

**TOWN OF GEORGETOWN
TOWN COUNCIL MEETING MINUTES**

Meeting Date: Wednesday, September 22, 2010
Location: Town Hall, 39 The Circle, Georgetown, DE
Time: 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
Keith Hudson, Sup of Wastewater Facility
Angela Townsend, Town Clerk
Jim Fuqua, Town Solicitor

6:45 P.M. PUBLIC HEARING

**CASE #2010-16 Xergy Inc.
Conditional Use Application**

An application by Bamdad Bahar with Xergy Inc., for a conditional use (1) to engineer, design, research and develop "Kuel Cell" technology (2) small (light) manufacturing cells to repackage consumer products, "Kuel Cell" electronic assemblies and storage of equipment (3) to receive and ship out raw materials & products for the above purposes. Located at 310 North Race Street, and was once used by Pep-Up, as a fuel service business, identified as Sussex County Tax District 135 Map 14.20 Parcel 110.00 zoned Urban Business (UB1).

Mr. Bahar, president of Xergy, Inc., stated 6 patents had been filed for a new device; an electrochemical compressor which would replace electromechanical compressors in air conditioners and refrigerators. The device is higher efficiency, noiseless and leverages technology related to fuel cells. The intent for this property is to have a location near his other businesses. Service General Corp. manages a group of neighborhood service centers with Laundromats and he would like to repackage consumer products, like detergents, to buy in bulk and put in bottles for that business as a secondary use of the property. The original intent was to start using the offices, put in a few labs and the rear was being used for storage. Mr. Bahar will be reapplying for Department of Energy funding as well as to other agencies to get money.

Delaware Economic Development connected Mr. Bahar with DNREC resulting in a grant for \$250,000 to clean up the site. Mr. Bahar also stated that another grant was received for a lot on the other side of New Street that he owns with other partners (BAST) and therefore a total of half a million in clean up money is coming to Georgetown.

Mayor Pettyjohn: DNREC grants are given to the owners of the property, have you taken ownership of the property?

Mr Bahar: I have a lease purchase agreement on the property and may enter into a conditional sales agreement in the near future. All the work that has been done on the property has been paid by the State.

Mayor Pettyjohn: Do you have any concerns that with the re-packing and manufacturing process there is any impact on the surrounding neighborhood, in addition to Townsend's, a food processing business directly adjacent?

Mr Bahar: There would be no waste disposal or effluent into the public sewer system and nothing objectionable as far as odors, noise, dust, vibration, heat, smoke or glare.

There will be no adverse environmental impact that will affect the neighbors.

Town Manager: With Townsend's food processing business next door, is there anything with your process or packaging that could possibly contaminate their food production?

Mr Bahar: The answer is no, definitely no.

Mayor Pettyjohn: Are you storing any materials outside?

Mr Bahar: We are not anticipating anything right now, the Planning Commission has recommended that outside storage must be screened from the street and adjacent properties limited to 500 sq ft.

Mayor Pettyjohn: Will the loading dock be visible from the street?

Mr Bahar: The building has several garage doors on the side, and the garage doors will remain for now.

Mr Ricker: I honestly think this project is exciting for Georgetown, but with that said, my biggest concern is with the Town Council going against our zoning code granting a Conditional Use in a heavily residential area with a business that involves chemicals. Also, the Planning Commission recommended no noxious fumes or toxic chemicals. You have stated the process involves a solution of Hydrogen & Methanol, which is highly flammable.

Mr Bahar: Hydrogen is not toxic, and the small amount of Methanol we're dealing with would be the approximate size of a cigarette lighter.

Town Manager: Do you anticipate a significant increase in the amount of truck traffic on Race Street?

Mr Bahar: Most of our product will be shipped by UPS. The number of occupants allowed is 34. We are initially starting with 4 to 5 employees. I do not foresee any increase in employees for awhile, unless we get major financing which would take us out of Georgetown at that point.

No one from the public spoke for or against the application.

The record will remain open until October 26, 2010.

This item will be placed on the agenda for the October 27th Town Council meeting.

Public Hearing closed at 7:05pm

7:05 P.M. PUBLIC HEARING

1. PLEDGE OF ALLEGIANCE

Mayor Pettyjohn led the Pledge of Allegiance.

2. INVOCATION

Councilman Ricker led the Invocation.

3. ADOPTION OF AGENDA

Item#6 CHESAPEAKE UTILITIES – SAFETY PRESENTATION was deleted.

Item #12A EXECUTIVE SESSION was added for the discussion of a personnel issue.

Motion by Councilman Ricker, seconded by Councilman Barlow, to adopt the agenda as amended. **APPROVED (unanimous).**

4. APPROVAL OF MINUTES

A. AUGUST 11, 2010 TOWN COUNCIL MINUTES

Motion by Councilman Barlow, seconded by Councilman Ricker, to approve the minutes as presented. **APPROVED (unanimous).**

B. SEPTEMBER 8, 2010 TOWN COUNCIL MINUTES

Let the record show that Jim Fuqua, Town Solicitor was also in attendance.

Motion by Councilman Ricker, seconded by Councilman Koskey, to approve the minutes as amended. **APPROVED (unanimous).**

5. PROCLAMATION – INTERNATIONAL PRIVATE OFFICER MEMORIAL WEEK

Mayor Pettyjohn read a proclamation on behalf of the International Private Officers Memorial Week.

6. CHESAPEAKE UTILITIES – SAFETY PRESENTATION

Deleted with the adoption of the agenda.

7. TOWN OF GEORGETOWN MASTER PLAN

With the importance of the Sussex County Airport to the Town's prosperity, an Advisory panel of government officials and technical resource providers and citizens has met 5 times since October 2009 to define the study area and frame the issues for a community workshop.

Bryan Hall, of the Office of State Planning, presented the Master Planning project for the areas around the Sussex County Airport:

"Master" Planning is proactive planning that occurs beyond the boundaries of any one local government. A Master Plan is defined as a land use plan focused on one or more sites within an area that identifies access and general improvements, and is intended to guide growth and development over a number of years or in phases. In short, Master Plans are intended to address issues that transcend the local level, for example: growth and development; transportation; "property rights"; affordable housing; air and water quality; and agricultural district planning.

A new tool is being utilized with the University of Delaware that is a land use model that allows participants to visualize the existing land use, the planned land use through a comprehensive plan and the "what if" vision on what it could be. The model can provide the impacts of the selected land use on factors such as population, roads, school enrollment and sewer & water infrastructure. Funding from the FAA (Federal Aviation Administration) for the airport could be impacted by the land use policy in place for the surrounding areas.

The Master Planning effort will: 1). Provide predictability to the development and business communities, 2). Build consensus amongst all stakeholders, 3). Provide shovel ready projects to promote economic development, etc, 4). Clarify planning efforts, and 5). Plan for necessary infrastructure, etc.

Estimated completion of the project is January 2011.

Public workshops are scheduled for October 21 and 28, 2010, from 6pm – 9pm at the Georgetown Fire Hall.

8. RESOLUTION #2010-9 APPROVAL OF THE APPLICATION FOR THE WATER FACILITIES PLANNING GRANT

A resolution is required approving the application for the Water Facility Planning Grant thru the Office of Drinking Water as part of the application process.

Motion by Councilman Koskey, seconded by Councilman Barlow, to adopt Resolution #2010-9 Approval of the Application for the Water Facilities Planning Grant. **APPROVED (unanimous).**

“Resolution 2010-9 is incorporated as part of the minutes.”

9. INTRODUCTION OF SUPPLEMENTAL ASSESSMENTS

New assessments for improvements added to the assessment roles since February 2010. Assessments that have been added since February will receive an interim tax bill for the increased assessment amount for six months of the tax year. No action is necessary at this time. The Town Council will hold a Board of Appeals hearing at their October 27, 2010 Council meeting, with no objections being voiced the Town Council will then adopt the six-month assessments.

10. DEPARTMENTAL REPORTS

A. GENE DVORNICK – TOWN MANAGER

FY 2010 Audit

The Audit for Fiscal Year 2010 has been completed and the report has been distributed for review. A copy of the audit has been posted on the Town website and should be published in the newspaper this week.

Federal Grant Bank Account - Police

As part of the Single Audit for the Edward Byrne Grant, there was a compliance requirement to establish a separate bank account to receive, hold and disburse the grant funds. The Town did not establish such an account as we were the pass through to the other municipalities. To achieve compliance we need to open a separate bank account for these funds.

Motion by Councilman Ricker, seconded by Councilman Koskey, to authorize the Town Manager to open a Federal Grant Bank Account at County Bank.

APPROVED (unanimous).

2010 Trick or Treat

As Halloween falls on a Sunday this year – practice in the past when this falls on a Sunday is to have it the Saturday before. Should it meet the wishes of Mayor and Council, Trick or Treat will be held on Saturday, October 30, 2010 from 6:00 PM to 8:00 PM. We will make sure this is communicated via the media and is posted on the Town website.

Motion by Councilman Ricker, seconded by Councilman Barlow, to observe Halloween on Saturday, October 30, 2010 for 6:00pm to 8:00pm. **APPROVED (unanimous).**

East Market Street Improvement Project

The construction of the East Market Street Improvement Project (Layton Avenue to King Street) will receive the “Notice to Proceed” effective September 27, 2010. This is a 103 day contract with 10 weather days allotted – completion is anticipated in early January 2011. The contractor has assured appropriate access for businesses and property owners during the work. All work will be suspended for Return Day activities. The Town’s match requirement (14%) totaled \$42,637.00 – this has been paid out of Municipal Street Aid funds. The bidders for the **project construction** were:

Daisy Construction	\$434,387.72	(Awarded)
JJID, Inc.	\$484,021.62	
Conventional Builders	\$565,172.24	
Engineering Estimate	\$460,362.29	

Infrastructure Projects and Capital Needs

The Town has been working with the Town Engineer in preparing various projects for submission to granting agencies to help with the funding of major infrastructure projects, this includes:

Item	Area	Source	Need	Amount	Priority
1	Wastewater	USDA	Inflow & Infiltration	\$1,280,000.00	1
	Wastewater	USDA	Refinance Existing Debt	\$425,000.00	
2	Water	ODW – SRF	Water Service Replacement	\$2,094,800.00	3
3	Water	ODW - SRF	SCI Well Replacement	\$1,519,700.00	2
TOTAL NEEDS				\$5,319,500.00	

We will need to do a referendum for the USDA Loan, beginning the process with the October 27th meeting. It would be my recommendation that we have one referendum for \$5,500,000.00, with three items to be voted upon. This would avoid duplication of effort for each application and provide the residents an opportunity to prioritize the projects they wish to fund.

Motion by Councilman Ricker, seconded by Councilman Besche-Martin, to move forward with the process for a referendum. **APPROVED (unanimous).**

Budget versus Actual (Jul 10) – Three Months (25% of the Year)

	<u>Revenue</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>%</u>
General Fund	\$2,550,960	\$1,522,835	\$1,028,125	\$1,028,125	60%
Water Fund	\$1,247,000	\$300,622	\$946,378	\$946,378	24%
Sewer Fund	\$1,635,000	\$438,296	\$1,196,704	\$1,196,704	27%
Total	\$5,432,960	\$2,261,753	\$3,171,207	\$3,171,207	42%
<u>Expenditures</u>					
General Fund	\$3,233,843	\$733,025	\$2,500,818	\$2,500,818	23%
Water Fund	\$784,587	\$206,157	\$578,430	\$578,430	26%
Sewer Fund	\$1,414,530	\$419,440	\$995,090	\$995,090	30%
Total	\$5,432,960	\$1,358,622	\$4,074,338	\$4,074,338	25%

The monthly report has been distributed for your review.
 Other Key items (versus the same time period last year):

- Real Estate Transfer Tax Revenue, **Down 80.16%**
 - YTD FY 2008 \$223,197
 - YTD FY 2009 \$ 34,796
 - YTD FY 2010 \$ 57,229
 - YTD FY 2011 \$ 11,353
- Building Permit Revenue, **Down 53.07%**

Budget versus Actual (Aug 10) – Four Months (33% of the Year)

<u>Revenue</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>%</u>
General Fund	\$2,550,960	\$1,771,940	\$779,020	69%
Water Fund	\$1,247,000	\$334,181	\$912,819	27%
Sewer Fund	\$1,635,000	\$709,154	\$925,846	43%
Total	\$5,432,960	\$2,815,275	\$2,617,685	52%

Expenditures

General Fund	\$3,233,843	\$1,057,973	\$2,175,870	33%
Water Fund	\$784,587	\$254,213	\$530,374	32%
Sewer Fund	\$1,414,530	\$519,937	\$894,593	37%
Total	\$5,432,960	\$1,832,123	\$3,600,837	34%

The monthly report has been distributed for your review.
 Other Key items (versus the same time period last year):

- Real Estate Transfer Tax Revenue, **Down 81.18%**
 - YTD FY 2008 \$257,573
 - YTD FY 2009 \$ 39,404
 - YTD FY 2010 \$ 70,753
 - YTD FY 2011 \$ 13,318
- Building Permit Revenue, **Up 16.71%** (County Seat Apts & DTCC)

Miscellaneous

- Delinquent Property Tax Accounts have been posted as previously announced – Updates will be posted monthly.
- 2010 Water Leaks:
 - Number 29: Race Street at J G Townsend – Replaced Service Line
 - Number 30: 401 Cedar Street – Relocated meter pit and service line
 - Number 31: 722 East Market Street – Replaced service line
- Town Hall exterior painting contract has been awarded to TCR Home Improvement
- The Town has received \$55,336.11 in FY 2011 Municipal Street Aid – ½ of our \$110,672.22
- Police Department Open House – Monday, September 27, 2010 from: 12:00 to 5:00 PM

- Reminder: there **will not** be a Town Council Meeting on Wednesday, October 13, 2010. Next Council meeting will be on Wednesday, October 27th
- Farmer & Foodie Festival – Sunday, September 26 12:00 to 5:00 – parking restriction goes into effect at 2:00 PM on Friday, September 24.
- Annual Wings & Wheels Festival at Sussex County Airport, Saturday, October 2 from 10:00 am to 4:00 PM (rain date – October 3rd)
- Employee Service Anniversaries:

<u>Name</u>	<u>Department</u>	<u>Service</u>
Craddock, Jamie S.	Planning	5
Barlow, Matthew P.	Police	7
Cordrey, Bradley A.	Police	6
Diaz, Joel	Police	7
Topping, William S.	Police	12
Wilson, III, John B.	Police	5
Robinson, Donald L.	Public Works	2
Givens, Laura S.	Town Hall	9
Townsend, Angela C.	Town Hall	5
Betts, Michael L.	Wastewater	10
Hudson, Richard A.	Water Department	12
Barlow, Michael R.	Retired (Police)	20

B. KEITH HUDSON – SUPERINTENDENT OF WASTEWATER RECLAMATION

Wednesday, Sept 22nd - Delmarva Power is hooking-up temporary electric for the South Bedford Street Pump Station upgrade.

Tuesday thru Friday, Sept 21st to Sept 24th – The Wastewater staff will assist Advanced Land & Water clearing lanes to get their equipment back in the Pettyjohn Woodlands to dig soil infiltration test pits.

Thursday, Sept 23rd – Aztech Contracting will replace the old pump check valves with new ones for \$4,995 at the main pump station.

Irrigation Rig/Field#2

Tuesday – change drive shaft, Wednesday – replace gear box, Wastewater staff will be able to do all the labor without contracting with Sussex Electric.

<u>Lagoon Depths</u>	<u>75mg</u>	<u>15mg</u>
2009 Sept	>10'	7'
Dec	>17'	
2010 Sept	<2.25'	<2'
<u>Rainfall</u>	2009	January thru December - 59.69"
	2010	April thru September 22 nd – 9.71"

11. 1ST READING OF ORDINANCES

A. ORDINANCE #2010-7 CLEAN HANDS ORDINANCE AMENDMENT

“Clean Hands” ordinance was to remove the burden placed on taxpayers for cost incurred as the result of specific projects/actions.

The language in §89-2 **Town obligations which must be current**, has recently been challenged, the Town obligations definition needs to be specifically

defined. No action at this time. 2nd reading and adoption if agreeable will be October 27th Town Council meeting.

12. PUBLIC COMMENT

No Public Comment.

12A. EXECUTIVE SESSION

Mayor & Council adjourned to Executive Session for the discussion of a personnel issue in which the names, competency and abilities of individual employees are discussed.

Motion by Councilman Ricker, seconded by Councilman Barlow, to adjourn to Executive Session at 8:01 p.m. **APPROVED (unanimous).**

Executive Session exited at 8:34p.m.

13. ADJOURNMENT

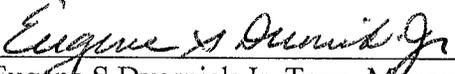
Motion by Councilman Ricker, seconded by Councilman Besche-Martin to adjourn at 8:35p.m. **APPROVED (unanimous).**

APPROVED:



Charlie Koskey, Secretary

ATTEST:



Eugene S Dvornick Jr, Town Manager