

Minutes of the Regular Town Council Meeting
Monday, July 13th, 2015

1. Call Meeting to Order

The meeting was called to order at 7:05 PM in the upstairs meeting room of the Slaughter Beach Memorial Volunteer Fire Company by Bill Krause. Council members present were Harry Ward, Bill Krause, Kathleen Lock, Glenn Stieffenhofer, and Amy Parker. Community members in attendance are shown on the attached sign-in sheet.

2. Introduction of the Town Council

Mayor Emeritus Bill Krause welcomed everyone to the meeting and expressed his thanks for the support he received from everyone during the past year. He offered a special thank you to Jackson Gingrich who retired from the Council this year. Mayor Emeritus Krause introduced the new Council and spoke of their respective roles for fiscal year 2016. Kathy Lock will be the Town Secretary, Amy Parker will be a Councilperson, Glenn Stieffenhofer will be the new Treasurer, Bill Krause will be Vice Mayor, and Harry Ward will be the new Mayor. Mayor Emeritus Krause then passed the gavel to Harry Ward.

3. Welcoming & Announcements

Mayor Ward thanked everyone for showing up at the meeting and thanked each person, in advance, for their support for the upcoming year.

4. Approval of the July 13th, 2015 meeting agenda

Motion:** A motion was made by Kathleen Lock to approve the July 13, 2015, meeting agenda. The motion was seconded by Bill Krause. **The motion carried unanimously, 5 – 0.

5. Approval of the June 8th, 2015 Town meeting minutes

Approval of the June 8th meeting minutes will be addressed at the next Town Council meeting.

6. Reading of Correspondence

Bill Krause indicated that there were some invoices received which were passed to the Treasurer, and the Town received building permit information that was given to Kathy McFadden for filing.



A dedication agreement from the Memorial Fire Company was also received. The Fire Company dedicated the property directly west of the fire department's large building on the west side of Town. The property was dedicated to public use forever. The Town gave the Terry Jester the Fire Company President \$1.00 for the property. The Fire Department donated the \$1.00 payment back to the town. This issue will be discussed in greater detail in New Business.

7. Reports:

a) Treasurer

1. Treasurer's Report

Glenn Stieffenhofer presented the June 1 - 30, 2015, Treasurer's Report. In keeping with precedent, the Treasurer's report was prepared by the outgoing treasurer. Treasurer Stieffenhofer referred everyone to the handout copies that were provided prior to the meeting. Glenn reported that year over year there appears to be adequate funding to carry the Town into the next fiscal year. He reported that last year we incurred more than \$28,000 in legal fees, and the Town was still able to show a positive balance in the operating fund account. Going forward the Treasurer's report will be prepared using Quickbooks. Councilwoman Parker asked why Jimmy Dalton's check amount appears to be less than the payment approved by the Council. Outgoing Treasurer Gingrich responded that Mr. Dalton asked that funds be withheld for taxes.

Motion: *Amy Parker made a motion to approve the June 30, 2015 Treasurer's Report subject to audit. Mr. Stieffenhofer seconded the motion. **The motion carried unanimously, 5-0.***

2. Finance Committee – FY 2016 Budget

Mayor Ward indicated that the Finance Committee put together a budget for Fiscal Year FY 2016 and referred attendees to the handout provided prior to the meeting. Kathy Lock explained that the budgeting process began with a thorough lookback at all expenses and income for 2015 and the Committee then projected those costs forward for 2016. For the first time in the upcoming fiscal year, the Town projected grant expenses and income separately for the purpose of extrapolating and accounting for those costs as separate line items. Additionally, we propose to use the job cost function that is contained in Quickbooks in the upcoming fiscal year. For the first time, the

finance committee looked at which account is used to pay projected expenses -- the operating expense account, the realty transfer fund account, or the municipal street aid fund.

Harry Ward asked which categories the finance committee believes will decrease. Kathy Lock said that legal expenses will decrease from \$28,000 to \$10,000. Bill Krause mentioned that for the first time, the budget contains a "rainy day" fund, as suggested by our auditing firm. We are hoping to accrue \$9,000 in the rainy day fund at the end of 2016. Kathy Lock also explained that this year is the first year that we project spending funds from the RTT account on public safety.

Amy Parker asked about the \$12,000 that is left in the operating fund at the current time. She's specifically concerned that we received a \$17,000 grant and didn't spend any of those funds. Jackson Gingrich indicated that we prepaid \$4,500 against the public safety grant.

Kathy Lock also mentioned that we have changed our accounting system from a cash system to an accrual system. Amy Parker asked for clarification regarding the cost of Jennifer Cornell, the town bookkeeper. It was explained that the cost is included in the legal and accounting category. Harry Ward said that from his perspective that it seems to be a rational budget.

Motion: A motion was made by Glenn Stieffenhofer to approve the FY 2016 Town of Slaughter Beach consolidated budget. Bill Krause seconded the motion. **The motion carried unanimously, 5-0.**

3. Discussion and vote to accept Sombar and Associates letter of engagement for FY 2015 Town Audit, at a proposed cost of \$4,450.

Motion: Kathy Lock made a motion to approve Sombar and Company as Town auditors for the upcoming fiscal year and as auditor for Fiscal Year for 2015. The motion was seconded by Bill Krause. **The motion carried unanimously, 5-0.**

b) Building Enforcement Officer/ Floodplain Administrator

Treasurer Stieffenhofer reported that Bob Clendaniel submitted a report for June. He did not report undertaking any floodplain administrator activity. Mr. Clendaniel did issue a number of building permits in June but checks haven't

been received at this time. There appear that a few high priced permits were issued in June.

c) Tax Collector Report

Angela Tibbett sent a report for June. It remains unchanged from the last report.

d) IT Committee

The Committee added two new email addresses for the zoning official and the tax collector. Both are being forwarded; Bob Clendaniel is receiving emails as zoning official and Angela Tibbetts is receiving emails for tax collector. Currently, all email addresses are being forwarded except for the Mayor, the Treasurer, and the Secretary. Ellen will re-forward all emails. There is still a problem with the mailbox. Amy Parker has the physical key and she has a battery backup that can be plugged into the mailbox.

Ellen Barag submitted her resignation from the IT Committee. All information regarding information technology issues will be turned over to whoever will take her place. Mayor Ward thanked Ellen for her service and assistance to the Town.

Bill Krause questioned the process for forwarding emails. Ellen indicated that she provided the old Council with that information and that the IT administrator can also change passwords. Another approach might be to simply provide the successor Councilperson with the old password. Ellen will email each of us with the information needed to change passwords and each Councilperson can decide how to handle his/her email account.

e) Town Street Committee report

- 1. Mr. Dalton reported that Grizzley Paving's representative looked at Passwater Drive, Sandpiper Drive, and one other road. They will provide separate estimates for each street. There is also an estimate from Harry Butler. He supplies clamshells to Grizzley but Mr. Butler doesn't have the equipment needed to spread the clamshells. Mr. Dalton will provide the estimates to the Council when he receives them.*
- 2. Mr. Dalton met with Amazon Fabricating Company to look at the damage to the railing located at the Pavilion. They will get back to him with an estimate. Mr. Dalton expects to have both estimates within a week.*



3. *Mr. Dalton reported that last week two residents were walking their dogs on a leash when their dogs were attacked by dogs that were roaming free. Mr. Dalton thinks it's imperative that we spread the word that we have leash laws in Town. In one situation, one of the dogs was seriously injured and had to be treated at a local animal hospital. Bill Krause asked if the attacking dogs were wandering through town or were protecting their home. Jimmy responded that they were wandering free. Carol Ramos spoke about renters and leash laws and noted that some Realtors are advertising the Town as "dog friendly".*
4. *Amy Parker noted that when Dan McCarthy was Mayor he brokered a deal with the Delaware Launch Service. The Town pays the Launch Service \$750 per quarter (\$3,000 per year) to have the Launch Service maintain the road. Jimmy Dalton thinks we may be able to maintain the road for less than \$3,000/year but the Town won't have a definitive answer until Jimmy receives the estimates he discussed previously.*
5. *Wildlife Certification Signs Update – Bill McSpadden reported that DNS would like to use the blank square on each sign to add the DNS logo. Bill also recommended that we modify the Town letterhead to reflect that the Town is a Certified Wildlife Community.*
6. *Other needed items, repairs, or updates - Amy Parker reported that at the July 4th regatta, a resident came to her with a concern that there are several diseased and dead pine trees on her neighbor's property. Amy posed a question: should someone contact DNREC or call the neighbor? Bill McSpadden reminded the Council that DNREC regulations allow residents to cut down a dead tree but they can't disturb anything below the sand. There was a discussion that perhaps the Town should send the resident a letter asking that they take down the diseased trees. Bill McSpadden will check the code.*

Harry Ward asked how we get a dead wave runner off the beach, north of the pavilion. Amy Parker reported it to DNREC and found that we can't expect to get any help with removing it. Amy will forward that email to the Council.

f) Mayoral & Council updates:

Representative Kenton called Amy Parker at the end of the legislative session. He discussed what the major issues are that affected Towns in



his District. There were several budgetary items that were considered by the legislature in the recent session that would have adversely affected the Town. The first was a cut in the Realty Transfer Tax. Under that scenario the Town would have experienced a 1/3 cut in RTT income. Secondly, the Legislature debated cutting the Municipal Street Aid to towns. Representative Kenton said that they were able to fight off those budget cuts this year, but we should expect and plan on cuts next fiscal year. Amy Parker reminded the Council that we depend on MSA payments from the State to pay for street lights and street repairs. The Sussex County Association of Towns (SCAT) lobbied against those cuts.

Representative Kenton also thanked the Town for working with the fire company to ensure that the fire company receives a State grant to pave the small section of land next to the west building.

8. Old Business

a) Grants

✓ **Wastewater Management Feasibility Study Grant**

Kathy Lock reported that the Town submitted a grant application to the U.S. Department of Agriculture for a \$30,000 SEARCH grant in order to continue with the study. Because of the Town's unique status as a small rural community we are able to apply for a grant to cover 100% of the costs associated with an environmental study. This would build on the work recently completed by Davis, Bowen & Friedel, Inc., and is the next logical step in eventually securing funds for a sewer line. Once the environmental study is completed we will be placed on the USDA's list of potential applicants for loans and/or grants.

Davis, Bowen & Friedel, Inc. will be contracted for this next phase, if the Town is successful in securing the grant from USDA. We should know by August 14, 2015 if USDA will make the funds available to the Town. Kathy Lock will have a proposal from Davis, Bowen & Friedel to present to the Town Council at the next meeting.

✓ **Sea Level Rise Grant**

Kathy Lock reported that she received a call from Ed Strouse at the Delaware Emergency Management Agency (DEMA). DEMA is the agency that administers FEMA funds for the State. FEMA has opened up a Pre-Disaster Mitigation Grant Program for proposals. That is the program that is allowing the Town to assist the Tucker's with elevating



their home at 313 Bay Avenue. Kathy contacted three residents that were involved in the initial proposal to FEMA. Property owners Cliff and Betty Cross and Bob and Mary Wood are interested in continuing with the proposal process. Kathy prepared a pre-proposal application and submitted that to DEMA last week. The final proposal is due in approximately two months. She will provide additional information to the Council as it becomes available and will ask that the Council vote on whether or not to proceed with the grant application at the next Council meeting.

✓ **USDA Grant**

Reported under Wastewater Management Feasibility Study

✓ **2015 Parks and Recreation Grant**

Kathy Lock reported that she has been working with the Delaware Nature Society and a pre-proposal application was submitted to the Division of Parks and Recreation for a grant for the planning and design of a boardwalk and observation deck to be located in the Marvel Salt Marsh Preserve. Once the grant application is reviewed and accepted by the State, the Town could be invited to submit a formal proposal. This particular grant will pay for 50% of the design costs, proposed to be \$35,500. The additional 50% will be paid through a combination of funds acquired from The Division of Fish and Wildlife (approximately \$11,000) and DNS (approximately \$7,000). Mr. Bob Ehemann of the Division of Parks and Recreation suggested that should the project get to the construction phase, the Town might want to commit some funds to the project. Bill McSpadden reported that even a commitment of \$1,000-\$2,000 would help in having the project viewed in a more favorable light.

DNS, the Council and the Town attorney have all reviewed the lease between DNS and the Town. There may be one or two other small areas that need to be worked out.

✓ **Town Park 2014 Grant**

The court surface appears to be bubbling again. Kathy Lock asked that someone else on Council deal with the contractor, All-Pro Sports. Harry Ward agreed to have it handed it off to him.

✓ **Thank you to Comcast for the \$1000 grant for Pavilion Landscaping**



Kathy Lock reported that she sent a formal letter proposal to Comcast requesting a grant. That letter was acknowledged, but funds have not been received. Glenn Stieffenhofer reminded the Council that he was told that the grant might take up to 9 weeks to process a check, and could be received in time to plant perennials in the fall.

✓ **Sussex County Shared Safety Grant**

Kathy Lock reported that the cameras have been installed but they are not yet operational. She noted that there doesn't seem to be electricity to the equipment and the pole at the south bridge doesn't have a camera but does have a recorder. She will follow up with the installers to get a feel as to when they expect to complete the project.

Amy Parker noted that the funds for the 2015 public safety grant have been committed and we can't apply for a new grant until the cameras are installed. Therefore, we will not be able to pay for police patrols until this grant is closed out. There is \$17,500 in additional funding available for 2016. Those funds will pay for police patrols for the next year. We will need a copy of the bill paid in May along with all other invoices in order to apply for next year's grant.

b) Memorandum of Understanding with Sussex County (Flood Plain)

Bill Krause indicated that the Town approved the Memorandum of Understanding but implementation issues still needed to be worked out with Jeff Shockley and Bob Clendaniel. Amy Parker indicated that the Agreement needs to be approved by the Sussex County Council and the Mayor needs to sign the Agreement. However, our attorney is on vacation until July 22nd and we need to have a discussion with him to determine whose responsibility it is to get Sussex County's signature. Bill Krause said it's possible that we may have skipped that step in the approval process.

Amy Parker reported that Bill Krause, Bob Clendaniel and Amy have been working on the CAV report from FEMA for two years. FEMA now wants an amendment to the Memorandum of Understanding with Sussex County and they are still working that out in conference calls with FEMA. We are very close to closing out the CAV report with FEMA. Amy suggested that perhaps the building inspector can attend the August Council meeting and update the Council on any outstanding issues.

c) Slaughter Beach - Sussex County – Code Inspections agreement renewed



See discussion above.

d) Annual Fire Company donation(s)

Harry Ward asked if anyone recalled what we have done in the past.

Bill Krause responded that in past years the town donated \$3,000 to Fire Department and \$500 to the Ladies Auxiliary. Amy asked if we can use the funds in the RTT for the donation. A discussion ensued as to whether this is a public safety issue and RTT funds can be used.

Motion: *Kathy Lock made a motion to donate \$3,000 to Fire Department subject to auditor concurrence that it is an appropriate public safety expense. Glenn Stieffenhofer seconded the motion. **Motion passed unanimously, 5-0.***

Motion: *Kathy Lock made a motion to donate \$500 to the Fire Department Ladies Auxiliary subject to auditor concurrence that it is an appropriate public safety expense. Amy Parker seconded the motion. **Motion passed unanimously, 5-0.***

e) Memorial Fire Department Dedication Agreement

Bill Krause explained that the Fire Department would like to pave a small piece of property located immediately west of the large building across the street in order to park their boat. The Fire Department will deed that land forever for "public use". Logistically, the Town will pay the Fire Department \$1.00 to transfer the property. After the transfer is completed, Harvey Kenton's transportation grant funds can be awarded to the Town, which will then be used to pay for paving. Harry Ward noted that this is basically a pass-through. The Town must notify Alexis Jamison that the agreement is completed and she will "put that through". Bill Krause noted that there is a new DELDOT engineer for Sussex County. The engineer's name is Evan Lallier – his phone number is 302-853-1309.

Motion: *Bill Krause made a motion to approve the Memorial Fire Department dedication subject to the availability of funding from Harvey Kenton. Glenn Stieffenhofer seconded the motion. **Motion passed unanimously, 5-0.***

Jimmy Dalton asked about solidifying snowplowing for next year with the Fire Department. Last year, the Fire Department said that it couldn't commit to assisting the Town for insurance purposes. They can, however, plow the road to ensure that other Fire Department members can safely get to the fire department, and will plow to their member's homes if it looks like it will be awhile before the State gets plow equipment to Slaughter Beach. However, historically the Fire Department has plowed most of the Town.

f) Delaware Nature Society

Harry Ward asked if the Lease was ready for a vote. Kathy Lock said the Lease is ready for a vote and has been reviewed by the Town attorney.

Motion: *Bill Krause made a motion to approve the Delaware Nature Society lease. Kathy Lock seconded the motion. **Motion** passed unanimously, 5-0.*

g) CAV Update – November/December Visit to SB

CEO/Flood Administrator, along with Councilpersons Parker and Krause will meet with Jeff Shockley in Sussex County to draft any required addendums to the already approved Memorandum of Understanding. FEMA believes that some clarification is required in the process of assisting with implementation. There is a conference call scheduled for July 29th with Darlene Messina. Darlene Messina has also expressed a desire to visit in the fall. Amy Parker asked if Kathy Lock and Kathy McSpadden have completed a comparison of the FEMA file folders against the Town database. Kathy Lock will follow up with Kathy McSpadden and schedule a time to complete that review.

h) Rental Properties

Glenn Stieffenhofer reported that Beth Yost developed a final version of a homeowner's brochure but the renter's brochure is on hold because there is still an item on the agenda regarding rental properties. Glenn indicated that the brochure approaches information from a positive standpoint.

The homeowner's brochure has been printed and Angela Tibbett will attach the final version when she sends out the tax bills. However, only those homeowners who receive their tax bills directly from the town will get a copy from Angela. Those homeowners whose tax bills are sent to a mortgage company will require a separate mailing. Angela will provide labels for that mailing.

Amy Parker repeated that she brought up the issue of rental properties and she thinks the Council might consider putting a licensing fee in place. Harry asked if this issue should this be broken into something specific for future agendas since it seems as if we are attempting to discuss several things under a single line item. Amy Parker indicated that she's spoken to a resident in Town, Nora Martin who is a local realtor, and who is willing to come to a meeting and speak to why the Council should address why we should be looking at the rental issue. One of Amy's concerns is that some rental properties may not provide enough trashcans for their tenants. Additionally, legal notices must be sent to residents of the Town – not just homeowners.

9. New Business:

a) Need for FY 2016 Strategic Plan

Harry Ward feels that it would be a good idea to have a short and long-term strategic plan. Kathy Lock reported that she spoke with a few State officials at an informal gathering and they suggested that the Town might consider putting a Public Safety Plan in place in fiscal year 2016. Additionally, the Council might consider looking at ordinances that might require updating. Bill McSpadden said that a previous Council had looked at updating ordinances but had not completed the process. He will see if he can find the work that has been done on that issue and send it to the Council.

Kathy Lock also noted that she brought to the meeting a handbook developed by Wendy Carey from the University of Delaware, DNREC's Coastal Programs Office, and DEMA. Bill Krause will develop Strategic topics. He asked that other Council members email him with ideas/topics for discussion.

b) Fire Department Community Transportation Grant

See discussion above.

c) Board Of Adjustment

Amy Parker suggested that we look at all our boards and appoint people now for future service on a specific board. Harry Ward suggested that the first step would be determining which boards we now have. For the next meeting, we should have a greater understanding of the Boards.

Board of Adjustments: Jimmy Dalton, Louise Sipple and Jerry Maher

Zoning Commission: Jimmy Dalton, Wes Starr and Tom Reiss

Board of Elections: Ken Lewis, Mary Lyde Esposito and Jane Hargrove Brown

10. Public Comment

Amy Parker thanked Bill Krause for his service as Mayor. Bill received a round of applause from the Council and the audience.

Bill Krause thanked Harry Ward for a great regatta. Harry thinks that there were approximately 200 people who attended the event.

Harry Ward thanked Becky Craft for her photo's of the regatta.

11. Upcoming Events

- ✓ *First Friday, August 7th at the Pavilion – 5 PM.*
- ✓ *Town Committee Special Meetings, next meeting, if required, August 10th, 6 PM;*
- ✓ *Town Council Regular Meetings, next meeting August 10th, 7 PM*
- ✓ *Open house at Fire Department on August 9th to commemorate their 60th anniversary.*
- ✓ *DNREC's Bayshore Byway leadership has asked for a special meeting to launch the State's new economic development initiative.*
- ✓ *On Thursday Bill is leading a tour for Bayshore Byway.*

12. Adjournment

Motion: *Kathy Lock made a motion to adjourn. Bill Krause seconded it. **The motion passed unanimously, 5-0.***

Respectfully submitted,



Kathleen M. Lock
Secretary