



SUSSEX COUNTY COUNCIL

AGENDAS & MINUTES

SUSSEX COUNTY COUNCIL - GEORGETOWN, DELAWARE, MAY 22, 2012

A regularly scheduled meeting of the Sussex County Council was held on Tuesday, May 22, 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 270 12 Amend and Approve Agenda

A Motion was made by Mr. Cole, seconded by Mrs. Deaver, to amend the Agenda by deleting "Old Business – Conditional Use No. 1897 - Russell V. Banks" and by deleting "Job Applicants' Qualifications" and "Land Acquisition" under "Executive Session"; 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 May 15, 2012 were approved by consent.

Corre- spondence

Mr. Moore read the following correspondence:

DELAWARE ENVIROTHON, DOVER, DELAWARE.

RE: Letter in appreciation of grant.

THE JEFFERSON SCHOOL,

RE: Letter in appreciation of grant.

**KATIE MAHER, GIRL SCOUT TROOP 1485, HARBESON, DELAWARE.
RE: Letter in appreciation of grant.**

| | |
|---------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Employee of the Second Quarter | The County Council recognized Rodney T. Marvel, Jr., Employee of the Second Quarter. Mr. Marvel is Assistant Director of Environmental Services and was nominated by Heather Sheridan, Director of Environmental Services, and several of his co-workers. |
| Appoint-ments | Mr. Lawson announced that several terms have expired or are expiring on the Planning and Zoning Commission and the Board of Adjustment. |
| M 271 12 Reappoint Martin Ross to the P&Z Commission | <p>A Motion was made by Mr. Phillips, seconded by Mr. Wilson, that the Sussex County Council approves the reappointment of Martin L. (Marty) Ross to the Planning and Zoning Commission effective June 1, 2012 for a term of three years (Councilman Phillips' appointment).</p> <p>Motion Adopted: 5 Yeas.</p> <p>Vote by Roll Call: Mrs. Deaver, Yea; Mr. Cole, Yea; Mr. Phillips, Yea; Mr. Wilson, Yea; Mr. Vincent, Yea</p> |
| M 272 12 Reappoint Michael Johnson to the P&Z Commission | <p>A Motion was made by Mrs. Deaver, seconded by Mr. Wilson, that the Sussex County Council approves the reappointment of Michael B. Johnson to the Planning and Zoning Commission effective June 1, <u>2011</u> for a term of three years. (Councilman Wilson's appointment).</p> <p>Motion Adopted: 5 Yeas.</p> <p>Vote by Roll Call: Mrs. Deaver, Yea; Mr. Cole, Yea; Mr. Phillips, Yea; Mr. Wilson, Yea; Mr. Vincent, Yea</p> |
| M 273 12 Reappoint Brent Workman to the Board of Adjustment | <p>A Motion was made by Mr. Wilson, seconded by Mr. Phillips, that the Sussex County Council approves the reappointment of Brent Workman to the Board of Adjustment effective June 1, 2012 for a term of three years (Councilman Wilson's appointment).</p> <p>Motion Adopted: 5 Yeas.</p> <p>Vote by Roll Call: Mrs. Deaver, Yea; Mr. Cole, Yea; Mr. Phillips, Yea; Mr. Wilson, Yea; Mr. Vincent, Yea</p> |
| Adminis-trator's Report | <p>Mr. Lawson read the following information in his Administrator's Report:</p> <p>1. <u>National 100,000 Homes Campaign</u></p> |

**Adminis-
trator's
Report
(continued)**

Sussex County is partnering with the Homeless Planning Council of Delaware as part of the national 100,000 Homes Campaign. The campaign is an initiative to find homes for 100,000 vulnerable, long-term homeless individuals. Delaware's registry week will take place June 2 to June 8, where 300 volunteers will take to the streets to survey and identify our state's most vulnerable homeless. This is truly a collaborative intergovernmental effort supported by homeless service providers, nonprofits, private organizations, and public agencies.

Delaware's Campaign still needs volunteers and sponsors to make this effort a success. Please contact the Homeless Planning Council of Delaware if you are interested at 302-654-0126.

2. Delphia Daniels

It is with great sadness that we inform you that Delphia "Del" Daniels, County pensioner, passed away on Wednesday, May 16, 2012. Delphia worked as a Computer Operator II in the Data Processing Department. She was employed with Sussex County from June 1969 to December 2006.

Services will be held on Saturday, May 26, 2012, at the Clarence Street Church of God, 743 Clarence Street, Seaford, Delaware, with a viewing from 11:00 a.m. to 1:00 p.m. and funeral services beginning at 1:00 p.m.

3. Memorial Day

County offices will be closed on Monday, May 28, 2012, in observance of the Memorial Day holiday. In addition, the Sussex County Council will not meet on Tuesday, May 29. The next regularly scheduled meeting of the Sussex County Council will be held on June 5, 2012.

**Fiscal
Year 2013
Budget
Presen-
tation**

Mr. Lawson, along with Susan Webb, Finance Director, Gina Jennings, Director of Accounting, and Kathy Roth, Budget Director and Cost Manager, presented the proposed \$121.1 million budget for Fiscal Year 2013 and the accompanying budget letter. Mr. Lawson stated that the budget represents a collaborative effort between the Budget Committee and Department Heads.

Mr. Lawson reported that the FY 2013 Budget again presents a challenge in that revenues remain flat and have increased at only a modest level for the General Fund. As compared to past years, revenues continue to see little to no increases which the Budget Committee believes represents the "new norm" for the County. Mr. Lawson stated that, thanks in part to the Council's leadership and fiscal responsibility along with conservative

budgeting, the County will continue to operate without raising taxes or increasing fees even though revenues are stagnant.

**Fiscal
Year 2013
Budget
Presenta-
tion
(continued)**

Mr. Lawson reported that the County's budget was prepared with the following goals and objectives:

- **Prepare a balanced budget with minimal increases**
- **Maintain an operating reserve of approximately 25 percent**
- **Continue at the actuarial determined level for pension and pension benefits**
- **Support the priorities of long-range and operational plans**
- **Operate without tax-supported debt**
- **Maintain AA+ bond rating**
- **Maintain funding for local libraries**
- **Use technology to streamline and automate business practices**
- **Enhance the County's virtual interface to improve customer service**
- **Provide a greater level of service to County residents**

Mr. Lawson presented 2013 Budget highlights:

- **Property tax decrease – 3.5 cent tax rebate credit from Fiscal Year 2011**
- **Reduced staffing levels – 6.5 less positions**
- **.18% General Fund Budget increase (CPI is 2.7%)**
- **Major cost driver – pension contribution of 23.67% of gross salaries, \$900,000 increase**
- **Decrease in sewer assessment charges due to bond refinancing**
- **Continue to fund critical public safety grants – fire and ambulance services (\$3.3 million), Local Law Enforcement (\$562,500), and State Police (\$1.7 million)**
- **Total library funding - \$4.2 million**
- **Aggressive governmental capital plan without general fund debt (\$13.2 million) – 41.9% for airport projects and 23.9% for library projects**

Mr. Lawson highlighted personnel goals and objectives:

- **COLA – 2.25% for staff; 1.125% for pensioners**
- **Merit increases**
- **Defined pension contribution – 14.27%**
- **Defined pension benefit contribution – 9.40%**
- **No change in health insurance contributions and coverage**
- **Continue health insurance opt-out incentives**
- **Continue dental, vision, and tuition reimbursements**
- **13 paid holidays with 2 floating holidays**

- Policy change for donated leave – 1 day for 1 day
- Review pension plan changes to begin January 2013
- Down 6.5 positions from last year’s budget

**Fiscal
Year 2013
Budget
Presenta-
tion
(continued)**

Mr. Lawson reported on the breakdown of the \$121.1 million budget:

| Expenditures | Fiscal 2013 | Percentage Change Compared to Fiscal 2012 |
|-----------------------------------------------------------------------------------------------------|---------------------|------------------------------------------------------|
| General Fund | \$46,392,059 | .18% |
| Capital Projects Governmental Fund | \$13,247,485 | 52.71% |
| Enterprise Funds (Sewer and Water) | \$34,957,776 | 2.98% |
| Capital Projects Enterprise Fund (due to end of federal stimulus funding and grants) | \$21,219,521 | (55.48%) |
| Fiduciary Funds | \$ 5,330,720 | 22.71% |

The total budget in the amount of \$121,147.56 reflects a (14.04%) change compared to Fiscal 2012.

Mr. Lawson reported that the total operating budget increased .18% or \$84,000. As a result, there are no fee increases proposed. Taxable assessments increased 1.39%; intergovernmental grants decreased 14.02%; and overall revenues have leveled (a reflection of the economy and lethargic real estate market).

Mr. Lawson reviewed the County’s primary funding sources: Realty Transfer Tax (28.4%); property taxes (27.1%); and charges for services – Constitutional Offices (17.6%). Mr. Lawson stated that the County is conservatively budgeting this year’s Realty Transfer Tax lower than last year.

Mr. Lawson stated that, “in a time when municipalities across the country are filing for bankruptcy, public pension funds are drying up, and states are raising taxes to operate, including some neighboring states, Sussex County remains fiscally sound by only spending what we have. Sussex County is at a crossroads, and faces the difficult task of preserving the many attributes that make our county such a wonderful place to live while attempting to stimulate the local economy and spur job creation. At the same time the county must look to the future to prepare for growth and increased demand on County services”.

Mrs. Jennings reviewed the \$46 million in expenditures: Paramedic Program (27%); Grant-in-Aid (17%); Finance (9%); and Libraries (8%).

**Fiscal
Year 2013
Budget
Presen-
tation
(continued)**

Mrs. Jennings reviewed how one county tax dollar is spent: public safety (\$.58); Libraries (\$0.14); Housing Rehabilitation & Other Community Support (\$0.08); Code Enforcement, Dog Control, Planning & Zoning, Permitting & Addressing (\$0.08); Special Services (includes Economic Development, Airport, Engineering Administration, Public Works and Solid Waste); and General Government (\$0.05) (includes County Council, Administration, Legal, Finance & Constitutional Offices).

Mrs. Jennings reported that the Proposed 2013 Budget reflects only a .18% increase in operating expenditures over the 2012 Budget.

Mrs. Roth highlighted the grant-in-aid program totaling \$7.4 million: 68% for public safety; 11% for wastewater; 7% for Agriculture and Land; 7% for Libraries; 6% for Community Grants, and 1% for Town grants.

Mrs. Roth reported that public safety grants total \$20.8 million: \$12.4 million for Paramedics; \$2.8 million for Emergency Preparedness; \$3.3 million for Fire and Ambulance Service; and \$2.3 million for Local Law Enforcement (includes increasing funding to \$25,000 for towns with local police and \$12,500 for towns without local police – back to the level it was in 2009).

Mrs. Roth explained that Community Development funding for Fiscal 2013 has decreased \$1 million compared to last year. This decrease is a result of reduced federal housing funding levels in both the Neighborhood Stabilization Program and the Community Development Grant Program.

Mrs. Webb reviewed the capital projects for both the General Fund:

- **\$5.5 Million for Airport Projects – Runway 4-22 Extension, Stormwater Improvements, Lighting and Pavement Improvements, and Guard Station**
- **\$2 Million for Public Safety Building Projects – Emergency Services – Station 106; Emergency Communications Building; Emergency Operations Center - HVAC**
- **\$3.1 Million for Libraries – Greenwood Library Expansion, Milton Library Improvements, South Coastal Library Improvements**
- **\$674,000 – Building Improvements – Administration Building, Records Management Building, and West Complex Building**
- **\$674,000 – Other Projects – Enterprise Resource Planning (ERP) Software, Property Acquisition, and Woodland Park Improvements**

Mrs. Webb noted that the capital projects fund is its own separate budget as these funds are used for long term projects.

Mrs. Webb also reviewed Enterprise (Sewer and Water) Capital Projects totaling \$21.2 Million; these projects are not in the sewer operating budget as they are new expansions and new districts.

**Fiscal
Year 2013
Budget
Presen-
tation
(continued)**

Mrs. Webb reported that the Proposed Budget shows a decrease of \$21 Million from the Fiscal 2012 Budget due to the stimulus projects that occurred during the last three to five years.

Mrs. Webb noted that the Budget Committee is recommending \$165 Million in 5-Year Capital Improvements Funding.

Mrs. Webb explained that all the proposed rates for the sewer districts are included in the Budget and she highlighted the Enterprise Funds goals and objectives:

- Service Charges – continue working toward a uniform sewer rate
- Decrease in assessment rates due to bond refinancing
- 3% increase in EDUs
- 3% increase in 2013 operating budget
- 56% decrease in capital projects
- System connection charges – 2.7% increase for inflation
- Continue 100 foot cap
- Rate Study

Mrs. Webb reported that it is proposed that the sewer service charges increase by \$8.00 annually in most districts (Angola, Bayview Estates, Bethany, Ellendale, Holt's Landing, Johnson's Corner, Miller Creek, Oak Orchard, Sea Country, South Bethany, South Ocean View). The Dagsboro Frankford Sewer District is proposed to increase less than \$8.00 to become part of the unified sewer charge (uniform rate is \$262.00). The Long Neck Sewer District is proposed to increase \$15.00. There are no changes proposed for the following Districts: Blades, Dewey Sewer, Henlopen Acres, West Rehoboth, and Woodlands of Millsboro. It is proposed to increase the Dewey Water service charge by \$13.00 to cover the increase in the cost of water purchase from the City of Rehoboth.

Mrs. Webb reported that the budget and the accompanying budget presentation will be available on the County's website. Public Hearings on the budget will be held on June 19, 2012. The public can comment in person on that date, or submit comments through the County's website at budget@sussexcountvde.gov.

**Introduction
of Proposed
Budget
Ordinances**

Mr. Phillips introduced the Proposed Ordinance entitled "AN ORDINANCE ESTABLISHING THE ANNUAL OPERATING BUDGET FOR FISCAL YEAR 2013" and the Proposed Ordinance entitled "AN ORDINANCE ESTABLISHING ANNUAL SERVICE CHARGES, ANNUAL ASSESSMENT RATES FOR COLLECTION AND

TRANSMISSION AND/OR TREATMENT, AND CONNECTION CHARGES FOR ALL SUSSEX COUNTY WATER AND SANITARY SEWER DISTRICTS". The Proposed Ordinances will be advertised for Public Hearings on June 19, 2012.

**Legislative
Update**

Hal Godwin, Deputy County Administrator, presented the following legislative update:

House Bill No. 283: AN ACT TO AMEND TITLE 9 OF THE DELAWARE CODE RELATING TO SUSSEX COUNTY GOVERNMENT

Mr. Godwin stated that he and Karen Brewington, Director of Human Resources, are working with Senator Karen Peterson in hopes of getting this Bill passed.

House Bill No. 325: AN ACT TO AMEND TITLES 3, 5, 6, 7, 9, 10, 11, 16, 23, 29 AND 30 OF THE DELAWARE CODE RELATING TO SHERIFFS AND SHERIFF DEPUTIES

This Bill has passed the House and has been assigned to the Senate Executive Committee; a Hearing has been scheduled for June 6, 2012.

House Substitute No. 1 for House Bill No. 227: AN ACT TO AMEND TITLE 9, TITLE 22 AND TITLE 31 RELATING TO HOUSING

This Bill passed the House on May 17th.

Senate Bill No. 195: AN ACT TO AMEND TITLE 6 OF THE DELAWARE CODE RELATING TO HOME CONSTRUCTION AND IMPROVEMENT PROTECTION

This Bill has been released from Senate Committee.

Senate Bill No. 211: AN ACT TO AMEND TITLE 11 OF THE DELAWARE CODE RELATING TO CRUELTY TO ANIMALS

Mr. Godwin reported that he presented the Council's concerns regarding this Bill, i.e. enforceability and cost that would be incurred by all three counties. This Bill was released from Committee.

Mr. Godwin noted that the General Assembly is on break for two weeks.

**Industrial
Park
Lease
Assignment/
Superior
Lawn &
Landscaping**

Jim Hickin, Director of Airport and Industrial Park Operations, presented a Lease Assignment (to assign the remainder of a 30 year lease) from Superior Lawn & Landscaping, LLC (Superior) to Laurel Gardens Holding, LLC (LGH). LGH is a landscaping business based in Chadds Ford, Pennsylvania. They are buying certain assets of Superior, including the operation in the County's Industrial Park; assignment of the lease requires County approval. LGH intends to continue operating the business

(continued) from the Industrial Park in the same manner as Superior. This is a ground lease for Lot 14 containing 3.92 acres in the Industrial Park. The 30-year lease began on October 1, 2003 and expires in 2033, with no option to extend; use of the property is limited to the current use – landscaping business operations. Rent is currently \$2,352 per year and increases by \$200 per acre (\$784) every five years. If approved, Superior will be responsible for preparing the assignment document, which will be approved by the County Attorney.

M 274 12 A Motion was made by Mr. Cole, seconded by Mr. Phillips, that the Sussex County Council approves the assignment of the lease between Sussex County and Superior Lawn & Landscaping, LLC dated October 1, 2003 to Laurel Gardens Holdings, LLC (Tenant), contingent upon the approval of the assignment document by the Sussex County Attorney.

Approve Assignment of Lease/ Superior Lawn & Landscaping to Laurel Gardens Holdings Motion Adopted: 5 Yeas.

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

Airport Report Mrs. Deaver requested that the following be placed on a future agenda: Airport Report.

Results of RFP/ Life and Disability Insurance Karen Brewington, Director of Human Resources, reported that a comprehensive review of the County's Life and Disability Insurance benefits was recently completed through the RFP process. A summary was prepared and provided by the Insurance Buyer's Council, Inc. The RFP was sent to thirteen (13) carriers; through this comprehensive RFP process, the County was able to meet the following objectives:

- Examine the competitiveness of current Life and Long Term Disability (LTD) benefits
- Obtain quotes based on new structure (ordinance) of disability benefits
- Identify a carrier to provide Life and Disability benefits including self-funded Short Term Disability (STD) *Advice to Pay* services
- Improve administration and claim management by selecting a carrier with the ability to actively manage integrated disability benefits
- Offer employees the opportunity to elect additional life insurance coverage on a voluntary basis at preferred group rate pricing and with relaxed underwriting

Mrs. Brewington reported that, through the RFP process, the County was able to obtain a significant reduction in group life and long term disability costs and to secure a multi-year rate guarantee (3-year).

Mrs. Brewington advised that, based on the review of the RFP responses, it

is recommended by Insurance Buyer's Council, Inc. to award the group life and disability coverage to Hartford.

M 275 12 **A Motion was made by Mrs. Deaver, seconded by Mr. Phillips, that the**
Contract **Sussex County Council contracts services with Hartford for group life and**
with **disability insurance services beginning July 1, 2012 for a period of three**
Hartford/ **years.**
Disability

Insurance **Motion Adopted: 5 Yeas.**

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

M 276 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 the Delaware Police**
Grant **Chiefs' Council for conference expenses.**

Motion Adopted: 5 Yeas.

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

M 277 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 the Delaware Police**
Grant **Chiefs' Council for Staff Development Seminar expenses.**

Motion Adopted: 5 Yeas.

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

M 278 12 **A Motion was made by Mr. Cole, seconded by Mrs. Deaver, to give**
Community **\$1,000.00 (\$500.00 each from Mr. Cole's and Mrs. Deaver's Community**
Grant **Grant Accounts) to Sussex Cyclists for their Bike Safety Program.**

Motion Adopted: 5 Yeas.

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

M 279 12 **A Motion was made by Mrs. Deaver, seconded by Mr. Phillips, to give**
Community **\$500.00 from Mrs. Deaver's Community Grant Account to New Hope**
Grant **Center for operating expenses.**

Motion Adopted: 5 Yeas.

M 279 12
(continued) **Vote by Roll Call: Mrs. Deaver, Yea; Mr. Cole, Yea;**
Mr. Phillips, Yea; Mr. Wilson, Yea;
Mr. Vincent, Yea

Additional Business **Under Additional Business, Eric Bodenweiser referenced the fact that a Federal Judge imposed an injunction on prayer during Council meetings and he stated that he hopes the Council continues its practice of prayer. He noted that the County has collected a large amount of letters from citizens in support of prayer.**

Barbara Vaughn announced that as of May 21st, she is no longer a member of the Lewes City Council. Ms. Vaughn introduced Bonnie Mosler, a newly elected member of the Lewes City Council. Ms. Mosler has been appointed to serve as the City's liaison with the County.

M 280 12
Recess and **At 11:11 a.m., a Motion was made Mr. Cole, seconded by Mr. Phillips, to**
Go Into **recess (for a short break and for the purpose of clearing and securing the**
Executive **room) and go into Executive Session for the purpose of discussing issues**
Session **relating to personnel and pending litigation.**

Motion Adopted: 5 Yeas.

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

Executive Session **At 11:23 a.m., an Executive Session of the Sussex County Council was held in the Council Chambers for the purpose of discussing issues relating to personnel and pending/potential litigation. The Executive Session concluded at 1:10 p.m.**

M 281 12
Reconvene **At 1:13 p.m., a Motion was made by Mr. Cole, seconded by Mr. Phillips, to**
Regular **come out of Executive Session and to reconvene the Regular Session.**
Session

Motion Adopted: 5 Yeas.

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

Action **Mr. Moore announced that there was no action required on Executive Session items.**

M 282 12 **A Motion was made by Mr. Cole, seconded by Mrs. Deaver, to adjourn at**

Robin A. Griffith
Clerk of the Council