

MINUTES

COMMISSIONERS OF BRIDGEVILLE APRIL 10, 2006 – 7:00 P.M. TOWN HALL

I. CALL TO ORDER

The meeting was called to order by President Joseph Conaway at 7:00 P.M. Present: Commissioners Patricia Correll, Margaret Sipple, William Jefferson, Earl Greason and Town Manager Bonnie Walls. The meeting began with the flag salute and Lord's Prayer.

II. QUORUM

President Conaway reported a quorum was present to conduct the business of the Town of Bridgeville.

III. SPECIAL PRESENTATION

Commissioner Jefferson reported on an Appreciation Dinner at Lifeway Church of God he attended with Commissioners Sipple and Greason on April 8th. He presented a plaque to Police Chief Parsons from the church that reads, "Lifeway Church of God, Presented to Bridgeville Police Department, Thank you for the Service and Protection You Provide to our Community." A second plaque was presented to the Town, "in Appreciation of Our Partnership in Making Bridgeville a Better Community."

IV. APPROVAL OF MINUTES

Minutes of the regular Commission meeting held on March 13, 2006 were presented for approval. Commissioner Correll made a motion to accept the minutes as presented. Commissioner Sipple seconded the motion. Motion carried.

V. CORRESPONDENCE

Town Manager Walls shared a letter from George Hardesty thanking Mrs. Walls for her recommendation and thanking the Commissioners for presenting the Jefferson Award for Public Service to him on March 20th.

The Delaware Department of Transportation's quarterly newsletter, "The Road Report," is available for review. It features the naming of Carolann Wicks to the position of Secretary of the Delaware Department of Transportation.

The Kiwanis Club of Bridgeville has again invited the Commissioners to sponsor a table for 8 (\$65) for the annual Community Prayer Breakfast on Saturday, May 6th, 8:00 a.m. at the Union United Methodist Church. Commissioner Jefferson made a motion to sponsor a

table at the Prayer Breakfast. Commissioner Correll seconded the motion. Motion carried. Town Manager Walls requested the Commissioners respond regarding their interest in attending.

Town Manager Walls received a response from her letter to Governor Minner regarding Delmarva Power's rate increase. In her reply, Governor Minner detailed her efforts to diminish the effects of the rate hikes.

VI. APPROVAL OF FINANCIAL STATEMENTS AND BILLS PAYABLE

Finance Director Savage advised the Emergency Services Fund already has over \$22,000 earmarked for the Fire Company and \$17,000 for the Library Fund. These funds are from the issuance of 170 building permits for Heritage Shores. President Conaway advised we currently have \$857,000 in the money market, CD, and general fund. At this point in the budget year, our expenditures and income should be approximately 75%. Most of our income line items are over 75%; the Town is in good financial condition. Quarterly billings at Heritage Shores account for the increased income in the property tax line item of the budget. We will exceed 100% of tax billing this budget year. We have received \$350,000 in transfer tax with four months yet to go in the budget year. Finance Director Savage advised he had conferred with Town Engineer Annie Williams from Davis, Bowen & Friedel concerning the EDU's that would be used at the sports club and golf club house at Heritage Shores. The original building permits charged only \$3,000 in impact fees. After re-calculation, the developer was billed for, and promptly paid an additional \$46,000. Finance Director Savage requested a bill be included for approval: Likewise Construction invoice for the raw effluent pump at the wastewater plant. It is a budgeted item. The USDA loan payment of \$15,000 is due this month; the remaining principal is \$391,000. Commissioner Correll made a motion to pay the bills. Commissioner Sipple seconded the motion. Motion carried.

VII. SUSSEX COUNTY GRANT

President Conaway introduced Sussex County Councilman Finley Jones, who presented the Commissioners with a \$2,000 grant from the Sussex County Council to assist the Town in the expense of updating its Comprehensive Plan.

VIII. EXECUTIVE SESSION

Discussion of Contract / Lease Agreement for Capital Improvement – Spray Irrigation

Commissioner Sipple made a motion to go into Executive Session to discuss a contract. Commissioner Greason seconded the motion. Motion carried. The executive session began at 7:18 P.M. At 7:42 P.M. Commissioner Jefferson made a motion to adjourn the executive session. Commissioner Correll seconded the motion. Motion carried. President Conaway advised the Commissioners exclusively discussed the contract / lease agreement for property east of Bridgeville which would become part of our overall

wastewater system. Action will be taken on the issue later in this meeting during Old Business.

IX. DEPARTMENT HEAD REPORTS

President Conaway reported the Wastewater Treatment Plant has a record 90 months with no violation of our NPDES permit.

President Conaway advised the new water tower at Heritage Shores will match our current water tower in color (blue) and it will also have the word Bridgeville painted on it.

The court hearing concerning the property at 102 N. Main Street has been canceled. Commissioner Greason questioned whether the cancellation is due to the property being sold. Commissioner Conaway commented there have been negotiations between our attorney and the attorney for Delmar Homes, Inc., the buyer, concerning both 102 and 104 N. Main Street. There are several issues to be resolved, including the Town requirement of a report by a licensed Professional Engineer stating that the structures are sound and can be brought to code, and the request that the properties be historically restored, if possible. The owner will be required to work with the Historical Society concerning renovations. All action has been staid until an agreement is worked out. Our attorney asserts that we can go back to court at any time; however, if the Professional Engineer's report states that the houses are structurally sound, the court will not allow the Town to demolish the structures. If the houses are demolished, the Town does not have an Ordinance to require the replacement structures to follow the previous historical style. Current drafts of the agreement require the exterior to be completed by July and the interior by October. Hopefully we are moving in a positive direction.

X. CITIZEN'S PRIVILEGE

There were no requests or concerns from the citizens of Bridgeville.

XI. TOWN MANAGER'S REPORT

Town Manager Walls reported attendance at the Nemours Sussex County Child Health Promotion Collaborative Partnering Workshop. Nemours is currently developing a vision statement and goals, with the overall theme to promote healthier lifestyles for the children in Sussex County and the entire state. We are planning a Town project in the future. Details will be presented as available.

Town Manager Walls met with Mr. Jim Smith from Delmarva Power to review the proposed 59% electric increase. He advised Governor Minner appointed a committee to examine the possibility of phasing in the rate increase. President Conaway suggested there may be ways to control the electric bill after we document what the new price will be. The Town Manager and Finance Director are researching all possibilities.

Commissioners of Bridgeville Minutes

April 10, 2006

Page 4

Town Manager Walls, along with the Commissioners, attended the 67th Charter Anniversary of the Kiwanis Club of Bridgeville. The Commissioners presented Mr. George "Sonny" Hardesty with the Jefferson Award for his many years of service and dedication to the community.

As reported earlier, the Commissioners have agreed to forego the demolition of 102 N. Main Street, provided an agreement can be made with Mr. James Tennefoss. The conditions to be met have been prepared by solicitor Rob Robinson. The Town is waiting for a response from Brown, Shiels & O'Brien, attorney for Mr. Tennefoss.

Town Manager Walls attend Machelle Williams' senior class project presentation at Woodbridge High School. It was very well done. Machelle has been working at the Town offices for several months. He plans to attend college to become an architect.

Dangerous Building complaints have been received from two citizens regarding a structure on N. Oak Street. The owners are Ernest Carey Heirs, c/o Frances Polk. The Dangerous Building Committee will be directed to assess the structure and submit a report to the Commissioners. In addition, Town Manager Walls intends to take action regarding 112 First Street, a home destroyed by fire. The Town has communicated with the owner, Dorothy Dredden, with no response received.

Town Manager Walls reported the SPCA has been in Town making unannounced visits. Please remember that no more than 4 household pets are allowed per dwelling.

A Community Spring Yard Sale will be held on Saturday, May 20th. The Town is not involved in any way and this is not a Clean up Day. The Town will advertise this event. This is an opportunity for residents to share the same day for a yard sale, which usually attracts many people to Town.

XII. OLD BUSINESS

A. Proposed Contract / Lease Agreement Regarding Spray Irrigation

The Commission met in executive session earlier to discuss the leasing of a tract of land known as the Wheatley Farm, containing approximately 910 acres. Combined with the acreage the Town already owns adjacent to this farm, over 1,000 acres will be available for spray irrigation. Mr. Dale Wheatley is willing to lease the land to the Town. It is presently in farmland preservation, meaning it cannot be used for housing. Due to a change in the Agricultural Preservation law, which was changed in 2002 upon the urging of Bridgeville and other Towns, spraying of treated effluent is permitted on the land. Mr. Wheatley will have a steady source of nutrient-rich water for the fields and the Town will have a place to dispose of treated water. This contract will also give Bridgeville the opportunity to offer additional capacity to Greenwood for their future growth. If the Commissioners choose to sign this contract, Bridgeville will have an option to lease the land at a cost of \$10,000 per year. The

option to lease means that we have control of that acreage and the property will be available to use for spraying. This farm gives Bridgeville control of its wastewater future for as much as 40 years. The Town has also sent a contract proposal to the Sussex County Council offering them 10% of our total capacity. The County would then be in a position to handle some of the failing wastewater systems around western Sussex. The county is excited about the opportunities this property offers for western Sussex. The contract the Town is considering tonight has been reviewed and modified by our attorney and engineer. When spraying begins on the land we will pay \$50,000 per year for 145 million gallons of treated water sprayed on the fields. The Town engineer feels this is the best direction to proceed. It is a 10-year lease with another 10-year option. At that point the lessor could give 2 year's notice and take the land back or the Town could look for other land for spray irrigation. Commissioner Sipple made a motion to enter into a contract with Wheatley Farms to lease property for spray irrigation. Commissioner Correll seconded the motion. Motion carried. For the benefit of neighbors to this property, Commissioner Greason added to the public record this land will remain agricultural preservation; this contract does not violate that designation. The spray irrigation will use the latest technology and the conditions there will not change, nor will it be noticeable that the spray irrigation is taking place.

B. Introduction of Moderately Priced Housing Program

President Conaway expressed a desire to provide moderately priced housing in Bridgeville. With the cost of land, materials and infrastructure, prices have become inflated. Aspects of this program have been taken from similar documents and President Conaway has spoken with mortgage lenders about the mortgage levels various income levels can handle. Two developers who are interested in annexation into Bridgeville have already agreed to the program. The moderate price is fixed at not more than \$225,000, although we are hopeful developers will offer housing for less. These homes are not for rental purposes. A priority system is included for people who live in or are involved in the Town of Bridgeville. For the first six months these homes are on the market, there is no competition to these priority buyers. The program places western Sussex residents next in priority to buy these homes, if they meet all other criteria. These homes may not be different than other, higher priced homes within a development. The developer must keep records to insure the program is followed explicitly. A 4/5-majority vote of the Commissioners is necessary to make changes to this program. All developers must agree to offer $\frac{1}{2}$ of the new homes at open market and they must agree to the moderately priced housing program. Commissioner Greason expressed concern that setting a specific dollar figure on the maximum (\$225,000) may not be advantageous if the market becomes depressed. He suggested choosing a percentage range of median-priced housing instead. President Conaway responded he had considered using this type of formula; however, he abandoned it because as housing prices rise, the moderately priced house will also rise, but as currently written, the price will not increase with the market. Perhaps the Commission will need to re-visit this aspect of the program in the future. Commissioner Sipple made a motion to adopt this program. Commissioner Correll seconded the motion. Motion carried.

C. Comprehensive Plan

The Planning Commission met on April 3rd with President Conaway and Commissioner Greason attending. The suggestions by our Comprehensive Plan consultant were accepted. The next meeting is scheduled for May 1st. We are hopeful our consultant will have a corrected copy of the Comprehensive Plan to present so that action can be taken and the public hearing process can proceed.

D. DNREC – RBC Loan

Town Manager Walls reported the Town's approval for RBC loan funding through the DNREC Water Pollution Council Revolving Loan Fund. The project involves replacing two existing Rotating Biological Contractor units (RBC's) at the treatment plant to enhance BOD removal capacity, especially during the summer months. This involves replacing the large tanks. Estimated cost is \$750,000. Our loan will be semi-annual for twenty years, with the interest rate to be determined ten days before settlement, which should be scheduled for June. The current interest rate is between 3.7% and 4.0%. Interest only shall be payable semi-annually during construction. One year after completion of the project, semi-annual payments of principal and interest shall be payable in an amount sufficient to amortize the outstanding principal balance over a twenty year term. (The loan will place a yearly debt service of \$53,000.) President Conaway added with these two new units we may, in the future, be able to consider accepting wastewater from septic haulers without violating our NPDES permit. We will not be able to maintain our NPDES permit without making this improvement. Commissioner Greason made a motion to accept the \$750,000 DNREC RBC loan. Commissioner Sipple seconded the motion. Motion carried. Town Manager Walls added the Town would remain on the DNREC loan priority list for two other potential projects, I and I Removal and Additional Spray Irrigation Land/Storage Lagoon.

E. Commissioner Greason – Court of Appeals Update

No property tax assessment appeals were received.

XIII. ADJOURNMENT

Commissioner Sipple made a motion to adjourn the meeting. Commissioner Correll seconded the motion. Motion carried. Meeting was adjourned at 8:28 P.M.

Respectfully submitted by:

Margaret W. Sipple
Margaret W. Sipple, Commission Secretary

Peggy A. Smith
Peggy A. Smith, Transcriptionist