



SUSSEX COUNTY COUNCIL

AGENDAS & MINUTES

SUSSEX COUNTY COUNCIL - GEORGETOWN, DELAWARE, JANUARY 24, 2012

A regularly scheduled meeting of the Sussex County Council was held on Tuesday, January 24, 2012, at 10:00 a.m., in the Council Chambers, Sussex County Administrative Office Building, Georgetown, Delaware, with the following present:

Michael H. Vincent	President
Samuel R. Wilson, Jr.	Vice President
George B. Cole	Councilman
Joan R. Deaver	Councilwoman
Vance Phillips	Councilman
Todd F. Lawson	County Administrator
Susan M. Webb	Finance Director
Everett Moore	County Attorney

The Invocation and Pledge of Allegiance were led by Mr. Vincent.

Call to Order

Mr. Vincent called the meeting to order.

M 058 12 Amend and Approve Agenda

A Motion was made by Mr. Wilson, seconded by Mr. Phillips, to amend the Agenda by deleting "Executive Session – Job Applicants' Qualifications, Personnel, Pending/Potential Litigation, Pending/Potential Litigation, and Land Acquisition pursuant to 29 Del. C. §10004(b)" and "Possible Action on Executive Session Items"; and to approve the Agenda, as amended.

Motion Adopted: 5 Yeas.

Vote by Roll Call: Mrs. Deaver, Yea; Mr. Cole, Yea;
Mr. Phillips, Yea; Mr. Wilson, Yea;
Mr. Vincent, Yea

Minutes

The minutes of January 10, 2012 were approved by consent.

Corre- spondence

Mr. Moore read the following correspondence:

CANCER SUPPORT COMMUNITY, REHOBOTH BEACH, DELAWARE.
RE: Letter in appreciation of Human Service Grant.

NEW HOPE CENTER, ELLENDALE, DELAWARE.

RE: Letter in appreciation of Human Service Grant.

THE TOWN OF FENWICK ISLAND, FENWICK ISLAND, DELAWARE.

RE: Letter in appreciation of grant to provide lifeguard services.

**FORT MILES HISTORICAL ASSOCIATION BOARD OF DIRECTORS
AND THE MISSOURI BARREL FUNDRAISING COMMITTEE, LEWES,
DELAWARE.**

**Corre-
spondence
(continued)**

**RE: Letter in appreciation of grant to bring the middle barrel of the first
turret of the Missouri to the Fort Miles Museum Complex.**

FOOD BANK OF DELAWARE, MILFORD, DELAWARE.

RE: Letter in appreciation of Human Service Grant.

REHOBOTH ART LEAGUE, REHOBOTH BEACH, DELAWARE.

RE: Letter in appreciation of grant.

COMMUNITY FOOD PANTRY, SELBYVILLE, DELAWARE.

RE: Letter in appreciation of grant.

**Recognition/
Cape Hen-
lopen Field
Hockey
Team**

**The Council recognized the Cape Henlopen High School Field Hockey Team
upon winning the 2011 Delaware Interscholastic Athletic Association title as
State Champions for the 2011 Season. A Proclamation recognizing the team
was presented to Team Captains Jacki Coveleski (State Field Hockey Player
of the Year), Christina Bristowe, and Erin Ricker.**

**Adminis-
trator's
Report**

Mr. Lawson read the following information in his Administrator's Report:

**1. National Incident Based Reporting System Numbers for Sussex
County**

**The Delaware State Police provided the following information which
was reported by the FBI and their Uniform Crime Reporting Program.
The FBI tracks crime within the County, as recorded by the three DSP
troops located here. The crimes are broken down into two groups –
violent crimes and property crimes. Violent crimes saw a reduction
over 2011 by eight percent, while property crimes saw an increase of
two percent. Overall crime for the County for the Year 2011 was down
by one percent.**

**Private
Activity
Volume
Cap
Reassign-
ment**

**Mrs. Webb reported that correspondence has been received from the
Department of Finance, State of Delaware, requesting that any portion of
the 2011 Private Activity Bond Volume Cap Allocation in the amount of
\$27,780,000 assigned to Sussex County, which will not be allocated either to
a qualified project or identified as eligible for carry-forward, be reassigned
to the State for reallocation to the Delaware Economic Development
Authority. This request is made annually to allow the State to maximize
usage of its Private Activity Bond Volume Cap.**

Mrs. Webb reported that, during 2011, the County did not have any projects apply for the Volume Cap funding.

M 059 12
Approve
Reassign-
ment
M 059 12
Approve
Reassign-
ment
(continued)

A Motion was made by Mrs. Deaver, seconded by Mr. Phillips, that the Sussex County Council approves the reassignment of the 2011 Private Activity Bond Volume Cap in the amount of \$27,780,000 to the State of Delaware.

Motion Adopted: 5 Yeas.

Vote by Roll Call: Mrs. Deaver, Yea; Mr. Cole, Yea;
Mr. Phillips, Yea; Mr. Wilson, Yea;
Mr. Vincent, Yea

Presentation
of Compre-
hensive
Annual
Financial
Report
for
Fiscal
Year
Ended
6/30/11

Mrs. Webb presented the Sussex County Comprehensive Annual Financial Report for Fiscal Year Ended June 30, 2011.

Mrs. Webb recognized County staff and Jean Schmidt and Elaine Graves from Jefferson, Urian, Doane & Sterner, P.A., the County's auditing firm, for their work on the audit.

Mrs. Webb announced that the County has received the Certificate of Achievement for Excellence in Financial Reporting (CAFR) annually for nine years, from Fiscal Year 2002 – Fiscal Year 2010. She noted that this program recognizes state and local governments that prepare and issue an annual comprehensive financial report of the highest quality.

Mrs. Webb reported that the Independent Auditor's Report states that "The financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, and each major fund of Sussex County, Delaware as of June 30, 2011, ..."

Mrs. Webb reported that in December, the Council knew the County's surplus amount (\$3.4 million) and decided on additional expenditures at that time: special grant request funding, tax credit, and contributions to the two pension funds.

Mrs. Webb reported on the Statement of Revenues, Expenditures and Changes in Fund Balance as of June 30, 2011 for the Governmental Fund (General Fund and Capital Projects Fund). Revenues were \$46 million with Realty Transfer Taxes making up \$14.3 of that amount; an increase of 1.2 million over last year. Mrs. Webb noted that there were not a lot of changes in revenues this year compared to last year. Expenditures were \$42 million, resulting in a Net Change in Fund Balances (Surplus) of \$3.4 million, adding to the Beginning Fund Balance of \$73.8 million, resulting in an Ending Fund Balance of \$77.3 million. In Capital Projects, Revenues were \$985,276 and Expenditures were \$980,239; most of the activity was airport related improvements and expansion.

Mrs. Webb reviewed the Balance Sheet of Governmental Funds; the total Fund Balance as of June 30, 2011 was \$77 million. Mrs. Webb reported that the new Fund Balance Policy was approved in June 2011, as required by GASB, whereby definitions were put on all the classifications that were in Fund Balances, i.e. Nonspendable, Restricted, Committed, Assigned, and Unassigned.

**Presentation
of Comprehensive
Annual
Financial
Report
for
Fiscal
Year
Ended
6/30/11
(continued)**

Mrs. Webb reviewed General Fund Revenues and Expenditures and she noted that the County's Revenues over Expenditures is beginning to increase. She explained that this is not because of real estate related revenues and the economy, it is because the County has done so well managing expenses. She stated that revenues have not grown as dramatically as appears on the graph in her report; it is the expenses that have been reduced to match revenues, i.e. personnel costs (45 less employees due to retirements, which affects health benefits and pensions). She noted that the surplus is coming from the reduction in expenditures – a savings of \$3.3 million.

Mrs. Webb reviewed the Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (General Fund as of June 30, 2011). Realty Transfer Tax taken in was \$14.3 million; \$1.6 over budget.

Mrs. Webb reported that Capital Projects from July 1, 2010 to June 30, 2011 were:

- Expansion and improvement of the Industrial Airpark
- Angola Neck, Johnson's Corner, and the Oak Orchard expansion areas were in the construction phase
- Construction is in process on a major treatment plant expansion project at the Inland Bays Regional Wastewater Facility

Mrs. Webb presented sewer highlights:

- Unified fund implemented
- Loss before capital contributions and transfers was \$38,000 (\$2 million in connection fees – 43 percent decrease)
- \$1.6 million sewer infrastructure paid by developers

Mrs. Webb reported that as of June 30, 2011, the Pension Trust Fund (Pension Fund and OPEB Fund) had a value of \$74 million.

Mrs. Webb reported on long-term debt. There is \$191 million in outstanding bonds payable including \$19 million in sewer revenue bonds and \$172 million in general obligation bonds. This debt is only for sewer districts; there is no General Fund bonded debt. Mrs. Webb reported that the County has received two positive bond ratings; recently, Standard & Poor's rating services raised its rating on Sussex County, Delaware's General Obligation Bonds to AA+ from AA, the highest AA rating.

Mrs. Webb reported on the Schedule of Expenditures of Federal Awards: \$47 million was spent by the County in Fiscal Year 2011, all due mostly to the American Recovery and Reinvestment Act Fund (\$26 million). Federal Awards also include grants from Rural Development, State Revolving Fund, and Department of Energy.

**Presentation
of Comprehensive
Annual
Financial
Report
for
Fiscal
Year
Ended
6/30/11
(continued)**

Mrs. Webb concluded by providing highlights of the County's financial planning:

- **Strong financial foundation**
- **Stimulus programs – sewer infrastructure**
- **Pay-as-you-go basis – no General Fund debt**
- **Continue to make capital improvements using reserved funds**
- **Sewer expansions**
- **5-year Capital Improvement Plan**
- **Unified sewer rates**
- **Pension – making required annual contributions and supplemental contributions**
- **Balanced budgeting**
- **Quarterly financial review to Council**
- **Goal to maintain health reserves**
- **Practice fiscal conservatism**

; and looking forward:

- **Continue to forecast the effect of the housing market on revenues**
- **Continue to balance the budget**
- **No increase in property taxes**
- **Gradual uniformity of sewer rates**
- **Five year capital planning**
- **Implementation of new financial software**

**Old
Business/
C/Z
No. 1709**

Under Old Business, the Council discussed Change of Zone No. 1709 filed on behalf of Daniel T. and Dale S. Boines.

The Planning and Zoning Commission held a Public Hearing on this application on September 8, 2011 at which time action was deferred. On September 22, 2011, the Commission recommended that the application be approved.

The Council held a Public Hearing on this application on September 27, 2011 at which time action was deferred.

The Council discussed the application.

**M 060 12
Adopt**

A Motion was made by Mr. Phillips, seconded by Mr. Wilson, to Adopt Ordinance No. 2235 entitled "AN ORDINANCE TO AMEND THE

Ordinance No. 2235/ (C/Z No. 1709) **COMPREHENSIVE ZONING MAP OF SUSSEX COUNTY FROM AN AR-1 AGRICULTURAL RESIDENTIAL DISTRICT TO A B-1 NEIGHBORHOOD BUSINESS DISTRICT FOR A CERTAIN PARCEL OF LAND LYING AND BEING IN BROADKILL HUNDRED, SUSSEX COUNTY, CONTAINING 1.13 ACRES, MORE OR LESS” (Change of Zone No. 1709) filed on behalf of Daniel T. and Dale S. Boines.**

M 060 12 (continued) **Motion Adopted: 3 Yeas, 2 Nays.**

**Vote by Roll Call: Mrs. Deaver, Nay; Mr. Cole, Nay;
Mr. Phillips, Yea; Mr. Wilson, Yea;
Mr. Vincent, Yea**

Old Business/ C/Z No. 1710 **Under Old Business, the Council discussed Change of Zone No. 1710 filed on behalf of Robert Browning and Bradley Davis.**

The Planning and Zoning Commission held a Public Hearing on this application on September 8, 2011 at which time they deferred action. On October 13, 2011, the Commission recommended that the application be denied.

The County Council held a Public Hearing on this application on September 27, 2011 at which time they deferred action.

M 061 12 Adopt Proposed Ordinance (C/Z No. 1710) **A Motion was made by Mr. Cole, seconded by Mr. Phillips, to Adopt the Proposed Ordinance entitled “AN ORDINANCE TO AMEND THE COMPREHENSIVE ZONING MAP OF SUSSEX COUNTY FROM A MR MEDIUM DENSITY RESIDENTIAL DISTRICT TO A B-1 NEIGHBORHOOD BUSINESS DISTRICT FOR A CERTAIN PARCEL OF LAND LYING AND BEING IN BALTIMORE HUNDRED, SUSSEX COUNTY, CONTAINING 2.38 ACRES, MORE OR LESS” (Change of Zone No. 1710) filed on behalf of Robert Browning and Bradley Davis.**

DENIED

Motion Denied: 5 Nays.

**Vote by Roll Call: Mrs. Deaver, Nay; Mr. Cole, Nay;
Mr. Phillips, Nay; Mr. Wilson, Nay;
Mr. Vincent, Nay**

Grant Requests **Mrs. Webb presented grant requests for the Council’s consideration.**

M 062 12 Community Grant **A Motion was made by Mr. Phillips, seconded by Mr. Cole, to give \$1,000.00 (\$500.00 each from Mr. Phillips’ and Mr. Cole’s Community Grant Accounts) to the Girl Scouts of the Chesapeake Bay for membership fees.**

Motion Adopted: 5 Yeas.

Vote by Roll Call: Mrs. Deaver, Yea; Mr. Cole, Yea;

**Mr. Phillips, Yea; Mr. Wilson, Yea;
Mr. Vincent, Yea**

M 063 12 **A Motion was made by Mr. Phillips, seconded by Mr. Cole, to give**
Community **\$1,000.00 from Mr. Phillips' Community Grant Account to The Foundation**
Grant **for Delmar Education for the Community Gala fundraising event.**

M 063 12 **Motion Adopted: 5 Yeas.**
(continued)

Vote by Roll Call: Mrs. Deaver, Yea; Mr. Cole, Yea;
Mr. Phillips, Yea; Mr. Wilson, Yea;
Mr. Vincent, Yea

M 064 12 **A Motion was made by Mr. Cole, seconded by Mrs. Deaver, to give \$500.00**
Community **(\$100.00 from each Community Grant Account) to Delaware Envirothon**
Grant **for operating expenses.**

DENIED **Motion Denied: 2 Yeas , 3 Nays**

Vote by Roll Call: Mrs. Deaver, Yea; Mr. Cole, Yea;
Mr. Phillips, Nay; Mr. Wilson, Nay;
Mr. Vincent, Nay

M 065 12 **A Motion was made by Mr. Wilson, seconded by Mr. Phillips, to give**
Community **\$250.00 (\$50.00 from each Community Grant Account) to Delaware**
Grant **Envirothon for operating expenses.**

Motion Adopted: 5 Yeas.

Vote by Roll Call: Mrs. Deaver, Yea; Mr. Cole, Yea;
Mr. Phillips, Yea; Mr. Wilson, Yea;
Mr. Vincent, Yea

Introduction **Mr. Cole introduced the Proposed Ordinance entitled "AN ORDINANCE**
of Proposed **TO GRANT A CONDITIONAL USE OF LAND IN A MR MEDIUM**
Ordinances **DENSITY RESIDENTIAL DISTRICT FOR A PUBLIC UTILITY**
 (ABOVE GROUND STORAGE TANK) TO BE LOCATED ON A
 CERTAIN PARCEL OF LAND LYING AND BEING IN BALTIMORE
 HUNDRED, SUSSEX COUNTY, CONTAINING 2.19 ACRES, MORE OR
 LESS" (Conditional Use No. 1924) filed on behalf of Colony Pool Service.

Mr. Phillips introduced the Proposed Ordinance entitled "AN
ORDINANCE TO GRANT A CONDITIONAL USE OF LAND IN AN
AR-1 AGRICULTURAL RESIDENTIAL DISTRICT FOR AN OFFICE
AND TRUCKING STORAGE TO BE LOCATED ON A CERTAIN
PARCEL OF LAND LYING AND BEING IN GUMBORO HUNDRED,
SUSSEX COUNTY, CONTAINING 10.54 ACRES, MORE OR LESS"
(Conditional Use No. 1925) filed on behalf of Piedmont Leasing.

The Proposed Ordinances will be advertised for Public Hearing.

**Additional
Business**

There were no public comments under Additional Business.

Chip Guy, Communications Director, introduced Bryan Johnson who will join the County as an intern for the spring semester; Bryan is a Delaware Tech communications major.

**Additional
Business
(continued)**

Mr. Cole referenced the listing of the top 200 delinquent property owners (taxes); he noted that a lot of those on the listing are LLCs and he questioned if the County can require the disclosure of the names of the individuals that make up LLCs and corporations. Mr. Moore stated that the County would have to go after the record property owner as opposed to who owns the LLC. Mr. Phillips also inquired whether or not the County can require full disclosure of an entity making an application or filing for a permit. Mr. Moore stated that he would have to research the matter.

Mr. Cole also questioned if the County is being effective in taking care of delinquencies and Mr. Moore stated that yes, the County is effective.

Mrs. Deaver stated that she wanted to make it clear that she has not introduced any legislation that would require people to get a permit to demolish buildings. She also stated that there are potentially two very old, illegal dumps in her district and she noted that DNREC is pursuing this and she is monitoring the situation.

**M 066 12
Adjourn**

A Motion was made by Mr. Cole, seconded by Mrs. Deaver, to adjourn at 11:11 a.m.

Motion Adopted: 5 Yeas.

**Vote by Roll Call: Mrs. Deaver, Yea; Mr. Cole, Yea;
Mr. Phillips, Yea; Mr. Wilson, Yea;
Mr. Vincent, Yea**

Respectfully submitted,

**Robin A. Griffith
Clerk of the Council**