

**TOWN OF GEORGETOWN  
TOWN COUNCIL MEETING MINUTES**

**Meeting Date:** Wednesday, April 13, 2011  
**Location:** Town Hall, 39 The Circle, Georgetown, DE  
**Time:** 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  
Angela Townsend, Town Clerk  
Keith Hudson, Sup of Wastewater

**7:00 P.M. REGULAR MEETING**

**1. PLEDGE OF ALLEGIANCE**

Mayor Pettyjohn led the Pledge of Allegiance.

**2. INVOCATION**

Mayor Pettyjohn asked for a moment of silence.

**3. ADOPTION OF AGENDA**

**Item #10 REQUEST FOR REDUCTION – LARED ESCROW ACCOUNT**  
was deleted

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

**4. APPROVAL OF MARCH 23, 2011 TOWN COUNCIL MINUTES**

Motion by Councilman Besche-Martin, seconded by Councilman Barlow, to approve the March 23, 2011 minutes as presented. **APPROVED (unanimous).**

**5. CONDITIONAL USE APPLICATION – CASE#2010-25 – ISAIAH THOMAS BAKER**

An application by Isaiah Thomas Baker, with Sound Machine and First State Awards, for a conditional use to allow two businesses to be located at 300 Nancy Street. The property is identified as Sussex County Tax District 135 Map 19.07 Parcel 17.00 and is currently zoned Urban Residential (UR1).

A Public Hearing was held on March 23, 2011 leaving the record open for written comment for 14 days. One piece of correspondence was received from Christopher Lord.

In Favor or Opposed:

No one spoke.

Councilman Ricker- With the correspondence received from Mr Lord it's obvious that the applicant has been in business illegally since 1993.

Mayor Pettyjohn: Do we know how much lost revenue we have due to Mr Baker never paying for his business license fees?

Town Manager: With both businesses in operation since 1993, the lost business license fees are equal to \$1,592.00.

Motion by Councilman Ricker, seconded by Councilman Barlow, to approve the Conditional Use Application – contingent upon the applicant's payment of delinquent business license fees. **APPROVED (unanimous).**

**“Exhibit A is incorporated as part of the minutes.”**

**6. 6 MONTH REVIEW – ATTACHMENT A – CONDITIONAL USE APPLICATION – XERGY, INC – CASE #2010-16**

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, identified as Sussex County Tax District 135 Map 14.20 Parcel 110.00 zoned Urban Business (UB1).

Mr Bamdad Bahar updated the Council on the status of the Xergy, Inc (I expect R&D to be ongoing for some-time, and to continue even after demonstration products graduate to production. The technology is inherently complex and will require ongoing R&D to support the business. We have a long term vision for the site to always remain as an R&D center and to expand as an R&D center as business develops). Cristal Products (Essentially Cristal Products has graduated from the technology incubation center; I would like to retain R&D capability in Georgetown for future products.)

Mayor Pettyjohn: The conditions of Exhibit A #6 – Water usage is well within 1 EDU, and one complaint was received that was documented.

Councilman Ricker: Inquired as to the Interim Action to be conducted to mitigate the concentrations of benzene that has impacted groundwater at the site.

Mr Bahar: The Interim Action will consist of the excavation of the benzene-impacted soil in the former AST containment and fuel pump areas. The schedule to complete the brown field project will commence April 2011 and be finalized November 2011. DNREC has identified the previous owner as the contaminator of the property.

Mayor Pettyjohn: When meetings with DNREC and Soil Conservation take place, I ask that the Town be notified for our Town Manager/Town Engineer to participate. I would like to revisit this item in a year and let us know how things are going. I would also recommend that you let your Engineers know about our discharge parameters to the sanitary sewer system. One thing you mentioned was methanol and that is something that is not approved within our sewer system.

Town Manager: I will email that section of our Code to you tomorrow.

Motion by Councilman Ricker, seconded by Councilman Besche-Martin, to approve Conditional Use Application – Case #2010-16 with conditions as stated in Exhibit A - Amendment. **APPROVED (unanimous).**

**“Exhibit A - Amendment is incorporated as part of the minutes.”**

**MAYOR AND COUNCIL GAVE THE PUBLIC AN OPPORTUNITY TO SPEAK ON THE PROPOSED BUDGET:**

Linda Dennis – Village of Cinderberry, This structural deficit will not be solved in 2 or 3 years. Two years ago we faced a tax increase, and another increase is being proposed now, which is a major concern to me. The Town should consider selling 123 West Market Street, the 2 properties on King Street and the property adjacent to Town Hall. Staff upgrades proposals for some employees, while others are losing their jobs. I would suggest Council consider a Citizen’s

Advisory Group to review this budget quarterly with perhaps all of Council or a liaison from the Council taking part.

**7. FY12 BUDGET**

**A. 3RD PRESENTATION & ADOPTION OF FY12 BUDGET PROPOSAL**

This is the third presentation as a part of the annual budget process. Town Manager presented an overview of the Town since FY2008.

**FY 2008**

- Personnel reduction by 4 employees (9%) – Savings of \$213,093
- Made changes to our health care benefits
  - o Increase medical co-pay from zero to \$15.00 per visit
  - o Increased medical deductible 20%
- Services reduced or eliminated:
  - o None

**FY 2009**

- Incorporated a \$524,000 reduction in budgeted operating expenses (8%)
- Increased Property Tax rate by \$0.40 per \$100 of assessed value
- Services reduced or eliminated:
  - o None

**FY 2010**

- Incorporated a \$247,805 reduction in budgeted operating expenses (4%)
- Personnel reduction by 2 employees (5%) – Savings of \$108,246
- Minimized use of outside contract labor (Public Works area)
- Increased parking meter fees, parking fines, business license fees and application fees
- Services reduced or eliminated:
  - o Mayor and Council Discretionary Fund

**FY 2011**

- Incorporated a \$120,235 reduction in budgeted operating expenses (2%)
- Personnel reduction by 3 employees (7%) – Savings of \$245,267
- Services reduced or eliminated:
  - o None

**FY2012 Budget**

- The proposed budget reflects the following:
  - Sewer Rate increase of \$1.45
  - Acceptance of a CHRP Grant
  - A tax increase of \$0.21 (7%) per \$100 of assessed value
  - Restoration of pay increases to non-contract employee
  - Repeal of the 2% savings
  - Elimination of the employee incentive
  - A staff reduction of two (2) in the Police Department
  - A staff reduction of one (1) in the Sewer Department
  - The rehire of one position in the Police Department funded by the CHRP grant.

The proposed budget has anticipated revenues of \$5,999,895 with operating expenses of \$5,153,247, leaving a balance of \$846,648 for debit service.

Chief Topping: CHRP (Cops Hiring Grant Program) grants will provide 100 percent funding for approved entry-level salaries and benefits for 3 years (36

months) for newly-hired, full-time sworn officer positions (including filling existing unfunded vacancies) or for rehired officers who have been laid off, or are scheduled to be laid off on a future date, as a result of local budget cuts. Beyond the 3 yr period the Town may not obligated for the 4<sup>th</sup> and following years due to a ruling from the Federal government in light of the current economic situation.

Mayor Pettyjohn: If we would have followed the CPI from the early 90's where would we be now?

Town Manger: If we had adopted the CPI Adjusted Rate we would be at \$3.47, the 2% Annual Adjustment would be \$2.81 and the 2.5% Annual Adjustment would be \$3.17, in addition from 1995 to 2002 there were not tax increases. Lyle Craig, 107 Wingate Dr, with all the traffic stops I see on US 113 there should be adequate revenue from that.

Chief Topping: 40% of all traffic cases are dismissed by the Court. Out of 1,966 written 745 were dismissed. Last year the Town received only \$95,000 from all the Police fines that were written.

Wayne Wilson, 309 James Street – I am asking as to how Georgetown compares to other municipalities for tax rates, and if you raise taxes consider implementing a senior discount.

Town Manager: Compared to Delmar, Millsboro, and Seaford, Georgetown is right in line, to other municipalities.

Mayor Pettyjohn entertained a motion to adopt Option #5B. Details follow:

1. Sewer Rate increase of \$1.45 per 1,000 gallons
2. Acceptance of a CHRP Grant
3. A tax increase of \$0.21 (7%) per \$100 of assessed value
4. Restoration of pay increases to non-contract employee
5. Repeal of the 2% savings
6. Elimination of the employee incentive
7. A staff reduction of two (2) in the Police Department
8. A staff reduction of one (1) in the Sewer Department
9. The rehire of one position in the Police Department funded by the CHRP grant.

	<b>Initial Projected Deficit</b>	(769,261.00)
Raise Sewer Rate to cover debt pmts & new debt		
\$1.45 per 1000 gallons used	\$365,668.00	
CHRP Grant (3 year Grant)	\$ 69,249.00	
7% Tax Rate Increase - \$.21 per \$100 assessed	\$ 96,365.00	
Subtotal <span style="float: right;">\$531,282.00</span>		
<b>Surplus/(Deficit) after Revenue Adjustments</b>		(237,979.00)
<i><u>Revisions - Expenses (increase; decrease)</u></i>		
Pay Freeze - Non Contract Employees Only	\$ -	
Repeal 2% Savings	\$124,615.00	
No Employee Incentive	\$ 12,399.00	
SS/MED	\$ -	
Pension	\$ -	
Workers Compensation	\$ -	
Layoff (1) Police Department	\$ 66,283.00	
Unemployment Compensation	\$ (8,580.00)	
Layoff (1) Police Department		

Unemployment Compensation		
Layoff (1) Sewer Department	\$	51,842.00
Unemployment Compensation	\$	(8,580.00)
Layoff (1) Public Works	\$	-
Unemployment Compensation	\$	-
	Subtotal	\$237,979.00
<b>Surplus/(Deficit) after Expense Adjustments</b>		\$ -
Debt Principal Payment (Impact Fee Acct)		\$ -
<b>REVISED FY 2012 SURPLUS/(DEFICIT)</b>		<b>\$ -</b>

Proposed Fees			
Sewer Usage Rate - In Town	\$	6.01	Per 1,000 gallons
Sewer Usage Rate - Out of Town	\$	9.02	Per 1,000 gallons
Property Tax Rate	\$	3.14	Per \$100 assessed
Property Tax Rate - Poles & Wires	\$	3.66	Per \$100 assessed

Wayne Ellingsworth, 107 Burton St – Voiced opposition to recycling, raising taxes and just the general state of affairs of the Town.

Linda Dennis, 4 Huckleberry – With the information heard tonight we going to be facing this structural deficit with the same scenario again next year.

Lyle Craig, 107 Wingate Dr, We live at Georgetown Point but cannot get our streets plowed, Habitat for Humanity purchased the development and received a grant for \$500,000 to screw our neighborhood up. We want to sell and move but can't because no one wants to buy in this community.

Jeremy Locklear: Everyone compares the Town and County taxes, but the Town provides a lot more services than the County does. The Police Department puts in long, hard hours to protect the residents and families. The Public Works Department are always on the move, repairing water leaks, snow removal, cutting grass to make our Town look nice. The same goes for the Sewer Department. People take the Town and employees for granted.

Mr Willey: The tax and sewer increase is hard for residents on fixed incomes; The Town needs to learn how to live within their means.

Councilman Ricker: I would like to thank the Town Hall staff, the Town Manager and Department Heads for all their hard work with preparing this budget.

**B. RESOLUTION #2011-3 ADOPTION OF FY12 BUDGET**

The proposed Resolution outlines the recommendations discussed by Council (Pay Levels & Grades, Impact Fees, Out of Town Customers, Mayor & Council Compensation, the modifications to Resolution #2010-6, and no longer accepting or collecting curbside yard waste.)

Motion by Councilman Ricker, seconded by Councilman Barlow, to adopt Option #5B. **APPROVED (unanimous).**

**“Resolution #2011-3 is incorporated as part of the minutes.”**

Councilman Koskey: I would like to thank the Town Hall staff, Department heads and the tax payers. We started with a 31% tax increase and brought it down to 7%, which at this time is the best we can do.

Mayor Pettyjohn: Thanked the Finance Department and Town Manager for all their work, hours spent, and all the options that were asked of you to balance. Reality is we will continue to ask you to squeeze more money out, just because it's in the budget we don't need to spend it. All the services the Town provides the Sewer, Water, Streets, street sweeper, cutting grass, that all costs money and if you appreciate the way the Town looks it's not free. Neither is the debit we have, the infrastructure, the pipes in the ground, the sewer and water, it costs money. We are at a point that we cannot afford to pull money out of our reserve accounts. We, the Council do not like to raise taxes or fees but we also know that we cannot cut services to the residents of Georgetown. And I hope that everyone understands that.

#### **C. ORDINANCE #2011-7 FEE CHANGES**

The proposed changes in fees were discussed as part of the budget proposal and needs formal action by the Town Council to become effective. No action at this time. 2<sup>nd</sup> reading and adoption if agreeable will be April 27<sup>th</sup> Town Council meeting.

#### **D. ORDINANCE #2011-8 APPENDIX A**

Due to the reclassification of the Finance Clerk II, and upgrading Project Administrator to Planning Administrator. Appendix A needs to be formally adopted. The adoption of the proposed Ordinance is a formal action necessary by the Council. No action at this time. 2<sup>nd</sup> reading and adoption if agreeable will be April 27<sup>th</sup> Town Council meeting.

Town Manger: In the case of the 2 Finance persons, 2 people are doing the jobs that 5 individuals were doing 3 years ago. They have not received any increases in their level. With the reduction of the Planning Director position, the staff has taken on more responsibilities. The total impact on the Town is \$9,000.00.

#### **8. BOARD OF ELECTIONS APPOINTMENTS**

The annual Municipal election shall be conducted by a Board of Elections consisting of one (1) Inspector and two (2) Judges.

Inspector – Linda Dennis                      Judges – Joan Messick and Chris Lecates

The Board of Elections is appointed by the Mayor and the Town Council no later than the last regular meeting of the Council prior to the date of the Annual Municipal Election.

Motion by Councilman Ricker, seconded by Councilman Koskey, to approve the submitted Board of Elections. **APPROVED (unanimous)**.

#### **9. SCHEDULING 1<sup>ST</sup> CHARTER REVIEW COMMITTEE MEETING**

The adopted Resolution states the Town Council shall establish a time, date, and place for the first meeting of the committee. Mayor Pettyjohn has contacted all the committee members as to their availability.

Motion by Councilman Ricker, seconded by Councilman Barlow, to establish Thursday, April 21<sup>st</sup>, 6:00pm, at Town Hall as the 1<sup>st</sup> meeting of the Charter Review Committee. **APPROVED (unanimous)**.

Mayor Pettyjohn asked the Town Clerk to notify the Charter Review Committee members as to the day, time and place of their first meeting.

10. **REQUEST FOR REDUCTION – LARED ESCROW ACCOUNT**

Deleted from the agenda with adoption of the agenda.

11. **1<sup>ST</sup> READING OF ORDINANCES**

A. **ORDINANCE #2011-9 ANIMAL CONTROL – AT LARGE**

Complaints have been received in reference to dogs running at large.

Previously this Ordinance was presented June 23, 2010, which at that time was tabled due to the having the authority over restricted resident's private use of their property. The information used was taken from the International Institute for Animal Law. No action at this time. 2<sup>nd</sup> reading and adoption if agreeable will be April 27<sup>th</sup> Town Council meeting.

12. **DEPARTMENTAL REPORTS**

A. **GENE DVORNICK – TOWN MANAGER**

**2011 Municipal Election**

**REMINDER:** Certificates of Candidacy are available. The seats for Ward 1 and Ward 2 are up for election. The filing deadline is April 21<sup>st</sup> at 5:00 pm. The Annual Municipal Election will be held on Saturday, May 14<sup>th</sup> (if needed). New voter and renewal (if needed) registration deadline is Thursday, April 21<sup>st</sup> at 4:30 pm. *Note: date has changed to one day earlier due to Friday, April 22<sup>nd</sup> being a Town Holiday.*

**Special Council Meeting**

The Town Council needs to schedule a Special Meeting for Thursday, April 21, 2011 at 5:00 pm for the purpose of Certification of Candidates.

Motion by Councilman Ricker, seconded by Councilman Koskey, to schedule a Special Meeting for April 21, 2011 at 5:00pm. **APPROVED** (unanimous).

**No Parking Zone**

The Town has received a request to consider the elimination of the three metered spaces on north side West Market Street parallel to Family Court. In the interest of safety, especially for vehicles entering from North Front Street, it is recommended that these parking spaces be removed and the curb painted yellow. Additionally, it is recommended to extend the No Parking Zone an additional 20 feet on the north side of West Market Street, west of the North Front Street/West Market Street intersection. The party requesting the elimination of parking spaces was Stumpf, Vickers & Sandy, 8 W Market Street.

Motion by Councilman Barlow, seconded by Councilman Besche-Martin, to approve the parking changes. **APPROVED** 4-1 Yea: Koskey, Barlow, Besche-Martin, Pettyjohn Nay: Ricker

**Miscellaneous**

- 2011 Water leaks:
  - Number 7: East Laurel Street – Abandon Service at Main
- Town Hall will be closed on Friday, April 22, 2010 in observance of Good Friday
- Upcoming Events:
  - Little League Opening Day Parade: Saturday, April 16 at 9:00.

**B. KEITH HUDSON – SUPERINTENDENT OF WASTEWATER RECLAMATION FACILITY**

- Order influent flow meter/WWRF – 4/12/11 from PR Walker and Associates, Inc. DBF will pay for the cost of the replacement meter. Wastewater staff will take care of the installation. Manufacturer’s start-up and calibration included w/purchase. Ultrasonic Flow Meter cost is \$5,622.00.
- Monitoring Well Replacement/Baxter Farms Field #2, Proposal from AC Shultes - \$1,975.00, includes well construction permit, abandonment of existing 4” M/W and abandonment report to regulatory agency. Approximate 2 week window to install.
- Repair diffusers in Bio-Lac Aeration Lagoon. Borrow pontoon boat with Pocomoke City WWTP to measure sludge depths in sludge lagoons.
- Lagoon Depths – 15.5mg >3.5’  
75 mg 16.25’

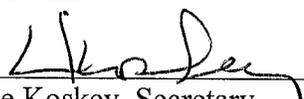
**13. PUBLIC COMMENT**

Lit Dryden: I want to thank the Mayor for his appearance this morning at the Chamber breakfast. I would suggest that you consider coordinating with our Economic Development office and the Chamber to do something similar to the survey that was taken several years ago at no cost. We need to target individuals that visit Georgetown daily but do not live in the Town. One other item is that the Town does not care about the volunteerism that currently exists and is available to them. The Town needs to sit down with these groups and discover what resources are available to them.

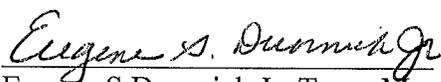
**14. ADJOURNMENT**

Motion by Councilman Barlow, seconded by Councilman Koskey, to adjourn at 9:01p.m. **APPROVED (unanimous).**

APPROVED:

  
\_\_\_\_\_  
Charlie Koskey, Secretary

ATTEST:

  
\_\_\_\_\_  
Eugene S Dvornick Jr, Town Manager