

MINUTES

COMMISSIONERS OF BRIDGEVILLE DECEMBER 12, 2005 – 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 started with the flag salute and Lord's Prayer.

II. QUORUM PRESENT

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

III. APPROVAL OF MINUTES

Minutes of the regular Commission meeting held on November 7, 2005, were presented for approval. The minutes were revised to include the individual votes of each Commissioner on the water tower relocation request for the Heritage Shores project (11/7/05 – page 2.) Commissioner Correll made a motion to approve the minutes as corrected. Commissioner Sipple seconded the motion. Motion carried.

IV. PUBLIC HEARING RE: APPLICATION FY-06 TO THE STATE OF DELAWARE COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

The scheduled public hearing concerning the Community Development Block Grant Program was opened at 7:03 P.M. Mr. William Lecates, Program Director for the Sussex County Council, was introduced by President Conaway. The purpose of this public hearing is for the citizens of Bridgeville to have an opportunity to participate in the development of a Community Development Block Grant application, which will be submitted to the Delaware State Housing Authority. Mr. Lecates explained the guidelines of the program, mentioning that the program has been cut from 2.1 million dollars to 1.9 million. All communities are eligible to apply for grant money. The money is available, based on need, to moderate and low income citizens. (A schedule of household incomes and other qualifiers for this program is attached to the minutes.) 70% of the money goes for housing rehabilitation; 30% of the money can be used for infrastructure projects in the municipality, although infrastructure projects have not been funded for the past two years. President Conaway commented the amount of money available is small when you are considering an infrastructure project, but the same money can go a long way when considering housing rehabilitations and demolitions.

A current status report indicates that since 1993 Bridgeville has received \$768,823.00 for 75 projects. Most of the projects have been for housing rehabilitations. Mr. Lecates' office provides contractors and coordinates the projects. Bridgeville currently has 27 homes on the waiting list for housing rehabilitation. Mr. Lecates opened the floor for questions. President Conaway asked the status of the \$75,000.00 received from the program last year. Mr. Lecates commented they are about five months behind in their rehabilitation work due to a shortage of contractors and other issues. An extension has been received to continue the 2005 work until June of 2006. Mr. Lecates advised Bridgeville is high on the list to receive additional monies for housing rehabilitations because of the size of our waiting list. Some of our projects are currently in progress. The Town is allowed to prioritize homes based on need. President Conaway commended the Sussex County Council for investing its money in the program and allowing flexibility in the money's use. Town Manager Walls requested that this year's money be spent on housing rehabilitations and two housing demolitions. There was no disagreement from the Commissioners. President Conaway read Resolution #1 allowing Bridgeville to act as administrator of a Community Block Grant. Commissioner Jefferson made a motion to adopt the Resolution. Commissioner Sipple seconded the motion. Motion carried. Resolution #2 was read endorsing the project to be submitted to the Delaware State Housing Authority for funding. Commissioner Jefferson made a motion to adopt the Resolution. Commissioner Correll seconded the motion. Motion carried. With there being no other comments or questions, the Commissioners thanked Mr. Lecates for his presentation, with the public hearing being closed at 7:18 p.m.

V. LANK, JOHNSON & TULL AUDIT PRESENTATION BY MR. RICK TULL

President Conaway introduced Mr. Rick Tull of the C.P.A. firm of Lank, Johnson & Tull to present the annual audit report on the Town of Bridgeville. Mr. Tull identified his comments as an "unqualified opinion," which is the best opinion available, and indicates the report has been prepared in accordance with governmental accounting standards. Mr. Tull encouraged the Commissioners to read the Management Discussion & Analysis section of the report, as it makes the financial statements clear to the layman. Mr. Tull called attention to the Balance Sheet/Statement of Net Assets. In this municipality there are governmental activities and business-type activities (the water/sewer department.) Total assets for the Town as of June 30, 2005, were \$8,583,198.00; Liabilities were \$6,278,922.00; Net Assets were \$2,304,275.00. Of particular interest are the unrestricted assets, (the available, spendable resources of the Town,) which total \$368,754.00. Mr. Tull advised this amount indicates the Town was fairly liquid as of June 30, 2005. Mr. Tull called attention to the Income Statement/Statement of Activities. It is also broken down into government and business activities. As of June 30, 2005, there was \$235,880.00 in the General Fund; this is the governmental activities side of the coin. On the business activities side, there was a loss of \$18,022.00. As a whole, the Town had a profit of \$217,858.00. The Town budgeted

\$1,766,059.00 in revenues and actually took in \$1,850,495.00. Bridgeville had a favorable variance of \$84,436.00. The Town budgeted \$1,661,176.00 and actually spent \$1,834,526.00, with an unfavorable variance of \$173,350.00. This was due to the inclusion of the \$200,000.00 ballpark property, which shows as an expense, although it was actually donated to the Town. It is the main reason for the unfavorable variance in the income performance as compared to budget. Mr. Tull commented the Town "did very well" in relation to the Town's budget. Copies are available at the Town office and at the Bridgeville Public Library.

VI. CORRESPONDENCE

Town Manager Bonnie Walls advised of a Comcast rate increase, effective January 1, 2006, of \$2.95 per month from \$50.00 to \$52.95 per month. In addition, customers will be notified of service and equipment price changes by bill messages.

A thank you card was received from Doug, Joan and Jamie Jones regarding flowers received from the Town at the death of Joan's mother.

A monthly newsletter was received from the Lower Delaware Autism Foundation. They are requesting educational toys for the children they serve. Suggestions include new and gently used electronic toys, wooden puzzles, etc.

Newsletters from Preservation Delaware, Kent-Sussex Industries and the Delaware Rural Water Association are all available for review.

VII. APPROVAL OF FINANCIAL STATEMENTS AND BILLS PAYABLE

Finance Director Savage presented the financial report. This month's bills are higher due in part to an extra pay period this month and the USDA quarterly loans (Farm Home Administration loans for improvements to the wastewater treatment and water systems) coming due at the end of the month. Much of the Davis, Bowen and Friedel billing is reimbursable from the Heritage Shores developer. The final payment is being made to Ford Motor Credit Company for the 2003 truck. A new heating unit was installed at the Police department by Moyer's Heating. Commissioner Correll made a motion to pay the bills as presented. Commissioner Jefferson seconded the motion. Motion carried.

According to the Balance Sheet, there is \$117,710.80 in the General Fund and \$266,116.97 in the Money Market account. There is also a CD for \$302,478.29. President Conaway commented growth is a good thing and it should pay for itself. A one-quarter of one percent fee on building permits was established to fund emergency services. Also, per the developer's agreement with Heritage Shores, each settlement brings \$100.00 into the Library Fund for a new facility on donated land. These funds are being held in escrow to avoid

mingling with our general funds. Finance Director Savage reported that tax collection is going well. We are also waiting for approximately \$50,000.00 of outstanding transfer tax; it has been delayed due to incorrect routing.

VIII. DEPARTMENT HEAD REPORTS

Street Superintendent Passwaters reported the street sweeper went out to bid on December 5th; bids will be opened on the 29th. A recommendation will be brought to the Commission for its approval or rejection. President Conaway advised the establishment of a special tax district has brought monies to pay for growth and the Town can now purchase its own street sweeper.

IX. CITIZEN'S PRIVILEGE

Mr. Anthony Flanagan, a resident of Heritage Shores, questioned whether there is a certain percentage of the Town's budget set aside for discretionary funds or resources for an emergency. President Conaway responded approximately 5% of the budget is set aside in a reserve fund. This year's reserve will be \$110,000.00, after an amendment to the budget to be considered later in this meeting. This is a little more than 5% of the budget. We also have some escrow accounts, which are in savings; these funds are set aside for capital expenditures for specific departments. The Commission has created enterprise funds, in which water and sewer departments are completely separate from the General Funds operations. This is an effort to avoid an instance of water and sewer funds paying for the Police Department, (although this department will probably always operate at a deficit.) The Town is moving in this direction, but not fully separated as of yet. The Town has no General Fund debt. The debt carried by the Town is only for loans from the federal and state government. The Town keeps its debt at 4 million dollars. The intention is to make this Town fiscally sound. The capitation tax has been removed and the general tax rate will be reviewed and possibly lowered as the Town's tax base, in tandem with Heritage Shores, grows.

A question was asked concerning the monies earmarked for library construction. President Conaway advised the library will cost approximately 3.2 million dollars; however, monies will be available from many different sources to fund the project. The State of Delaware maintains a capital program for library construction and will match funds raised by local municipalities. Through the passage of the Heritage Shores Special Tax District, monies will be available to assist with library construction. Each settlement at Heritage Shores will add \$100.00 to the library fund. The donated land on which the library will be built, is valued in President Conaway's opinion, at approximately \$200,000.00. The Commissioners are confident that the goal of a new library for Bridgeville can be realized through all of these funding sources. There was a question concerning the ball field area where the library will

be built. President Conaway advised the Town owns the Little League fields and the library will be built in close proximity to the fields, but not on the fields. There is a possibility of the Little League fields being moved to a 142 acre, passive park on donated land within Heritage Shores, pending annexation of the land.

Mr. Donald Myers, a resident of Heritage Shores, questioned how our fiscal year runs. President Conaway responded the taxable year runs from July 1st through June 30th. Tax bills are sent in July and due by September 30th. The county's taxable year is May 1st through April 30th. They mail their tax bills in July and they are also due by September 30th. Our accounting is completely separate from the county billing. The county billing includes the Woodbridge and Sussex Technical School Districts, a library tax and in some cases, a ditch tax. The Town of Bridgeville uses the county tax assessment, which is at 1974 replacement value less labor. That explains our low tax rate. The '74-'75 assessment cost the county 3 million dollars; we do not anticipate a county re-assessment in the near future.

X. TOWN MANAGER'S REPORT

Town Manager Walls advised Representative Ewing has committed \$100,000.00 to the Town for needed street repairs. The Town hopes to prepare a bid package for street work in the next several months, so that work can begin in the spring when the concrete paving plants re-open. The Town appreciates Mr. Ewing's continued support.

Town Manager Walls attended a DEMA (Delaware Emergency Management Agency) workshop with Police Chief Parsons and Fire Chief Cannon. The purpose of the workshop was to educate for an emergency plan. The Town must prepare to respond responsibly to anything from a hurricane or hazardous material spill to a terrorist threat. It is difficult for a small municipality, but assistance is available from state agencies. We are working toward the goal of preparedness. To date, we have a storage cabinet for emergency supplies in place at the treatment plant and have purchased medical kits to handle different types of emergencies. Water, food supplies, blankets and other emergency supplies will be added.

Town Manager Walls advised the 90th Wilmington Police Academy Graduation Ceremony is scheduled for Friday, December 16th. Cadet John Truluck will be graduating and joining the Bridgeville Police force.

As President Conaway mentioned, sealed bids for a 2006 air type street sweeper will be accepted until 2:00 p.m. on Thursday, December 29th, with bids being opened and publicly read. Bids will then be evaluated for compliance.

Town Manager Walls thanked Street Superintendent Passwaters, Wastewater Superintendent Mowbray and Water Superintendent Jones for their excellent job of snow removal.

On behalf of employees, Town Manager Walls thanked the Commissioners for a wonderful Christmas party. It was a very enjoyable evening for everyone.

Town Manager Walls requested Commissioner Correll to give a report on the Caroling in the Park event on Friday, December 2nd. Commissioner Correll reported the weather was very cold, with about 30 in attendance. Everyone seemed to enjoy the event and there is hope that attendance will grow. This will be a yearly event on the first Friday night in December. The canned goods collected will be added to the Town employees' contributions and distributed to two needy families in Bridgeville. Town Manager Walls invited others to add to the canned goods.

President Conaway reported the next SCAT (Sussex County Association of Towns) monthly dinner meeting will be held on Wednesday, January 4th, at the Rehoboth Beach Convention Center. This is the annual Legislative Night, with all of our legislators being invited to the event. Bridgeville will extend invitations to Representative Ewing and Senator Adams to attend.

XI. OLD BUSINESS

A. Miles & Stockbridge Presentation – A Resolution of the Commissioners of Bridgeville to Approve Development, Subdivision and Infrastructure Plans for The Second Phase of Development of the Bridgeville South RPC District and to Approve All Actions of the President of the Commissioners of Bridgeville to Execute, Sign, Approve, and Record Certain Documents Related Thereto.

President Conaway introduced Ryan Showalter of the law firm Miles and Stockbridge, representing the Heritage Shores developer. Mr. Showalter reported at the regular May 9, 2005 meeting the Commissioners voted to approve the Phase II subdivision plats and plans and authorize the Commission President to sign those plats. Subsequently, Town Manager Walls and Mr. Showalter realized that a Resolution had been signed for Phase I, but not for Phase II. This Resolution memorializes the approval of Phase II and ratifies the signing of the subdivision plats which took place on May 9th. Commissioner Jefferson made a motion to sign the Resolution. Commissioner Correll seconded the motion. Motion carried with the following votes being recorded.

Commissioner Jefferson – Yes
Commissioner Sipple – Yes
Commissioner Correll – Yes
Commissioner Greason – Yes
President Conaway – Abstain

**B. Public Hearing RE: Selena Mae & Herbert Burris, 23A Gum Street
Edith Carey Palmer, c/o Carroll Palmer, Sr., 24 Church Street**

The scheduled public hearing was opened at 8:09 P.M. In accordance with Ordinance A03-2, AN ORDINANCE RELATING TO MAINTAINING OF DANGEROUS BUILDINGS WITHIN TOWN OF BRIDGEVILLE, the Dangerous Building Committee investigated the buildings, upon receipt of letters of complaint from two (2) or more residents of Bridgeville, pursuant to Ordinance A03-2, Section 3, and submitted a report to the Commissioners at the November 7, 2005 meeting. Pursuant to Ordinance A03-2, Section 6, a public hearing was scheduled for December 12, 2005 giving the homeowners an opportunity to show just cause why the structures should not be declared a hazard to life and why they should not be ordered to be demolished. Both homeowners received a certified letter advising them of tonight's hearing. Let the record show that homeowners from 23A Gum Street and 24 Church Street did not attend this public hearing. President Conaway asked for comments from the public; no comments were forthcoming. Commissioner Jefferson, Chairman of the Dangerous Building Committee, brought the two structures before the Commission to issue its findings and conclusions concerning the structures, pursuant to Ordinance A03-2, Section 8. The Commissioners were asked to rule as to whether these structures fit the definition of a dangerous building according to the Ordinance and whether the structures at 23A Gum Street and 24 Church Street were in violation of Ordinance A03-2.

President Conaway asked the Commissioners if these two structures threaten the life, health, safety or property of the public or its occupants by reason of inadequate maintenance, dilapidation, obsolescence, fire hazard, disaster, damage or abandonment, to which the Commissioners unanimously responded "yes." President Conaway asked the Commissioners if these two structures had been damaged to such an extent that they are likely to partially or completely collapse, fail, detach or dislodge, to which the Commissioners unanimously responded "yes." President Conaway asked the Commissioners if these two structures had been so damaged or had become so dilapidated or deteriorated as to become an attractive nuisance to children, or a harbor for transients, vagrants, or criminals, to which the Commissioners unanimously responded "yes." President Conaway asked the Commissioners if these two structures were unsanitary, unfit for human habitation or in such a condition that is likely to cause sickness or disease because of inadequate maintenance, dilapidation, decay, damage, faulty construction or arrangement, inadequate light, air or sanitation facilities or other cause, to which the Commissioners unanimously responded "yes."

President Conaway asked the Commissioners if these two structures create a fire hazard by virtue of their condition, to which the Commissioners unanimously responded "yes." President Conaway asked the Commissioners if these two structures constitute a public nuisance as defined by law, to which the Commissioners unanimously responded "yes." President Conaway asked the Commissioners if these two structures have exits which do not conform to the city ordinances or any other feature which may cause a hazard to life or safety of the occupants or general public, to which the Commissioners unanimously responded "yes."

The Commissioners agreed unanimously with the Dangerous Building Committee, based on the committee report, pictures presented by the committee and their own personal examination of said structures, that the structure at 23A Gum Street and the structure at 24 Church Street meet the definitions of a dangerous building; they are a hazard to life and property; they are a danger to the Town and community and should be demolished. Commissioner Jefferson made a motion that the Commission condemn and seek demolition of the buildings at 23A Gum Street and 24 Church Street. Commissioner Correll seconded the motion. Motion carried. Town Manager Walls advised the Town would give the homeowners 90 days to bring the structures up to code. The public hearing was closed at 8:15 P.M.

Concerning the Dangerous Building Committee's previous actions, a court date of January 27, 2006, has been set regarding the property at 102 North Main Street.

XII. NEW BUSINESS

A. Request for Alley Land by Robert S. and Lucy M. McGrady, 108 Elliott Drive.

The Town has previously deeded alley space that was never used as an alley to the homeowners adjacent to the alley property. They have maintained the land and the transfer takes place with the homeowner bearing all expenses. After a general discussion, Commissioner Jefferson made a motion to deed this alley property to Mr. and Mrs. McGrady with the stipulation that they receive $\frac{1}{2}$ width of the alley, pay all associated costs and grant the Town a permanent easement should utility lines need to be installed in the alleyway. Commissioner Greason seconded the motion. Motion carried.

B. FY-06 Proposed Budget Amendment

Finance Director Savage reported he and Town Manager Walls consulted with each department head to identify needs that were not included in the original FY-06 budget. The Town's needs for the remainder of the budget year have been better defined, thus the request

for a budget amendment. The following are highlights of the main budget changes. All police grants have been included in the budget so that they can be more easily monitored. Previously the budget reflected only the current year police grants; however, often the grant expenditures carried over into several fiscal years without being monitored in each year's budget. Because of that practice, there are extra monies to be spent from previous years' grants and this budget amendment reflects those extra monies. A concerted effort will be made in the future to spend grant monies within the fiscal year they are received. Street Aid Funds have been reduced by the state and this budget amendment reflects that change. SPCA patrols have been added to the budget. The Police Department is adding a new officer, which was not reflected in the original budget. M-T Trash has increased their rates, as has the landfill. That increase is included in this budget amendment. Health Insurance costs have decreased due to a delay in hiring a full-time secretary at the Police Department and two new officers not being added to our insurance for several more months. The Budget Amendment adds more revenue to the budget, due to a higher number of settlements at Heritage Shores than originally anticipated. After a general discussion and review, Commissioner Correll made a motion to accept the FY-2006 Budget Amendment. Commissioner Jefferson seconded the motion. Motion carried.

C. Special Report – Commissioner Jefferson – Dangerous Building Committee Report, 25A Gum Street

In accordance with Ordinance A03-2, the Dangerous Building Committee was convened to investigate a structure at 25A Gum Street, owned by Ms. Christine McCray. The investigation took place upon receipt of letters of complaint from two (2) or more residents of Bridgeville, pursuant to Ordinance A03-2, Section 3. Commissioner Jefferson, chairman of the committee, presented pictures and a Dangerous Building Committee Report to the Commission, stating that the committee concluded the building is a serious hazard to life and property. The full report is attached to these minutes. Pursuant to Ordinance A03-2, Section 6, a Public Hearing has been scheduled for January 9, 2006, and the property owner will be notified of her opportunity to respond and show just cause why the structure should not be declared a hazard to life and why it should not be ordered to be demolished.

D. Chief Parsons RE: Proposed Federal, SALLE and EIDE Grants

Police Chief Parsons requested approval of applications for the following grants: SALLE Grant for bulletproof vests for new recruits and Tasers plus equipment in the amount of \$4,960.26; EIDE Grant to fund tire deflation devices and police officer overtime in the amount of \$4,017.98; CEDAP Federal Program to provide thermal imaging cameras and surveillance equipment at no cost to the municipality, including training. Commissioner Jefferson made a motion to allow the Police Chief to make application for these grants. Commissioner Sipple seconded the motion. Motion carried.

E. Bridgeville Drug Bust

President Conaway gave an update on a drug bust Officer Chad Spicer was responsible for. A car was stopped on Route 13 for speeding. The officer confiscated drugs and \$72,000.00 in cash. Police Chief Parsons reported the Town should receive 85 – 90% of the money through Delaware SLEAF. The vehicle involved will also become the property of the Town. The driver posted \$150,000.00 bail and headed back to New York. It is the largest drug bust in Town history.

F. Christmas Tree Lights

Commissioner Sipple presented to the Commission the problem of finding willing people with a bucket truck to install and dismantle the Town Christmas lights. The Kiwanis Club has been involved in this project for many years. Town Manager Walls advised she had been in communication with Phillips Signs in Seaford concerning their availability to help out. We would be responsible to pay them, perhaps with the help of the Kiwanis. She is waiting for a return call. It seems that companies are backing off due to liability issues. President Conaway commented the Christmas lights may soon become the responsibility of the Town because of the difficulties. Comcast was finally engaged to put the lights up this season, but it took a lot of effort on the part of the Kiwanis to make it happen. A solution is needed to this problem; Town Manager Walls will continue to pursue Phillips Signs for help.

On behalf of the Commission, President Conaway wished all the residents of Bridgeville a Merry Christmas and Happy New Year. He asked that we remember those young people who are not home for Christmas. Commissioner Greason's son is in the Navy stationed in Norfolk and President Conaway's son is serving our country in Iraq.

G. Commission Election Candidates

Commissioner Sipple announced her candidacy, as well as the candidacies of Commissioner Correll and Commissioner Greason in the March Commission election.

XIII. ADJOURNMENT

Commissioner Sipple made a motion to adjourn the meeting. Commissioner Correll seconded the motion. Meeting was adjourned at 8:33 P.M.

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Respectfully submitted by:

Margaret W. Sipple
Margaret W. Sipple, Commission Secretary

Peggy A. Smith
Peggy A. Smith, Transcriptionist