

Town of Henlopen Acres

104 Tidewaters
Henlopen Acres, DE 19971

302-227-6411
fax: 302-227-3978

MINUTES: The Board of Commissioners of the Town of Henlopen Acres held their Quarterly Meeting at **10:00am on Friday, July 13, 2018** at Town Hall, 104 Tidewaters, Henlopen Acres, Delaware.

PRESENT:

Joni Reich	Mayor
Andrew Brittingham	Commissioner
Frank Jamison	Commissioner
Beatrix Richards	Commissioner
Richard Thompson	Commissioner
John Staffier	Commissioner
Thomas Roth	Town Manager
Lisa Michaels	Town Clerk
Glenn Mandalas, Esq.	Town Solicitor
Dan String	KCI Technologies
Jeffrey Jacobs	24 Rolling Rd
Henry DeWitt	55 Fields End
Barbara Shortley	59 Pine Reach
Chris Flood	Cape Gazette

EXCUSED: Tim Hidell Commissioner

[Minutes are Not Verbatim]

1. Call to Order, Pledge of Allegiance

The meeting was called to order by Mayor Joni Reich at 10:00 am. Mayor Reich took a moment to thank the residents and staff for another successful 4th of July parade.

2. Presentation and discussion on water system Asset Management by KCI

Mayor Reich introduced Dan String from KCI and gave a brief overview of the Town's water system and the purpose of an asset management program. Mr. String is an environmental engineer who has worked exclusively evaluating water and waste water systems for the past 19 years. KCI is an engineering consulting firm with 28 offices in the United States.

Mr. String discussed the evaluation he has completed over the past year working with the Town. A copy of his report is enclosed in the meeting packet. Mr. String went on to explain that the purpose of an asset management system is to identify what the town owns, what to do with what we own and how to keep it in its best condition. The asset management program works in conjunction with a grant from the State of Delaware. The State saw a need for towns, especially smaller ones to have the ability to evaluate their water and waste water systems and what the future needs of those systems would be. Mr. String commended our system overall. He was very impressed with Sonny McClure and Bob Ribinsky in both their knowledge and tenure with the Town. He worked closely with

them during the yearlong evaluation. He would like to see a contingency plan written down in the event that neither Sonny nor Bob were available to monitor the water plant. He also would like them to put in written form the policies and procedures that they perform each day. The evaluation KCI did over the past year consisted of reviewing our written records, developing a digital mapping system and spending time in the water plant with Sonny and Bob.

Mr. String feels our water system is in good financial shape in that the costs to run it are being covered by our water service fees. He also feels the pipes throughout the system are in good shape. He feels the Town's pressure tanks, wells and well pumps should be evaluated closer to assess the critical likelihood of failure. He also suggests the town have the clear well at the treatment plant evaluated. The evaluation that has been completed over the past year has been ahead of schedule and under budget.

Year two of the five year program will consist of re-evaluating conditions of questionable equipment, laying out a plan for the components in the electrical system of the water plant that may need to be replaced in the future and to evaluate and the feasibility of fire hydrants in Town. Our current system will not support fire hydrants so installing an inter-connect with the City of Rehoboth will be explored. It is also recommended to install water meters on every home in Town. This will allow for more efficient and rapid detection of leaks and also the ability to evaluate and possibly change the water rate structure in the future to ensure the financial sustainability of the system. Mayor Reich asked about whether the Town should adopt a Source Water Ordinance. Mr. String did think it was a good idea since some of our wells are adjacent to private property and are shallow. They may be more susceptible to contamination even though there is well head protection in place. The Ordinance would allow the Town to have some control of what activities are performed around the wells. Mrs. Richards asked about the liability and risk to the Town by maintaining their own water plant and she cited the situation that happened in Flint, Michigan. Mr. String responded that the Town's water pipes are not the same material but a better material and our source water is a better quality. The Town is in compliance each year with the water quality and delivery system as set by State guidelines. Continuing the stringent documentation that Sonny and Bob currently do is also an important factor to show that the Town takes every precaution to ensure safe, healthy water. The Town's liability is to plan financially for future problems that could occur at the water plant or within the system. That will be part of the five year evaluation. Mayor Reich remarked that the health, safety and necessity of the water plant is the Town's greatest asset and most important function. She also encouraged all the Commissioners to take a tour of the water plant at their convenience. Mr. Thompson would like some of the information discussed today to be shared with the residents in the next newsletter.

3. Approval of Minutes

a. Board of Commissioner's Quarterly Meeting-April 6, 2018

A **motion** to approve the minutes from the April 6, 2018 Quarterly Meeting was made by Commissioner John Staffier and seconded by Commissioner Paddy Richards. **Motion** passed unanimously.

b. Board of Commissioner's Meeting-May 4, 2018

Mayor Reich would like to make one correction. The word "local" in the last line of the second paragraph on the second page should be changed to "state". A **motion** to approve the minutes from May 4, 2018 as corrected was made by Commissioner Frank Jamison and seconded by Commissioner Andrew Brittingham. **Motion** passed unanimously.

c. Board of Commissioner's Public Hearing-June 8, 2018

A **motion** to approve the minutes from the Public Hearing on June 8, 2018 was made by Commissioner Richard Thompson and seconded by Mr. Jamison. **Motion** passed unanimously.

d. Board of Commissioner's Quarterly Meeting-June 8, 2018

Mayor Reich would like to make two corrections. Under Item 4 page 2 the word "appointed" should be replaced with "recommended". Under Item 5 page 2 the word "appointed" should again be replaced with "recommended" both in reference to Wendy Jacobs and Timothy Lyons. A **motion** to approve the minutes from the June 8, 2018 Quarterly Meeting as corrected was made by Mr. Thompson and seconded by Mr. Jamison. **Motion** passed unanimously.

4. Treasurer's Report

A copy of the preliminary financial report is included in the packet for the end of the Fiscal Year 2017-2018. Mr. Roth reviewed the report. The year's revenue exceeded budget by \$78,000 and the expense were under budget by \$19,000 allowing for a surplus of close to \$100,000. The increase in revenue can be attributed to marina fees being \$25,000 over budget, permit fees being \$40,000 over budget and business license fees being above budget. Transfer tax income is also above budget by \$95,000 for this fiscal year. Mr. Roth and Mayor Reich were very pleased with the year-end results. Mr. Thompson was impressed with the Town's financial health and suggested something be included in the next newsletter to let all property owners know how well the Town's assets are managed.

5. Town Manager's Report

A written report was included in the packet and was also emailed out prior to the meeting. Mr. Roth briefly touched on a few points included in the report. Mr. Roth was especially impressed with the way security officer Michael Berg handled a lost dog in Town. Mr. Roth also mentioned that the comments the Town made to Sussex County regarding their Comprehensive Plan have been received and incorporated into their Plan. Mr. Roth also noted there was one break in that was included in the security report.

6. Unfinished Business

There was no unfinished business to discuss.

7. New Business

a. Discussion and possible action on an amendment to Chapter 108-Taxation Article II, Gross Receipts Tax

The revision would allow the adoption of a new Gross Receipts Tax Rate by Resolution. Mr. Mandalas instructed the Commissioners to adopt the amendment then adopt the resolution changing the Gross Receipts Tax to 5%. A **motion** to adopt the amendment to Chapter 108-Taxation was made by Mr. Staffier and seconded by Mr. Jamison. **Motion** passed unanimously.

b. Resolution Establishing the Gross Rental Receipt Tax

A **motion** to approve the Resolution to change the Gross Receipts Tax to 5% was made by Mr. Staffier and seconded by Mr. Jamison. **Motion** passed unanimously.

c. Discussion and possible action on an amendment to delete Chapter A134 Cable Television Franchise

A **motion** to delete Chapter A134 Cable Television Franchise from the Code was made by Mr. Staffier and seconded by Mr. Thompson. **Motion** passed unanimously.

d. Discussion and possible action on ACT (Assoc. of Coastal Towns) agreements

Mr. Roth recommends the Town enter in agreement with ACT. ACT consists of seven coastal towns along the shoreline that work together on common issues. They were established in 2003 and would like to formalize their charter and also formalize an agreement with a consultant, Tony Pratt to work on lobbying the state and federal government for funding to dredge the local water ways. This would require formal commitments from the towns involved. Both Mayor Reich and Mr. Roth feel this group is beneficial to Henlopen Acres and encourage the Commissions to support joining. Both Senators Carper and Coons have attended meetings. Mayor Reich also reminded the Commissioners that ACT sometimes takes a public position on certain issues and Henlopen Acres wouldn't publically stand with ACT unless it was first discussed and approved by the Commissioners. A **motion** to officially join ACT and also to commit to contribute funding for ACT to engage Tony Pratt as a consultant was made by Ms. Richards and seconded by Mr. Thompson. **Motion** passed unanimously.

e. Appointment of one member to the Board of Adjustment

Mayor Reich recommends Jeffrey Jacobs of 24 Rolling Rd for appointment to the Board of Adjustment to replace Carrie Lingo, whose term expires August 31, 2018. A **motion** to approve the appointment of Jeffrey Jacobs to the Board of Adjustment was made by Mr. Staffier and seconded by Ms. Richards. **Motion** passed unanimously.

f. Appointment of three members to the Audit Committee

Mayor Reich recommends Robert Moltz of 62 Pine Reach for re-appointment to the Audit Committee. A **motion** to re-appoint Robert Moltz to the Audit Committee was made by Mr. Thompson and seconded by Mr. Jamison. **Motion** passed unanimously.

Mayor Reich recommends Thomas Rinker of 99 Tidewaters to fill the vacancy left by John Talbott on the Audit Committee. A **motion** to appoint Thomas Rinker to the Audit Committee was made by Mr. Thompson and seconded by Mr. Jamison. **Motion** passed unanimously.

Mayor Reich recommended Jeffrey Jacobs of 24 Rolling Road to fill the vacancy left by Barry Hale on the Audit Committee. Motion to appoint Jeffrey Jacobs to the Audit Committee was made by Ms. Richards and seconded by Mr. Staffier.

g. Removal of registrants from the voting roll

The Town charter requires removal of all disqualified voters from the voting roll. A list of disqualified voters was included in the meeting packet. A **motion** to remove the disqualified voters as listed from the voting roll was made by Mr. Thompson and seconded by Mr. Staffier. **Motion** passed unanimously.

8. Any other business that may come before the Commissioners

Mayor Reich brought up the unauthorized fireworks display that occurred on Block W beach on July 4. Block W permission was not sought by the property owner prior to the event and didn't authorize the display. There is a real concern for the safety of those on the beach, of a fire hazard on the dunes and also liability for Block W. The State of Delaware has recently changed their law to allow for ground only fireworks on July 4 and New Year's Eve. Fireworks are illegal otherwise throughout the State unless the display is put on by a licensed professional. Mr. Mandalas doesn't believe the Town needs to adopt an Ordinance since the State law is clear. He recommends the Town send a letter to the person or persons who put on the fireworks display instructing them their actions are illegal and must not be repeated in the future.

9. Adjournment

A **motion** to adjourn was made by Mr. Thompson and seconded by Mr. Jamison. The meeting was adjourned at 11:25am. .

Approved 10/12/2018