

MINUTES
COMMISSIONERS OF BRIDGEVILLE
July 14, 2014 – TOWN HALL
EXECUTIVE SESSION – 6:50 P.M.
OPEN SESSION – 7:00 P.M.

I. EXECUTIVE SESSION CALL TO ORDER

The meeting was called to order at 6:50 P.M. by President Pat Correll. Present: Commissioners Sharon McDowell and Lawrence Tassone.

II. QUORUM PRESENT

President Correll reported a quorum was present to discuss the business of the Town of Bridgeville, despite the absence of Commissioners Kovack and Mervine.

III. APPROVAL OF AGENDA

Motion to approve the Agenda – Tassone; 2nd – McDowell; motion carried.

IV. EXECUTIVE SESSION – LAND ACQUISITION/SALE

The Commissioners discussed Land Acquisition and no votes were taken.

V. OPEN SESSION CALL TO ORDER

Motion for Open Session Call to Order – Tassone; 2nd – McDowell; motion carried. The Commissioners returned to Open Session at 7:00 P.M. The Commissioners discussed Land Acquisition and Sale.

VI. POSSIBLE ACTION ON EXECUTIVE SESSION MATTERS

Solicitor Schrader advised an Executive Session was convened at 6:50 P.M., including the three Town Commissioners in attendance at this meeting, along with the Town Manager, Solicitor and Secretary. The Commissioners discussed a third amendment to the real estate purchase agreement between the Commissioners of Bridgeville and Dearborn Land Investment, LLC to extend the contract for thirty days. There was discussion of the contract; however, no votes were taken during the Executive Session.

Motion to extend the Dearborn Land Investment, LLC contract for 30 days – McDowell; 2nd – Tassone; motion carried.

The Commission meeting then began with the Flag Salute and prayer. President Correll advised Commissioners Kovack and Mervine are both away on vacation this week.

VII. APPROVAL OF MINUTES

President Correll advised of a correction to the June 9th meeting minutes concerning a comment made during the “Good of the Order” portion of the meeting. Commissioner Kovack expressed concern

about encouraging a new Economic Development Committee and new businesses, when the Town is raising fees. For the record, property taxes and water fees are being raised, not impact fees. The June minutes will be corrected.

Motion to approve the minutes from the June 9, 2014 Commission meeting as modified above – Tassone; 2nd – McDowell; motion carried.

VIII. CORRESPONDENCE

The Town has received a letter from the Delaware State Housing Authority advising that Bridgeville will not receive any Community Block Grant Funds (CDBG) for this year. Town Manager Savage has spoken with Mr. Brad Whaley at the county level, who advised we were funded in 2012 and usually have to wait 2-3 years for additional funding. Mr. Whaley added if we have a demolition project in the \$6,000-9,000 range, the county may have funds available.

The Town has received a request from the Apple Scrapple Festival to place an ad in their program for the 2014 festival. This is already an approved budget item for the Town; therefore, an ad will be sent.

IX. PRESENTATION: EMPLOYEE RECOGNITION – 25 YEARS OF SERVICE

Commission President Correll recognized Mr. Phillip Mowbray, who has been employed by the Town of Bridgeville for 25 years in the Wastewater Department. Mr. Mowbray received a Certificate of Appreciation for his years of service. Commission President Correll commented that throughout the years Phillip has always done anything he was asked to do for the Town.

X. APPROVAL OF FINANCIAL STATEMENTS AND BILLS PAYABLE

Balance Sheet – June 30, 2014

General Fund – \$94,379

Reserve Fund – \$746,627

All Accounts – \$991,568

Accounts Receivable – \$288,954

Budget Report Target – 100%

Income – \$2,536,454 (Over budget by \$47,804) 102%

Expenses – \$2,440,668 (Below budget by \$47,981) 98%

Net Income – \$95,786 (Additional bills and income is forthcoming for the 2014 budget year)

Accounts Payable

Bills – \$77,953

Expected Expenses – \$126,600 (including health insurance, payroll, utilities, etc.)

Total bills to be approved – \$204,553

Motion to approve the bills as presented – Tassone; 2nd – McDowell; motion carried.

XI. TOWN REPORTS

President Correll questioned the use of the Town bike for police patrolling. Police Chief Longo reminded President Correll that a training course is required for bike patrolling to take place. He does not

believe it would be cost-effective at this time. The bike, which was purchased with grant money, is being de-lettered so the officers can use it for exercise.

XII. CITIZEN'S PRIVILEGE

The floor was opened for comments from the public.

Mr. Joe Conaway from 105 Delaware Ave. advised he served as a Bridgeville Commissioner for a number of years and left the responsibility 5 years ago. He related the poor financial condition of the Town when he, William Jefferson and Pat Correll were first elected to the Commission and the improvements in the financial situation that were realized over the next eight years. Mr. Conaway contends that taxes were raised two times in the past 4 years and water/sewer has increased, as well. He believes Economic Development in the Town is harmed by these increases. He does not believe the Town should raise fees when it has a surplus. Mr. Conaway believes the Town is going to receive \$3.6 million in transfer tax in the next 10-15 years and does not think the General Assembly is going to remove or take back the transfer tax. He also believes Bridgeville has done a good job of fighting for state monies (i.e. CDBG and sewer plant funds). Mr. Conaway believes the Police fine budget category should be \$135-150,000, rather than the current \$75,000; the police could generate revenue for a new building through fines. Mr. Conaway does not believe we should reduce fees for the new Dollar General or Wawa Gas and Convenience. He believes the Commissioners should rescind the water and tax Ordinances and re-finance the Town's indebtedness. We should not tax ourselves into a terrible situation.

Mr. Bill Atwood from 113 Emily's Pintail Drive is not in agreement with the idea that using transfer tax is risky. He doesn't believe it is possible to raise taxes while trying to increase economic development in the Town; one cancels the other. Mr. Atwood commented that it looks like the Town is getting into the real estate business – buying properties in the vicinity of the Town Hall and another property across the street being deeded to the Town. He doesn't believe they are all good investments. Increasing Town taxes/services is a mistake and he recommends making it right by rescinding the increases.

Mr. Phillip Clark from 32 Amanda's Teal Drive questioned the 20% tax increase. It was clarified that the increase has already been adopted. Mr. Clark asked if the increase were rescinded, what would the Town not be able to fund. Town Manager Savage reiterated that the increase in property taxes was to offset transfer taxes and pay down debt, with the understanding that our new wastewater permit requires a new plant to be built in four years. The \$1.7 million debt is about to become \$6.5 million. Town Manager Savage added that the 20% tax increase totals approximately \$107,000.

President Correll advised the Commissioners originally intended to use \$200,000 of transfer taxes to balance the FY-2015 budget. They have decided to keep \$100,000 of transfer tax in the budget and remove \$100,000 to pay down debt. President Correll advised she has canvassed local Towns and found that many have never placed transfer tax in their budgets. She believes the transfer tax will eventually dry up.

Mrs. Ruth Skala from 108 Whistling Duck Dr. changed topics and encouraged everyone to participate in the Bridgeville Public Library's 5th anniversary celebration on Saturday, August 16th.

Mr. Alan Greene from 136 Widgeon Way asked if the Town has made 1, 5 and 10-year projections of revenues and expenses with and without the 20% raise in property taxes. If the projections have been done, what was done with transfer taxes? It is the gift that keeps on giving and is a good thing. Town Manager

Savage reviews budget projections regularly. The tax base tends to increase approximately \$18,000 per year, based on current development trends. Transfer tax varies and averages approximately \$200,000. Water and sewer utilities now pay for themselves. The Town's overhead averages a 5-6% increase yearly (health, pension, etc.) The Town incurs the same increases that households do. Property tax from Heritage Shores (H.S.) homes averages \$500 per home.

Ms. Dottie Harper from Brookfield Homes advised they are locked into the lots that are remaining in Phase 2 and are going to make 26 lots in Phase 3 available as soon as possible. The developers have challenged themselves to bring more amenities in the upcoming phase, which is good for the Town, H.S. residents and the developer. There is understandably a lag time until Phase 3 sites will be ready for sale.

Commissioner Tassone is concerned that when H.S. builds-out completely, the Town will need to find a new revenue stream, as this one will dry up. Ms. Harper advised there are still 1,400 units to be built and they anticipate selling 80-90 homes per year. She commented the 20% tax increase is somewhat staggering to the average person.

Commissioner Tassone believes the "need" to raise taxes 20% is based on the Commission's decision to handle current debt and the need for capital improvements, remembering that an expensive wastewater plant is in the near future.

Mrs. Barbara Devine from 100 Whistling Duck Dr. believes the homeowners and businesses were blindsided with this increase. Commissioner Tassone countered with the fact that he contacted all H.S. homeowners concerning the initial Budget Workshop. Three days before the second meeting to pass the budget, he also sent out emails saying the Town intended to raise water fees and taxes. Only a small number of people came to the meeting. H.S. residents were the only individuals who received the information personally by email.

Mr. Harvey Lieberman advised H.S. residents did not have the opportunity to express their opinions. Commissioner Tassone responded he did not receive a ground swell of concerned phone calls/emails from the residents. He also does not agree with all of Mr. Conaway's comments; they do not match what he knows from his personal experience of the Town's finances.

Mr. George Blake from 133 Widgeon Way attended one of the budget meetings and believes he was "rolled over" and said there should have been a vote of those who care. The tax increase is not a lot of money for him; however, he believes it sets a precedent. Opposing views should have been considered. Commissioner Tassone countered with the fact that 600 H.S. residents received an email about the meeting and 6 people showed up.

Mr. Bill Jefferson from 204 S. Main St. commented that the business people of Bridgeville have shown their displeasure with this tax increase and their concerns should be taken into consideration. He also asked how much the Town of Greenwood owes Bridgeville.

Town Manager Savage answered that currently Greenwood pays the Town approximately \$210,000 per year for wastewater. They used to pay more; however, in recent years their percentage of the total treated wastewater has reduced. Greenwood pays approximately \$5 per treated gallon while Bridgeville residents pay approximately \$11.50 per treated gallon.

Mrs. Jacqueline Vogle from 124 Widgeon Way commented that she was at a recent Town meeting where Town Manager Savage advised the water/sewer for the average residential property would increase \$5.00 per month (4,700 gallons). She contends that this is not true for H.S. residents, as they have a separate water meter for irrigation. She added that she often speaks to H.S. residents who are happy to be paying less water/sewer fees than they did in Maryland; however, she believes Bridgeville will catch up with Maryland's fees with continued increases.

Mr. James Stephenson from 29 Amanda's Teal Dr. expressed concern about being on vacation when information is emailed to homeowners. He was also concerned that the meeting room is not large enough to accommodate everyone. President Correll advised the Town has moved meetings to both the Public Library and the Bridgeville Fire Hall in the past. There were occasions where the attendees became unruly, which was very undesirable. President Correll believes we should have the Town meetings at the Town Hall; the library closes at 7:00 P.M. and the Fire Hall is not always available. Commissioner Tassone added that very few people come to the meetings on a regular basis; this room is often adequate.

Mr. Mike Ballenger from 119 N. Main St. advised there will be a meeting of the Planning and Zoning Commission on Tuesday night July 15th at Town Hall. Dollar General would like to build a new store using the corner park property on Market and N. Main Sts. and the two empty lots on N. Main St. Notices were sent to 35-40 residents, due to their close proximity to the area in question; however, he believes this affects the entire Town. The meeting begins at 7:00 P.M.

Mr. Stephenson added that he believes we should welcome any businesses that want to come to Bridgeville and believes incentives are important.

Commissioner McDowell stated that after listening to the residents' comments she believes that the passage of Ordinance 2014-C (water increase) and Ordinance 2014-D (tax increase) will bring economic disaster to the people and businesses of Bridgeville. Commissioner McDowell made a motion to suspend the enforcement of these Ordinances until they can be officially withdrawn.

Solicitor Schrader advised this motion was not noticed on the Agenda as an item that would be brought up for consideration and possible voting and as such, violates the Freedom of Information Act (FOIA); however, it can be placed on the August Commission meeting Agenda. He does not believe the Town can "suspend the budget" as there are ongoing obligations and the Town needs a continuous revenue stream. Mr. Conaway advised he did not hear any words in Commissioner McDowell's motion concerning the budget; the suspension was directed to the Ordinances. He believes the 20% tax increase was adopted after the budget was adopted. Mr. Conaway understands a board can take action under emergency situations. He believes the people of this community don't like what has happened and Commissioner McDowell has the legal basis to make such a motion. He added that the Town has a \$525,000 surplus.

Solicitor Schrader advised it still cannot be done this evening under FOIA regulations. "Emergency situations" are defined as eminent peril or threat to life or property that is the result of a natural disaster or something similar. He added that the Commission can choose to amend the budget to reduce these expenditures/tax rates at any time during the fiscal year.

Mr. Ralph Root from 44 Canvasback believes it was mentioned at an earlier meeting that there was no reason to change the budget; additional tax monies were not really needed. Town Manager Savage

advised the Town would have sufficient money to balance the budget using transfer taxes. The reason for the tax increase was to take transfer tax out of the budget.

Various views were expressed concerning re-visiting the fee increases. President Correll believes all five Commission members must be in attendance in order to discuss this issue. This budget was already accepted for the FY-2015 budget year on May 28, 2014 and tax bills are due by September 30th. The budget will also have a mid-year review in January.

President Correll advised a Special Meeting with public notice will be scheduled to revisit this issue. Town Manager Savage reported the water/sewer bills will already be sent to residents by that time with the new water rate. All bills must be recalculated if the Commission decides to reverse this decision. Additionally, tax payments are already coming into the Town office.

XIII. OLD BUSINESS

A. Master Plan

Mr. Ed Lewandowski introduced himself as a Coastal Communities Development Specialist from the University of Delaware and a resident of Bridgeville. Several months ago he came to present to the Town a draft Master Plan for the community. Two years of rigorous work went into the plan. He believes it adequately addresses growth and water quality challenges that are facing Bridgeville today. Mr. Lewandowski and Ms. Lee Ann Walling have met with the Commission and the Planning Commission for feedback, as well as reviews before state agencies in Dover. They are now finalizing the plan for approval.

Ms. Walling advised there have been minimal changes to the plan, such as including federal and state pollution control limits on the Nanticoke and its tributaries. The ongoing restoration projects in Bridgeville and Greenwood were also added to the report. The report includes how the Town envisions its growth. She recommends forwarding the updated report to the Planning and Zoning Commission for a Public Workshop. If Bridgeville can adopt this plan as an amendment to the 2006 Comprehensive Plan, it will bring the Town into compliance with state law. By going through this process Bridgeville can expect consideration for state funding programs, projects, technical assistance, etc. The Town's full Comprehensive Plan Update is due in 2016 and this Master Plan is advantageous to conducting that update.

When the Town is comfortable that all additions and corrections are complete, Mr. Lewandowski will print the final booklet. Mr. Bill Atwood from 113 Emily's Pintail Dr. suggested placing copies of the final book at the Public Library and at Heritage Shores. It will also be available on-line on the Town website.

President Correll thanked Ed and Lee Ann for all of their efforts on behalf of the Town. Solicitor Schrader advised an Ordinance must be introduced at the August Commission meeting, followed by sending the report to the Planning and Zoning Commission in September and Ordinance adoption by the Town Commission at their October meeting.

XIV. NEW BUSINESS

A. Board of Adjustment Appointment

The Town has approached Mr. Charles Kelly concerning his interest in another 3-year appointment to the Bridgeville Board of Adjustment and Mr. Kelly has expressed his interest in writing.

Motion to approve the appointment – Tassone; 2nd – McDowell; motion carried.

B. Mullins Property Water Connection

Mr. Bob Rauch of Rauch, Inc., engineer for the Wawa project advised he is recommending a water line extension outside of Town limits on property across U.S. 13 from the Wawa construction, bringing municipal water to properties in that area. Historically, contaminated soils were discovered when test wells were checked in that location. DNREC desires to close the case, which has been going on for a number of years; however, they have found additional contamination. Choices are to remediate the entire site, which is not practical, or eliminate the two wells still showing contamination and tie in the two properties on Bridgeville water to eliminate the problem and close the case. This solution is consistent with plans the Town has for future extensions of its water main to meet the Town's future needs. They need a final sign-off from DNREC and the Town's approval to move forward. The Mullins family will pay all associated fees, including in-lieu of taxes and monthly water fees.

Mr. Bill Remington, Town engineer from Davis, Bowen & Friedel, Inc. advised he has been in communication with Rauch, Inc. and Town Manager Savage concerning this water extension. He appreciates Casey Rauch's efforts to get a \$34,000 estimate to bring the water to the second driveway on the Mullins property. It would cost approximately \$29,000 for the Town to run the pipe to the end of the property (another 365 ft.) It is a reasonable price. From an engineering perspective it is a great solution and from a planning perspective it puts the Town in a good position for future developers.

The Town will require bonding on the new pipe, similar to the Public Works Agreements signed in the past. Since they are installing the water main for us, we can waive impact fees, which has been a standard practice. He added that the \$29,000 the Town spends would be included in the impact fee calculation and the Town will recoup the money when future development builds there.

Motion to approve the Mullins property water connection and water main extension, with the stipulation that President Correll may sign the agreement on behalf of the Town – Tassone; 2nd – McDowell; motion carried

Radar Speed Sign Locations

Police Chief Longo identified proposed locations for new radar units to identify drivers' speeds through Bridgeville. Coming into Town from south Rt. 13, the unit will be placed at Elm and S. Main Sts. The second unit will be placed on the corner of Laws and Market St. A new school crossing sign will also be installed on S. Main St. at Laverty Lane.

Motion to approve the radar unit locations chosen by the Bridgeville Police Department – Tassone; 2nd – McDowell; motion carried.

Mr. Mike Ballenger from 119 N. Main St. questioned placing a radar unit on N. Main St. Chief Longo advised if they have a mobile unit, they would be able to place it at that location.

C. Project awards – Walnut St., Water Meters & Alarms

Town Manager Savage advised the Town has been approved for a loan from the State of Delaware for three water projects totaling \$1,194,300. Mr. Bill Remington from DBF reported the project awards:

1. Replacement of the Walnut/Laws St. Water Main
Engineer's estimate - \$538,000 A.P. Croll was low bidder at \$492,000
2. Water Meter Replacements throughout the older portions of Bridgeville (approx. 775 meters)
Engineer's estimate – 370,000 Elvin Schrock & Sons was low bidder at \$348,952
3. Alarm upgrades at the treatment plant and well houses (telemetry system antiquated)
Engineer's estimate - \$105,000 John W. Tieder was low bidder at \$102,820

Motion to approve the low bid for project #1 – Tassone; 2nd – McDowell; motion carried.
Motion to approve the low bid for project #2 – Tassone; 2nd – McDowell; motion carried.
Motion to approve the low bid for project #3 – Tassone; 2nd – McDowell; motion carried.

XV. INTRODUCTION OF ORDINANCE(S)

There were no new Ordinances to be introduced at this meeting.

XVI. GOOD OF THE ORDER

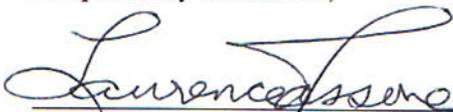
President Correll advised she has received an email from Nanticoke Health Services asking the Town to buy an ad in the Sussex County Post newspaper on August 6 celebrating Nanticoke's new facilities and services. She has suggested buying a ¼ page ad for \$175.00, as Bridgeville currently has a Nanticoke Health facility in Town, with a second building to be constructed on the site.

Motion to buy a ¼ page ad – Tassone; 2nd – McDowell; motion carried.

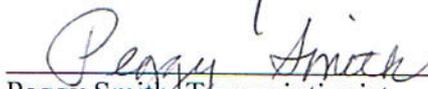
XVII. ADJOURNMENT

Motion to adjourn – Tassone; 2nd – McDowell; motion carried. The meeting was adjourned at 9:03 P.M.

Respectfully submitted,



Lawrence Tassone, Commission Secretary



Peggy Smith, Transcriptionist