

**TOWN OF GEORGETOWN  
TOWN COUNCIL MEETING MINUTES**

**Meeting Date:** Wednesday, November 10, 2010  
**Location:** Town Hall, 39 The Circle, Georgetown, DE  
**Time:** 6:30 P.M. Public Hearing  
6:45 P.M. Public Hearing  
7:00 P.M. Regular Meeting

**PRESENT:**

Brian Pettyjohn, Mayor  
Charlie Koskey, Ward One  
Sue H Barlow, Ward Two  
Bob Ricker, Ward Three  
Annie Besche-Martin, Ward Four

**STAFF PRESENT:**

Eugene S Dvornick Jr, Town Manager  
Jim Fuqua, Town Solicitor  
Angela Townsend, Town Clerk

**6:30 P.M. PUBLIC HEARING**

**INFRASTRUCTURE PROJECTS AND CAPITAL NEEDS**

The Town Manager presented Mayor & Council and the Public with a power point presentation of the proposed projects and capital needs.

**Inflow & Infiltration:** Inflow & Infiltration is a problem related to additional water getting into the Town's sewer system. The sources of this additional water are "Inflow" from storm water runoff and "Infiltration" from groundwater. Additional flow means additional costs to the Town as it requires additional pumping, treatment and disposal. Existing sewage pumps are not sized to handle the additional flow which overwhelms the system and leads to overflowing manholes. Existing storage lagoons at the treatment facility are not sized to handle this additional flow and resulted in a consent order with DNREC in 2009 to avoid a sewage spill. This project is going to address the issue by using flow monitoring equipment, identify areas that are most impacted, further testing and/or videoing of individual sewer mains to identify specific issues in need of repair, and to make the repairs. Total Project Cost: \$1,705,000 Grant: \$839,000 (65.5% of Project) and a Loan: \$866,000 which includes: I&I work: \$441,000 Refinance: \$425,000, Old Interest Rate 4.5% and New Interest Rate 2.375%. For a cost of approximately \$9,000 a yr or \$750 a month, the Town will secure \$1,280,000 (441,000 in additional loan and \$839,000 in grant) in project funding to contend with its I & I issues.

**New Well & Treatment Facility:** The project involves the abandonment of the existing SCI well and treatment facility and construction of new well and treatment facility along S. Railroad Avenue. Why abandon the existing SCI water facility? Elevated iron levels in the well water. What are the impacts of elevated iron levels? Wells at the SCI facility only function for 3 to 5 years before requiring significant repair work or replacement with costs ranging from \$15,000 to \$100,000. Costs associated with treating to remove the iron can exceed \$50,000 annually. Why do we need a new facility? The Town cannot produce enough water to meet the needs of their water users if the SCI facility is abandoned. Total Project Cost: \$1,519,700 Principal Forgiveness Amount \$759,850.00 Loan Amount \$759,850.00 Loan Term 30 Years Interest Rate 1.5% Semi-Annual Payment Amount \$15,773.24, Annual Cost\$31,546.48.

**Service Line Replacement:** What is the need for this project? There are approximately 600 water service connections in the Town that were installed over 50 years ago using galvanized steel piping with lead soldered joints. Over the past few years, 50 to 60 of these water services break each year. This is approximately one a week. These breaks are fixed by the Town's public works department on an emergency basis. This includes nights, weekends and holidays. What will this project involve? The Town is proposing to replace 400 of the 600 water services. Why 400? Of the 600 water services, 200 are located on DelDOT-maintained streets with the remaining 400 on Town-maintained streets. Why does that matter? Replacing these services will require cutting through the road and excavating down to the water main to expose the piping and service connection for removal and replacement. DelDOT-maintained streets are more heavily traveled roads meaning they are generally thicker and thus more expensive to remove and replace. In 2009, the Town had 45 Water Leaks. Total cost of repairs came to \$102,892. Total project Cost \$2,094,800, Principal Forgiveness Amount \$1,047,400.00 Loan Amount \$1,047,400.00 Loan Term 30 Years Interest Rate 1.5% Semi-Annual Payment Amount \$21,742.30, Annual Cost \$43,484.60.

The referendum will take place on Tuesday, December 14, 2010 from 8am to 8pm here at Town Hall.

Informational sessions on the proposed borrowing have been set up for the following dates and times: Tuesday, November 23 – 6:30 PM, Saturday, December 4 – 10:00 AM, Thursday, December 9 – 6:30 PM. All sessions will be here at Town Hall.

Mayor Pettyjohn: With the principal forgiveness should the Town revise the Resolution from \$5.5 million to 2.6 million?

Town Manager: No, the actual loan amount is \$5.5 million, with the loan forgiveness portion being taken off the end of the loan.

Councilman Ricker: Principal forgiveness, what exactly does that mean?

Town Manager: With the money made available, through the various sources they have been able to offer lower interest rates and/or principal forgiveness, essentially it's free money.

There were no comments from public.

Public Hearing was closed at 6:46pm

#### **6:47 P.M. PUBLIC HEARING**

#### **COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) 2011 FUNDING REQUEST**

Bill Lecates, Director of Community Development Housing discussed the use of the Community Development Block Grant (CDBG) program and the guidelines for the application process. CDBG funding is used for projects that would benefit low to moderate-income households and/or neighborhoods. The top priority for the funds is for housing rehabilitation for homeowner occupied projects. Demolition and code enforcement projects are also eligible items. There is a required match from the local municipality of 10% for projects less than \$100,000, 15% for projects \$100,000 to \$200,000 and 20% for projects over \$200,000.

Previous CDBG projects in Georgetown have included funding for Code Enforcement, Housing Rehabilitation, Drainage Improvements, Water and Sewer Connections, South Railroad, and Savannah Road Sidewalks. Qualifications: Low to Moderate Income based, owner occupied, resident of Georgetown, unable to make the

**B. RESOLUTION #2010-14 CDBG - COMMUNITY DEVELOPMENT BLOCK GRANT**

Motion by Councilman Ricker, seconded by Councilman Koskey, to adopt the Resolution #2010-14 authorizing Sussex County to apply for CDBG Funds on behalf of the Town of Georgetown. **APPROVED (unanimous).**

**“Resolution #2010-14 is incorporated as part of the minutes.”**

**6. LARED LIMITED PUBLIC WORKS AGREEMENT & COMPLETION GUARANTEE**

This agreement is unique as to it solely pertains to the La Red Project, a separate Public Works Agreement shall be prepared for the balance of the Shoppes of College Park. A separate bank account will be established for the purpose of retaining the infrastructure costs (150% of the engineering estimate) in lieu of a bond.

Motion by Councilman Ricker, seconded by Councilman Besche-Martin, to approve the LaRed Limited Public Works Agreement & Completion Guarantee. **APPROVED (unanimous).**

**“The Public Works Agreement & Completion Guarantee is incorporated as part of the minutes.”**

**7. ADOPTION OF RESOLUTION #2010-12 - RESOLUTION PROPOSING TO BORROW UP TO \$5,500,000**

Based on Section 34 of the Town Charter, the Town passed the 1<sup>st</sup> Resolution (October 27, 2010) setting forth their intent to borrow and to hold a public hearing with due notice provided of such public hearing. The Public Hearing was held earlier this evening. The Council is required to adopt a 2<sup>nd</sup> resolution ordering a special election which must be held not less than 30 nor more than 60 days after the public hearing with due notice provided for the election. The referendum will be scheduled for Tuesday, December 14<sup>th</sup> from 8:00am until 8:00 pm.

Motion by Councilman Barlow, seconded by Councilman Ricker, to adopt Resolution #2010-12 Ordering a Special Election (Referendum) **APPROVED (unanimous).**

**“Resolution 2010-12 is incorporated as part of the minutes.”**

**8. DEPARTMENTAL REPORTS**

**A. GENE DVORNICK – TOWN MANAGER**

**Cinderberry Estates - Easements**

Only one (1) easement grant has not been returned: Timothy & Cynthia Hill (Lot 39). One final attempt will be made to contact the property owner next week. Otherwise, the Public Works Department will relocate the meter pit as was outlined in our notice to the property owners.

**2010 Referendum – Information Sessions**

Following up on the public hearing earlier this evening, informational sessions on the proposed borrowing have been set up for the following dates and times:

- Tuesday, November 23 – 6:30 PM
- Saturday, December 4 – 10:00 AM
- Thursday, December 9 – 6:30 PM

All sessions will be here at Town Hall.

**Miscellaneous**

- Mid-Year Budget Review Workshop is scheduled for Monday, November 15 at 6:00 PM
- Town Offices will be closed on Thursday, November 11 in observance of Veteran's Day
- Delaware League of Local Government's will be held on Thursday, November 18, 6:00 PM at the Dover Sheraton.

**9. PUBLIC COMMENT**

Mayor Pettyjohn: While there has been some complaints regarding access and issues with security, I have to mention that the Public Works Department did a great job for the Return Day festivities (barricades, bleachers, ox roast) in addition getting the Town up and running again. The Department did an excellent job and past along my appreciation along with the Council's appreciation.

Joan Messick: After our May 6<sup>th</sup> Return Day Committee meeting we knew we would have problems. What upsets us the most we invited 1000's of people to enjoy Return's Day and we had to turn people away, Georgetown was literally closed.

Rosalie Walls: I would like to echo the Mayor's remarks for the Public Works Department, other employees that helped, and Elaine Reynolds for all her help in selling tickets and manning the bleachers. We appreciate everyone's help.

Mayor Pettyjohn: There were comments that were raised concerning security and access into Town, and as with anything we're not perfect, and in saying that we are going to look at those comments and issues and find out what happened and do it better next time.

Rosalie Walls: Why were there road blocks at Zoar Church at Rt 30? My committee goes to great lengths, to line up the shuttle buses to furnish transportation and then visitors are not able to reach the park & rides because of the location of road blocks. And why did we freak out about removing porta-potties and trash cans in the circle area? The lucky people that did get in did not have access to a bathroom.

Mayor Pettyjohn: The problem with the porta-potties was the location in the circle; they were in the grassy area of the circle. I received a phone call from Lynn Lester and Rep Ruth Briggs-King complaining about the location of the porta-potties in the circle. The porta-potties were relocated to the parking lot behind the Circle shop.

Rosalie Walls: When did the Town of Georgetown actually hear that the Vice-President was not attending?

Town Manager: I can tell you that as of right now that we never received official notification that the Vice-president was not attending.

Rosalie Walls: I even had committee members that were not allowed access to Town. We need to get to the bottom of this and find out what and how it happened. Why weren't business allowed to open?

Town Manager: No businesses were told they could not open.

Toby Givens: *Comment not heard on tape.*

Rosalie Walls: Return Day almost died Thursday. We need to restore Return Day to what it was. I want to thank everyone that helped and we could not have done it without the Town employees.

Mayor Pettyjohn: The Town of Georgetown has for the first time captured the Hatchet Toss trophy.

**10. ADJOURNMENT**

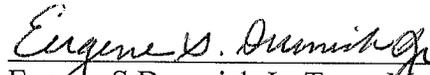
Motion by Councilman Barlow, seconded by Councilman Koskey, to adjourn at 7:26p.m. **APPROVED** (unanimous).

APPROVED:



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Charlie Koskey, Secretary

ATTEST:



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Eugene S Dvornick Jr, Town Manager