georgetown, DE	\$51.21	(32.5%)	\$110.73	45.9%	\$9.92	17.6%
9	Laurel, DE	\$85.00	12.0%	\$151.00	98.9%	\$11.00	30.4%
10	Harrington, DE	\$73.10	(3.7%)	\$142.64	87.9%	\$11.59	37.4%
11	Salisbury, MD	\$40.08	(47.2%)	\$120.24	58.4%	\$13.36	58.4%

Note: 1) Bridgeville and Blades are outliers with Sussex County Sewer that is fixed at \$50.42 per month meant for small residential customers only

City of Seaford

Water Operating Expenses & Revenues

Water Department

	(A)	(B)	(C)	(D)	(E)	(F)	(G)
		Fiscal Year Ending 2021 Actual	Fiscal Year Ending 2022 Actual Unaudited	Fiscal Year Ending 2023 Budget	Total Change from FYE 2021 to FYE 2023		Avg. Annual Change FYE 2021 to FYE 2023
1	Water Operating Revenues						
2	Retail Sales Revenue	\$1,192,117	\$1,373,044	\$1,413,082	\$220,965	18.5%	8.9%
3	Other Revenues	\$137,317	\$101,626	\$105,916	(\$31,401)	(22.9%)	(12.2%)
4	Operating Revenues Subtotal	\$1,329,434	\$1,474,670	\$1,518,998	\$189,564	14.3%	6.9%
5							
6	Water Operating Expenses						
7	Payroll & Other Costs	(\$309,359)	(\$393,907)	(\$413,913)	(\$104,554)	33.8%	15.7%
8	Repairs and Maintenance	(\$133,386)	(\$229,709)	(\$103,944)	\$29,442	(22.1%)	(11.7%)
9	Insurance	(\$149,131)	(\$121,250)	(\$153,351)	(\$4,220)	2.8%	1.4%
10	Utilities	(\$78,143)	(\$75,132)	(\$78,500)	(\$357)	0.5%	0.2%
11	Other Supplies and Expenses	(\$131,962)	(\$201,499)	(\$270,809)	(\$138,847)	105.2%	43.3%
12	Depreciation	(\$305,157)	(\$287,421)	(\$294,921)	\$10,236	(3.4%)	(1.7%)
13	Operating Expenses Subtotal	(\$1,107,138)	(\$1,308,918)	(\$1,315,438)	(\$208,300)	18.8%	9.0%
14							
15	Water Non Operating Expenses						
16	Interest Expense	(\$32,265)	(\$28,848)	(\$27,262)	\$5,003	(15.5%)	(8.1%)
17	Transfer Out	(\$200,000)	(\$200,000)	(\$200,000)	\$0	0.0%	0.0%
18	Capital Contribution	\$90,713	\$38,641	\$40,000	(\$50,713)	(55.9%)	(33.6%)
19	Non-Operating Expenses Subtotal	(\$141,552)	(\$190,207)	(\$187,262)	(\$45,710)	32.3%	15.0%
20							
21	Net Operating Income (Loss)	\$80,744	(\$24,455)	\$16,298	(\$64,446)	5.4%	

City of Seaford

Water Return on Equity

Water Department

	(A)	(B)
		Return on Equity Methodology (Most Common Industry Standard)
1	Total Assets	\$14,053,619
2	Accumulated Depr	(\$6,702,382)
3	Net Book Value	\$7,351,237
4	Outstanding Principle on Debt	\$911,367
5	System Equity	\$6,439,870
6	Interest on Debt	3.5%
7	Return on System Equity	4.0%
8	Interest on Debt	\$32,265
9	Return on System Equity	\$257,595
10	Target Net Operating Income	\$289,860
11		
12		
13	FY 2023 Forecast Revenues	\$1,518,998
14	FY 2023 Forecast Expenses	(\$1,502,700)
15	FY 2023 Forecast NOI	\$16,298
16	Target Net Operating Income	\$289,860
17	Revenue Deficiency	\$273,562
18	<i>Revenue Increase Necessary</i>	<i>19.4%</i>

City of Seaford

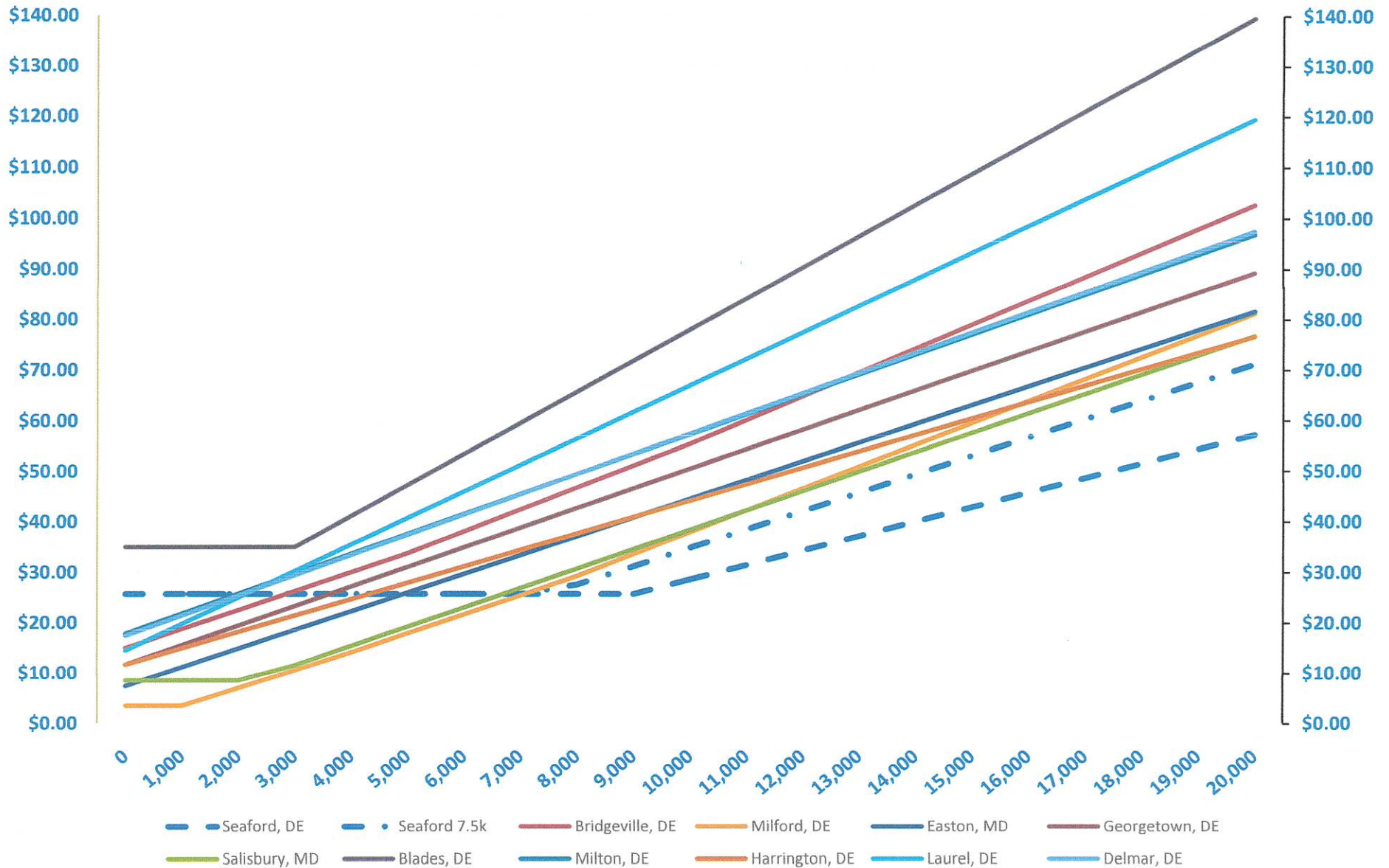
Water Rate Increase Options & Impacts

Water Department

	(A)	(B)	(C)	(D)	(E)	(F)
	Customer Class	FY 2023 Budgeted Revenues	Option 1 Impacts 250 GPD & 3.0% Res & 6% Com Incr.	Option 2 Impacts 250 GPD & 6.0% Overall Rate Increase	Option 3 Impacts From the 8.7% 2023 Social Security COLA	Option 4 Impacts For 4.0% Minimum Return on Equity
1	Flat Residential Non-Metered	\$649,521	\$19,486	\$38,971	\$56,508	\$125,743
2			3.0%	6.0%	8.7%	19.4%
3	Metered Commercial/Industrial	\$745,741	\$44,744	\$44,744	\$64,879	\$144,370
4			6.0%	6.0%	8.7%	19.4%
5	Flat Commercial Non-Metered	\$17,819	\$535	\$1,069	\$1,550	\$3,450
6			3.0%	6.0%	8.7%	19.4%
7	Total	\$1,413,082	\$64,765	\$84,784	\$122,937	\$273,563
8	Total Average Rate Impact		4.6%	6.0%	8.7%	19.4%
9						
10	Current Residential Min.	First EDU	\$25.74	\$25.74	\$25.74	\$25.74
11	Monthly Bill Increase		\$0.77	\$1.54	\$2.24	\$4.98
12	Proposed Residential Min.	First EDU	\$26.51	\$27.28	\$27.98	\$30.72
13						
14	Proposed Commercial Min.	First EDU	\$27.28	\$27.28	\$27.98	\$30.72
15	7,501 - 225,000 Gallons	Per EDU ≤ 30	\$21.75	\$21.75	\$22.31	\$24.49
16	Over - 225,000 Gallons	Per EDU > 30	\$23.44	\$23.44	\$24.04	\$26.39

Current Monthly "In-Town" Water Bill Comparisons

Based on a Range of Consumption in Increments of 1,000 Gallons per Month



City of Seaford

Water Rate Comparisons

Water Rate Comparisons

	(A)	(B)	(C)	(D)	(E)	(F)	(G)
	Utility	First 3,000 Gallons	First 3,000 Gallons Diff. to Seaford	First 9,000 Gallons	First 9,000 Gallons Diff. to Seaford	Next 1,000 Gallons	Next 1,000 Gallons Diff. to Seaford
1	Seaford, DE	\$25.74		\$25.74		\$2.86	
2	Harrington, DE	\$21.42	(16.8%)	\$40.92	59.0%	\$3.25	13.6%
3	Easton, MD	\$18.56	(27.9%)	\$40.83	58.6%	\$3.71	29.8%
4	Milton, DE	\$29.68	15.3%	\$53.38	107.4%	\$3.95	38.1%
5	Salisbury, MD	\$11.52	(55.2%)	\$34.56	34.3%	\$3.84	34.3%
6	Bridgeville, DE	\$26.28	2.1%	\$51.08	98.4%	\$4.72	65.0%
7	Georgetown, DE	\$23.31	(9.5%)	\$46.59	81.0%	\$3.88	35.7%
8	Delmar, DE	\$29.45	14.4%	\$53.45	107.7%	\$4.00	39.9%
9	Milford, DE	\$10.56	(59.0%)	\$33.57	30.4%	\$4.33	51.4%
10	Laurel, DE	\$30.25	17.5%	\$61.75	139.9%	\$5.25	83.6%
11	Blades, DE	\$35.00	36.0%	\$71.90	179.3%	\$6.15	115.0%

City of Seaford

Sewer Operating Expenses & Revenues

Sewer Department

	(A)	(B)	(C)	(D)	(E)	(F)	(G)
		Fiscal Year Ending 2021 Actual	Fiscal Year Ending 2022 Actual Unaudited	Fiscal Year Ending 2023 Budget	Total Change from FYE 2021 to FYE 2023		Avg. Annual Change FYE 2021 to FYE 2023
1	Sewer Operating Revenues						
2	Retail Sales Revenue	\$2,203,119	\$2,513,748	\$2,581,136	\$378,017	17.2%	8.2%
3	Other Revenues	\$638,177	\$856,465	\$796,445	\$158,268	24.8%	11.7%
4	Operating Revenues Subtotal	\$2,841,296	\$3,370,213	\$3,377,581	\$536,285	18.9%	9.0%
5							
6	Sewer Operating Expenses						
7	Payroll & Other Costs	(\$482,304)	(\$604,387)	(\$649,161)	(\$166,857)	34.6%	16.0%
8	Repairs and Maintenance	(\$149,842)	(\$149,307)	(\$146,257)	\$3,585	(2.4%)	(1.2%)
9	Insurance	(\$271,282)	(\$229,567)	(\$254,766)	\$16,516	(6.1%)	(3.1%)
10	Utilities	(\$135,714)	(\$160,057)	(\$156,500)	(\$20,786)	15.3%	7.4%
11	Other Supplies and Expenses	(\$312,294)	(\$530,781)	(\$553,769)	(\$241,475)	77.3%	33.2%
12	Depreciation	(\$874,238)	(\$936,198)	(\$943,698)	(\$69,460)	7.9%	3.9%
13	Operating Expenses Subtotal	(\$2,225,674)	(\$2,610,296)	(\$2,704,151)	(\$478,477)	21.5%	10.2%
14							
15	Sewer Non Operating Expenses						
16	Interest Expense	(\$97,336)	(\$88,822)	(\$81,421)	\$15,915	(16.4%)	(8.5%)
17	Transfer Out	(\$600,000)	(\$600,000)	(\$600,000)	\$0	0.0%	0.0%
18	Capital Contribution	\$237,963	\$83,576	\$85,000	(\$152,963)	(64.3%)	(40.2%)
19	Non-Operating Expenses Subtotal	(\$459,373)	(\$605,246)	(\$596,421)	(\$137,048)	29.8%	13.9%
20							
21	Net Operating Income (Loss)	\$156,249	\$154,671	\$77,009	(\$79,240)	3.6%	

City of Seaford

Sewer Return on Equity

Sewer Department

	(A)	(B)
		Return on Equity Methodology (Most Common Industry Standard)
1	Total Assets	\$33,952,051
2	Accumulated Depr	(\$20,305,400)
3	Net Book Value	\$13,646,651
4	Outstanding Principle on Debt	\$3,371,871
5	System Equity	\$10,274,780
6	Interest on Debt	2.9%
7	Return on System Equity	4.0%
8	Interest on Debt	\$97,336
9	Return on System Equity	\$410,991
10	Target Net Operating Income	\$508,327
11		
12		
13	FY 2023 Forecast Revenues	\$3,377,581
14	FY 2023 Forecast Expenses	(\$3,300,572)
15	FY 2023 Forecast NOI	\$77,009
16	Target Net Operating Income	\$508,327
17	Revenue Deficiency	\$431,318
18	Revenue Increase Necessary	16.7%

City of Seaford

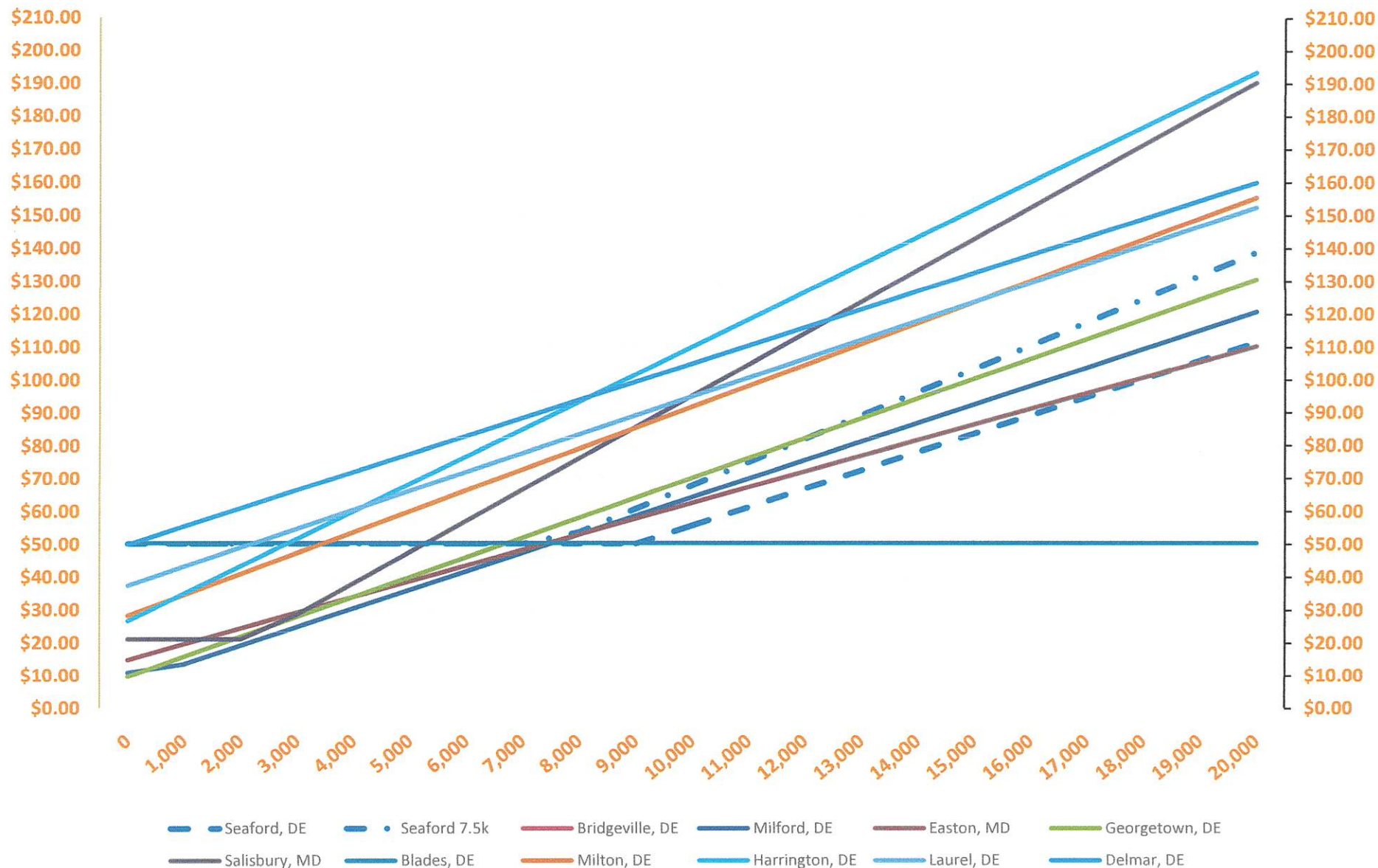
Sewer Rate Increase Options & Impacts

Sewer Department

	(A)	(B)	(C)	(D)	(E)	(F)
	Customer Class	FY 2023 Budgeted Revenues	Option 1 Impacts 250 GPD & 3.0% Res & 6% Com Incr.	Option 2 Impacts 250 GPD & 6.0% Overall Rate Increase	Option 3 Impacts From the 8.7% 2023 Social Security COLA	Option 4 Impacts For 4.0% Minimum Return on Equity
1	Flat Residential Non-Metered	\$1,275,326	\$38,260	\$76,520	\$110,953	\$213,112
2			3.0%	6.0%	8.7%	16.7%
3	Metered Commercial/Industrial	\$1,270,282	\$76,217	\$76,217	\$110,514	\$212,269
4			6.0%	6.0%	8.7%	16.7%
5	Flat Commercial Non-Metered	\$35,529	\$1,066	\$2,132	\$3,091	\$5,937
6			3.0%	6.0%	8.7%	16.7%
7	Total	\$2,581,136	\$115,543	\$154,869	\$224,558	\$431,318
8	Total Average Rate Impact		4.5%	6.0%	8.7%	16.7%
9						
10	Current Residential Min.	First EDU	\$50.17	\$50.17	\$50.17	\$50.17
11	Monthly Bill Increase		\$1.51	\$3.01	\$4.36	\$8.38
12	Proposed Residential Min.	First EDU	\$51.68	\$53.18	\$54.53	\$58.55
13						
14	Proposed Commercial Min.	First EDU	\$53.18	\$53.18	\$54.53	\$58.55
15	7,501 - 225,000 Gallons	Per EDU ≤ 30	\$42.19	\$42.19	\$43.26	\$46.45
16	Over - 225,000 Gallons	Per EDU > 30	\$46.50	\$46.50	\$47.69	\$51.05

Current Monthly "In-Town" Sewer Bill Comparisons

Based on a Range of Consumption in Increments of 1,000 Gallons per Month



City of Seaford

Sewer Rate Comparisons

Sewer Rate Comparisons

	(A)	(B)	(C)	(D)	(E)	(F)	(G)
	Utility	First 3,000 Gallons	First 3,000 Gallons Diff. to Seaford	First 9,000 Gallons	First 9,000 Gallons Diff. to Seaford	Next 1,000 Gallons	Next 1,000 Gallons Diff. to Seaford
1	Seaford, DE	\$50.17		\$50.17		\$5.57	
2	Bridgeville, DE ¹	\$50.42	0.5%	\$50.42	0.5%	\$0.00	(100.0%)
3	Blades, DE ¹	\$50.42	0.5%	\$50.42	0.5%	\$0.00	(100.0%)
4	Easton, MD	\$29.17	(41.9%)	\$57.81	15.2%	\$4.77	(14.4%)
5	Milford, DE	\$24.86	(50.4%)	\$58.70	17.0%	\$5.64	1.2%
6	Delmar, DE	\$66.50	32.5%	\$99.50	98.3%	\$5.50	(1.3%)
7	Laurel, DE	\$54.75	9.1%	\$89.25	77.9%	\$5.75	3.1%
8	Georgetown, DE	\$27.90	(44.4%)	\$64.14	27.9%	\$6.04	8.4%
9	Milton, DE	\$47.33	(5.7%)	\$85.49	70.4%	\$6.36	14.1%
10	Harrington, DE	\$51.69	3.0%	\$101.73	102.8%	\$8.34	49.6%
11	Salisbury, MD	\$28.56	(43.1%)	\$85.68	70.8%	\$9.52	70.8%

Note: 1) Bridgeville and Blades are outliers with Sussex County Sewer that is fixed at \$50.42 per month meant for small residential customers only

MEMORANDUM

NP# 3
4-25-23

TO: Charles Anderson, City Manager

FR: Bill Bennett, Director of Electric

RE: Bids – Industrial Park Buffer Fence Phase 3

DT: 4/13/23

The City of Seaford received 4 bids for the Industrial Park Buffer Fence solicitation. The bids were as follows

Bidder	Total Cost	Option #1
Nanticoke Fence	\$49,400.00	\$500.00
Abel Fence	\$65,850.00	\$1,760.00
Forrest Fence Company	\$77,070.00	\$1,550.00
Long Fence Company, Inc.	\$60,320.00	\$180.00

I would like to recommend awarding the bid to the low bidder Nanticoke Fence, LLC. In the amount of \$49,400.00. Option 1 was for a gate, which we do not need on this section of fence.

I had placed \$45,000 in this year's budget for this project, so this is a \$4,500.00 overrun. I had \$25,000 in the capital budget for automatic capacitor banks, these will not be ordered this budget year.

NB #1
4.25.23

ORDINANCE #2023-

BE IT ORDAINED BY THE MAYOR AND COUNCIL OF THE CITY OF SEAFORD, an ordinance to amend Chapter 8, of the Municipal Code of Seaford, Delaware relating to "Commercial Vehicles", in the manner following, to wit:

Chapter 8, of the Municipal Code of Seaford, Delaware is hereby amended by amending §8.2.15, to read as shown on the following pages.

04/25/2023	Date of First Reading
??/??/2023	Date of Second Reading & Adoption
??/??/2023	Date of Advertisement
??/??/2023	Date the Ordinance is Effective

CITY OF SEAFORD

By: _____
Mayor

Witness: _____

Attest: _____
City Manager

§ 8.2.15 Parking of Commercial Vehicles.

- A. For the purpose of this Section, the word "truck" shall be deemed to include every motor vehicle (other than an automobile, a recreational vehicle, boat trailer, pick-up truck or motor home) designed or operated for the transportation of property, and is classified as a "Class 4" or lower, and/or registered gross vehicle weight (GVWR) does not exceed sixteen thousand (16,000) pounds.
- B. For the purpose of this Section, the word "semi-trailer" shall be deemed to include every vehicle designed and used in conjunction with a motor vehicle upon which some portion of its own weight and load is carried or pulled by a motor vehicle including, but not limited to pole and piling trailers.
- C. No owner, operator or driver of a truck classified as a "Class 5" or higher, and/or registered GVRW exceeds sixteen thousand (16,000) pounds shall park such truck or semi-trailer or both, as defined in this Section, within any part of the City designated as R-1 Low Density Residential District, R-2 Medium Density Residential District, R-3 High Density Residential District, or C-3 Riverfront Enterprise Zone as shown on the Zoning Map of the City. The prohibition shall apply to all lands so designated, including, but not limited to streets, alleys, driveways, front, side, and rear yards. The provisions of this section shall not apply to trucks or semi-trailers making deliveries.
- D. No owner, operator or driver of a truck shall park such truck or semi-trailer or both, as defined in this Section, within any City Street, and/or alley. This shall apply to all zoning districts within City limits as shown on the Zoning Map of the City. Truck and/or semi-trailer parking shall be permitted only on private properties designated as C-1 General Commercial, C-2 Highway Commercial, M-1 Light Industrial, and M-2 Heavy Industrial. The provisions of this section shall not apply to trucks or semi-trailers making deliveries.

§ 8.2.15 Parking of Commercial TrucksVehicles in R-1, R-2, and R-3 Zoning Districts.

- A. For the purpose of this Section, the word “truck” shall be deemed to include every motor vehicle (other than an automobile, a recreational vehicle, boat trailer, pick-up truck or motor home) designed or operated for the transportation of property, and whoseis classified as a “Class 4” or lower, and/or lieensedregistered gross vehicle weight(GVWR) does not exceeds sixteen thousand (16,000) pounds.
- B. For the purpose of this Section, the word “semi-trailer” shall be deemed to include every vehicle designed and used in conjunction with a motor vehicle upon which some portion of its own weight and load is carried or pulled by a motor vehicle including, but not limited to pole and piling trailers.
- C. No owner, operator or driver of a truck classified as a “Class 5” or higher, and/or registered GVRW exceeds sixteen thousand (16,000) pounds shall park such truck or semi-trailer or both, as defined in this Section, within any part of the City designated as R-1 Low Density Residential District, R-2 Medium Density Residential District, ~~or~~ an R-3 High Density Residential District, or C-3 Riverfront Enterprise Zone as shown on the Zoning Map of the City. The prohibition shall apply to all lands so designated, including, but not limited to streets, alleys, driveways, front, sideside, and rear yards. The provisions of this section shall not apply to trucks or semi-trailers making deliveries.
- C.D. No owner, operator or driver of a truck shall park such truck or semi-trailer or both, as defined in this Section, within any City street, and/or alley. This shall apply to all zoning districts within City limits as shown on the Zoning Map of the City. Truck and/or semi-trailer parking shall be permitted only on private properties designated as C-1 General Commercial, C-2 Highway Commercial, M-1 Light Industrial, and M-2 Heavy Industrial. The provisions of this section shall not apply to trucks or semi-trailers making deliveries.

Other towns examples

City of Dover allows one commercial vehicle to be parked on a residential property.

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Township of Marple, PA § 285-32.1

Exemptions.

Any resident who owns and/or operates a commercial vehicle as defined herein and who resides in a residential property which does not have a driveway may apply to the Township of Marple for exemption from the provisions of this article.

TRUCK CLASSIFICATIONS

CLASS 1 6,000 lbs or less



MINIVAN



CARGO VAN



SUV



PICKUP TRUCK

CLASS 2 6,001 to 10,000 lbs



MINIVAN



CARGO VAN



FULL-SIZE PICKUP



STEP VAN

CLASS 3 10,001 to 14,000 lbs



WALK-IN



BOX TRUCK



CITY DELIVERY



HEAVY-DUTY PICKUP

CLASS 4 14,001 to 16,000 lbs



LARGE WALK-IN



BOX TRUCK



CITY DELIVERY

CLASS 5 16,001 to 19,500 lbs



BUCKET TRUCK



LARGE WALK-IN



CITY DELIVERY

CLASS 6 19,501 to 26,000 lbs



BEVERAGE TRUCK



SINGLE-AXLE



BOX TRUCKS



RACK TRUCK

CLASS 7 26,001 to 33,000 lbs



REFUSE



SOME REEFER TRUCKS



CITY TRANSIT BUS



TRUCK TRACTOR

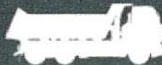
CLASS 8 33,001 to REALLY HUGE



CEMENT TRUCK



TRUCK TRACTOR



DUMP TRUCK



SLEEPER CAB

<u>US truck class</u>	<u>Duty classification</u>	<u>Weight limit</u> ⁽¹⁾⁽¹¹⁾	<u>Examples</u>
<u>Class 1</u>	<u>Light duty</u>	<u>0–6,000 pounds (0–2,722 kg)</u>	<u>Chevrolet Colorado/GMC Canyon, Ford Ranger, Honda Ridgeline FWD⁽¹²⁾, Jeep Gladiator, Nissan Frontier, Toyota Tacoma</u>
<u>Class 2a</u>	<u>Light duty</u>	<u>6,001–8,500 pounds (2,722–3,856 kg)</u>	<u>Chevrolet Silverado/GMC Sierra 1500, Ford F-150, Honda Ridgeline AWD⁽¹²⁾⁽¹³⁾⁽¹⁴⁾, Ram 1500, Nissan Titan, Toyota Tundra</u>
<u>Class 2b</u>	<u>Light duty</u>	<u>8,501–10,000 pounds (3,856–4,536 kg)</u>	<u>Chevrolet Silverado/GMC Sierra 2500, Ford F-250, Nissan Titan XD, Ram 2500⁽¹²⁾⁽¹³⁾⁽¹⁴⁾</u>
<u>Class 3</u>	<u>Medium duty</u>	<u>10,001–14,000 pounds (4,536–6,350 kg)</u>	<u>Chevrolet Silverado/GMC Sierra 3500, Ford F-350, Ford F-450 (pickup only), Ram 3500, Isuzu NPR⁽¹⁵⁾</u>
<u>Class 4</u>	<u>Medium duty</u>	<u>14,001–16,000 pounds (6,351–7,257 kg)</u>	<u>Chevrolet Silverado 4500HD/International CV, Ford F-450 (chassis cab only), Ram 4500⁽¹²⁾, Isuzu NPR-HD,⁽¹⁵⁾</u>
<u>Class 5</u>	<u>Medium duty</u>	<u>16,001–19,500 pounds (7,258–8,845 kg)</u>	<u>Chevrolet Silverado 5500HD/International CV, Ford F-550, Ram 5500, Isuzu NRR,⁽¹⁵⁾ Freightliner Business Class M2 106, Kenworth T170, Peterbilt 325</u>
<u>Class 6</u>	<u>Medium duty</u>	<u>19,501–26,000 pounds (8,846–11,793 kg)</u>	<u>Chevrolet Silverado 6500HD/International CV, Ford F-650, Freightliner Business Class M2 106, International MV⁽¹⁶⁾, Kenworth T270, Peterbilt 330, Mack MD</u>
<u>Class 7</u>	<u>Heavy duty</u>	<u>26,001–33,000 pounds</u>	<u>Autocar ACMD,⁽¹⁷⁾ Freightliner Business Class M2 106, Ford F-750⁽¹⁸⁾, Hino 338, International MV,</u>

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<u>US truck class</u>	<u>Duty classification</u>	<u>Weight limit ⁽¹⁾⁽¹¹⁾</u>	<u>Examples</u>
		<u>(11,794–14,969 kg)</u>	<u>Kenworth K370, Kenworth T370 and T440/470, Mack MD, Peterbilt 220 and 337/348</u>
<u>Class 8</u>	<u>Heavy duty</u>	<u>33,001–80,000 pounds (14,969–36,287 kg) and above</u>	<u>Autocar ACX and DC; Volvo Truck VNL; Freightliner Cascadia, Business Class M2 112, 118SD, and EconicSD; Ford F-750; Hino XL8; International LT, HV, and RH; Kenworth T680, T880, and W990; Mack Anthem and Granite; Tesla Semi; Nikola TRE, Pinnacle, and TerraPro; Peterbilt 389,⁽¹⁾⁽⁹⁾ 579, and 520; Western Star 4800, 4900 and 5700; Pierce; E-One; Spartan; Ferrara; KME custom fire apparatus.</u>

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NB#
4-25-23

ORDINANCE #2023-

BE IT ORDAINED BY THE MAYOR AND COUNCIL OF THE CITY OF SEAFORD, an ordinance to amend Chapter 15, of the Municipal Code of Seaford, Delaware relating to "Zoning", in the manner following, to wit:

Chapter 15, of the Municipal Code of Seaford, Delaware is hereby amended by adding §15-7(a)(34) and amending §15-29(a)(7) & (26), to read as shown on the following pages.

04/25/2023	Date of First Reading
??/??/2023	Date of Second Reading & Adoption
??/??/2023	Date of Advertisement
??/??/2023	Date the Ordinance is Effective

CITY OF SEAFORD

By: _____
Mayor

Witness: _____

Attest: _____
City Manager

Sec. 15-7. Definitions.

(a) As used in this Chapter:

- (34) *Early Childhood Development and Education Facility* shall mean a facility planned to provide learning activities and care to more than forty (40) pre-elementary aged children.

ARTICLE 3. COMMERCIAL DISTRICTS.¹

Division 1. C-1 General Commercial Districts.

Sec. 15-29. Uses by Right.

(a) In any C-1 district, land, building, or premises shall be used by right only for one (1) or more of the following:

- 7) Offices for the conduct of medical and other professions, real estate, insurance, banks, including branch banks, messenger or telegraph services, general and administrative offices, and medical arts offices and buildings;
- 26) Instructional, business or trade schools, higher education facilities and early childhood development and education facilities.

¹ **Charter reference:** As to power to enact zoning regulations, see 36(A).