

Town of Henlopen Acres

104 Tidewaters
Henlopen Acres, DE 19971

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MINUTES: The Board of Commissioners of the Town of Henlopen Acres held their Budget Meeting at **10:00am on Friday, June 17, 2016** at Town Hall, 104 Tidewaters, Henlopen Acres, Delaware.

PRESENT:

David Lyons Sr.	Mayor
John Staffier	Commissioner
Joni Reich	Commissioner
Andrew Brittingham	Commissioner
Tim Hidell	Commissioner
Beatrix Richards	Commissioner
Thomas Roth	Town Manager
Lisa Michaels	Town Clerk
Henry DeWitt	55 Fields End

Excused: Frank Jamison President Pro Tempore

[Minutes are Not Verbatim]

1. Call to Order, Pledge of Allegiance

The meeting was called to order by Mayor David Lyons at 10:00 am.

2. Review and possible resolution for public hearing on an amendment to Chapter 130 Zoning, Section 130-33 Site Plan Review

A draft amendment was anticipated from the Planning Commission. The Planning Commission found that the language already existed in Chapter 43. As such, no draft was forwarded to the Commissioners and the agenda item was tabled.

3. Review and possible action on proposed budget for Fiscal Year July 1, 2016 through June 30, 2017

Commissioner Joni Reich gave an overview of the proposed budget. As presented the budget shows a breakeven of \$942,000 on operating and capital expenses. The operating budget shows expenses of \$783,000 and income of \$794,000 for a surplus of \$11,000. The Capital budget shows expenses of \$159,000 and income of \$148,000 for a deficit of \$11,000. There is a \$25,000 increase related to employee expenses and \$20,000 increase to the tree budget for total new expenses of \$45,000. Ms. Reich does not recommend any increase to property taxes. Our current user fees were compared with user fees of other local towns in order to evaluate where Town could increase annual income. It is proposed that our building permit fee be increased to 2% of construction costs from the current 1.5%. The water rate for a single family dwelling is proposed to be increased to \$400 a year from the current \$350. It is also recommended to explore use based water fees. This will require

the Town to meter each home. Commissioner John Staffier agrees the Town should pursue this method as well. Mr. Roth interjected that metering homes is an important tool in detecting water leaks that results in the greatest loss of water revenue for the Town.. Mayor Lyons asked if there would need to be a public hearing prior to putting meters on properties. Mr. Roth will investigate. Mr. Roth also added that the Town's sewer bills will be going down as a result of a standardized fees implemented by Sussex County. Ms. Reich also discussed the proposed increase to gross rental receipts to 5% from the current 3%. The budget also reflects an increase of business license fees to \$50 for businesses with under 50 employees, \$100 for businesses over 50 employees and \$150 for any business using trucks over 26,000 lbs. Ms. Reich then discussed the proposed Capital Budget which includes a new security vehicle at \$27,500. North Shores will pay \$15,000 towards the cost. The Capital Budget also includes fence installation along the Pine Reach bridle path at \$8500, easement restoration at 70 Pine Reach at \$5000 and the largest expenditure is \$58,000 for consulting costs from AECOM to provide solutions to address the silting problem at the Marina. Several Commissioners expressed concern over spending a large amount of money on the Marina with no guarantee that a solution will be provided. Mayor Lyons will contact DNREC Secretary Smalls to see if there is any help available from the State of Delaware. Commissioner Paddy Richards inquired why the budgeted amount for legal fees is lower for coming year. Mr. Roth responded that the majority of legal fees incurred over the past few years have been a direct result of the Comprehensive Plan and since that was completed in early 2016, legal fees in 2017 are expected to be lower. A **motion** to approve the 2016-2017 budget as presented was made by Mr. Staffier and seconded by Ms. Richards. **Motion** passed unanimously.

4. Adoption of Tax Rate, Water Rates and Fee Schedule

As previously presented, an increase in the business license fees to \$50, \$100 and \$150 and an increase to the Gross Rental Receipts to 5% will be effective January 1, 2017. The increase to the Water Fee for a single family dwelling to \$400 and the increase to the building permit fee to 2% of construction costs will be effective July 1, 2016. The building permit fee will also include a one-time water meter fee of \$125 when any plumbing changes occur. There will be no increase to the tax rate. A **motion** to adopt the tax rate, water rates and fee schedule as presented was made by Mr. Staffier and seconded by Commissioner Tim Hidell. **Motion** passed unanimously.

5. Executive Session for the purpose of discussing personnel matters, in accordance with 29 Del. C § 10004(b)(9)

A **motion** to go into executive session to discuss personnel issues was made at 10:40am by Mr. Staffier and seconded by Ms. Richards.

A motion to come out of executive session was made at 11:17am by Ms. Richards and seconded by Mr. Staffier.

A **motion** to approve actions discussed in executive session was made by Mr. Staffier and seconded by Commissioner Andrew Brittingham.

6. Any other business that may come before the Commissioners

Mayor Lyons reviewed the upcoming Fourth of July Parade that will be held on Sunday July 3 at 8am. He reviewed the expanded parade route and the fact that there will be 2 security cars helping out this year. Mayor Lyons is looking for volunteers to do the judging this year.

Mr. Roth reviewed that the paperwork was received to approve the State Grant funding the upcoming project adding storm water drainage to the Marina. Construction is set to begin in July.

7. Adjournment

A **motion** to adjourn was made by Mr. Staffier and seconded by Ms. Richards. The meeting was adjourned at 11:22am.

Approved 07/08/16