

SUSSEX COUNTY COUNCIL - GEORGETOWN, DELAWARE, JUNE 22, 1999

Call to Order The regular meeting of the Sussex County Council was held Tuesday, June 22, 1999, at 10:00 a.m., in the Council Chambers, Sussex County Administrative Office Building, Georgetown, Delaware, with the following present:

Finley B. Jones, Jr.	President
Lynn J. Rogers	Vice President
Dale R. Dukes	Member
George B. Cole	Member
Vance Phillips	Member
Robert L. Stickels	County Administrator
David Baker	Finance Director
Eugene Bayard	County Attorney

The meeting was opened by repeating the Lord's Prayer and Pledge of Allegiance to the Flag.

M 310 99 A Motion was made by Mr. Rogers, seconded by Mr. Dukes, to approve the Amend and Approve Agenda Agenda with an amendment to delete the agenda item entitled "Library Advisory Board Appointment".

Motion Adopted: 5 Yea.

Vote by Roll Call: Mr. Phillips, Yea; Mr. Cole, Yea;
 Mr. Dukes, Yea; Mr. Rogers, Yea;
 Mr. Jones, Yea

Clarify Minutes of 6/15/99 Council discussed the approval of the minutes of the previous meeting dated June 15, 1999. Mr. Phillips requested clarification of the statement made on Page 5, Paragraph 1, of the minutes that "The Budget Committee has recommended a four-year program that (1) will eliminate the General Fund debt and (2) will fully fund the Pension Fund." Mr. Phillips requested clarification on the inclusion of the four-year program within the budget and whether it is a goal that will only be reached if the County realizes a surplus during each fiscal year. Mr. Stickels, County Administrator, advised that this program is in this year's budget and it is an item that will be addressed each budget year; if there is a surplus at the end of Fiscal '99 in excess of \$3 Million, the County will continue the reduction of the General Fund debt and the additional funding in the Pension Fund.

M 311 99
Approve
Minutes

A Motion was made by Mr. Phillips, seconded by Mr. Rogers, to approve the minutes of the previous meeting, dated June 15, 1999, as clarified.

Motion Adopted: 5 Yea.

Vote by Roll Call: Mr. Phillips, Yea; Mr. Cole, Yea;
Mr. Dukes, Yea; Mr. Rogers, Yea;
Mr. Jones, Yea

Corre-
spondence

Mr. Bayard read the following correspondence:

DELAWARE RIVER BASIN COMMISSION, WEST TRENTON, NEW JERSEY.

RE: Notice of Commission Meeting and Public Hearing.

U.S. ARMY CORPS OF ENGINEERS, PHILADELPHIA, PENNSYLVANIA.

RE: Public Notice to solicit comments and recommendations from the public concerning issuance of a Department of the Army permit for work on the Lewes and Rehoboth Canal.

PATRICIA MAE CORRELL, BRIDGEVILLE, DELAWARE.

RE: Letter, on behalf of the citizens of the Town of Bridgeville, thanking the County for funds received in the amount of \$15,000 representing the County's revenue sharing contribution to towns and cities in Sussex County.

BRENDA ZULLO, LANDSHARKS PROGRAM DIRECTOR, DELAWARE SPECIAL OLYMPICS, NEWARK, DELAWARE.

RE: Letter in appreciation of the grant funding for the sports banquet.

Vacation
of County
Road 303

Mr. Stickels advised Council that the Delaware Department of Transportation will be holding a public hearing with regard to the proposed vacation and abandonment of a section of County Road 303 from S 203A to SR 23 (S 22), approximately 0.16 mile long. The sole property owner through whose property the road passes desires to have the road abandoned because it has become a nuisance as an illegal dumping area for litter and trash. Ms. Mary Burton, who was in attendance, questioned the ownership of the property and stated that she also is a property owner along the same road. Mr. Stickels advised that the matter was placed on the agenda for the purpose of determining whether the Council has any opposition to the road vacation. Action was tabled for the purpose of researching the question of property ownership.

M 312 99
Grant

A Motion was made by Mr. Dukes, seconded by Mr. Cole, to give \$500.00 from Grants to Interfaith Mission of Sussex County, Inc. for housing repairs.

Motion Adopted: 5 Yea.

Vote by Roll Call: Mr. Phillips, Yea; Mr. Cole, Yea;
Mr. Dukes, Yea; Mr. Rogers, Yea;
Mr. Jones, Yea

Legislative
Update

Mr. Stickels provided the following legislative update:

1. House Bill No. 60

This legislation would allow the County to terminate a Sheriff's Sale if it did not feel that the amount of money being bid during the sale was sufficient.

This legislation has passed the House and is currently pending in the Senate.

2. House Bill No. 297

This legislation requires that mortgages satisfied in Sussex County be recorded in the County Recorder of Deeds Office.

This legislation has passed the House and is currently pending in the Senate.

3. House Bill No. 357

This legislation gives the County Council the power to exempt people older than 65 from real estate tax by ordinance.

This legislation is currently pending in the House Land Use Committee.

The following legislation is still pending, as yet to be introduced:

1. Legislation allowing the County to hold a Sheriff's Sale at the Office of the Sheriff.

The original sponsor of the bill has withdrawn his support of this legislation. It is anticipated that this legislation will be introduced in the House this week.

Legislative
Update
(continued)

2. Legislation that would impose exceptional practical difficulty standards with respect to the granting of area variances by the Sussex County Board of Adjustment, bringing the body in conformity with the other Boards of Adjustment in Delaware.

Mr. Stickels does not believe this legislation will be worked this session, but will be brought back in January.

3. House Bill No. 160

Legislation that would require that each County develop an Intergovernmental Coordination Zone wherein land use decisions can be coordinated between the municipality and the County.

This legislation passed the House and has been sent to the Senate.

4. Senate Bill No. 110

This bill would modify the number of units for the Sussex County Paramedic Department, authorizing Sussex County to add an additional sixth unit.

This legislation has been released by the Senate Committee and is currently waiting to be placed on the agenda.

The following legislation is related to tax cuts:

1. School Tax

There is legislation pending that will provide direct grant revenue sharing to the school districts. Under an established formula, schools would be entitled to funding; schools would be instructed to roll back taxes a certain amount and reduce income by that same amount. Everyone in the school district would get the same tax break.

There is legislation pending requiring that schools delay setting their tax rate until July 15. This would result in a delay for the County in sending out tax bills. The County has advised that it is not opposed to this delay; however, the County does not want to change the due date (September 30). The legislation states that the due date will remain September 30.

2. Senior Tax Break

There is legislation to be introduced providing that, regardless of income, anyone over the age of 65 would receive up to a \$500.00 credit on their school taxes – 50 percent or \$500.00, whichever is less.

Legislative
Update
(continued)

This legislation would result in a certification/verification process being established by the County to verify the ages of those applying for this tax break.

3. Personal Income Tax

This issue is being debated by the Republicans and Democrats.

Mr. Stickels reported that the Specialized Transportation Fund (funding for senior citizens) is \$110,000 short. Delaware Transit Corporation has agreed to put up \$20,000 and the County Council has agreed to put up to \$45,000 if matched by the State. The Joint Finance Committee will be discussing this issue at their meeting this week.

Mr. Stickels reported that he has seen no indication that the General Assembly is going to increase funding to local libraries \$250,000 a year for the next four years as requested by the Delaware Association of Counties, Sussex County Association of Towns, and the Delaware State Library Association. All 32 agencies statewide that are eligible would share these funds.

Mr. Stickels discussed House Bill No. 250 relating to nutrient management standards. One of the last drafts of this bill would have placed the County's wastewater treatment facilities under the Department of Agriculture. This legislation has been amended exempting Sussex County; the only requirement is that the County would have to submit an annual report to DNREC with a copy available to the Department of Agriculture.

Mr. Stickels advised that legislation relating to the Transfer of Development Rights is still in Committee and most likely will not be worked this year. The County has taken the position that this legislation is not needed; that current State law gives the County the ability to develop a Transfer of Development Rights program, if desired.

Mr. Stickels discussed legislation relating to land use planning and education. This legislation provides that before the first building permit for a residential major record plan is received from the Zoning Commission, the applicant must obtain verification that the local school district has adequate capacity to handle the increased demand that will be caused by the proposed subdivision. Mr. Stickels recommended that Council take the position that the County has been granted exclusive power to legislate zoning issues by the General Assembly and the County has a process in which the schools are allowed input in the beginning of the process. Mr. Bayard stated that the County was granted Home Rule by the General Assembly and this legislation appears to erode Home Rule by giving authority over land use decisions to the executive branch

Vacation
of County
Road 303

The Council revisited the topic of the vacation of a portion of County Road 303. Mr. Stickels reported that the property owners requesting the vacation are Ellen W. Graves and Walter Wagamon. Mrs. Burton advised that she does not object to this portion of the road being vacated as long as the vacation does not lead to her property being used as a dumping area. A public hearing on this vacation will be held on the property at 10:00 a.m. on July 7, 1999.

M 313 99
Support
Vacation
of County
Road 303

A Motion was made by Mr. Dukes, seconded by Mr. Rogers, to support the vacation of a section of County Road 303 from S 303A to SR 23 (S 22).

Motion Adopted: 4 Yea, 1 Nay.

Vote by Roll Call: Mr. Phillips, Nay; Mr. Cole, Yea;
Mr. Dukes, Yea; Mr. Rogers, Yea;
Mr. Jones, Yea

Insurance
Proposals

Mr. Baker and Mr. Scott Agar of Insurance Buyers' Council, Inc. discussed the County's Request for Insurance Proposals. Proposals were received for the County's insurance policies: Real and Personal Property, Boiler and Machinery, Electronic Data Processing, Mobile Equipment, Property Floater, Pipeline Floater, Valuable Papers and Records, Fine Arts, Crime, Business Income, Extra Expense, Workmen's Compensation, General Liability, Airport Liability, Auto, Law Enforcement Liability, Umbrella Excess Liability, Medical Professional Liability, Public Officials Liability, and Fiduciary Liability. Mr. Agar reviewed the bid award recommendation. The total bid award is in the amount of \$377,763 with a coverage period of three years, from July 1, 1999 to June 30, 2002, and with renewal options at the end of each year. Mr. Agar specifically pointed out that currently the County's Medical Professional Liability is a claims made policy; the insurance proposal presented includes the recommendation that the County exit this type of coverage by purchasing an extended reporting period endorsement for Medical Professional Liability. The charge for this provision (\$13,413) has been factored into the recommendation (\$377,763).

Mr. Baker advised that the insurance proposal will produce an estimated savings of \$103,000 per year and will provide the following benefits:

1. An increase in liability insurance limits: Total Liability coverage increases from \$3,000,000 to \$6,000,000. Public Official's Liability increases from \$2,000,000 to \$5,000,000. Medical Professional Liability increases from \$1,000,000 to \$6,000,000.
2. A decrease in some deductibles: Property deductibles from \$10,000 to \$5,000. General Liability deductible from \$1,000 to \$0. Public Official's Liability deductible from \$10,000 to \$5,000.

Insurance
Proposals
(continued)

3. No exclusion for injury to Volunteer Firefighters under County Liability or Auto coverage.
4. Sewer back-up claims are covered.
5. No Y2K Exclusion under Liability coverage.

M 314 99
Approve
Insurance
Proposal

A Motion was made by Mr. Cole, seconded by Mr. Rogers, that the Sussex County Council approves the insurance proposal as recommended by Insurance Buyer's Council, Inc., the County Finance Director, and the County Internal Auditor for insurance for the period July 1, 1999 through June 30, 2002.

Motion Adopted: 5 Yea.

Vote by Roll Call: Mr. Phillips, Yea; Mr. Cole, Yea;
Mr. Dukes, Yea; Mr. Rogers, Yea;
Mr. Jones, Yea

Bond
Anticipation
Notes

Mr. Baker reviewed information regarding the County's Bond Anticipation Notes; Notes to provide funds for the financing or refinancing of costs for the construction and equipping of facilities for the Wastewater Collection and Transmission Systems of the West Rehoboth Expansion of the Dewey Beach Sanitary Sewer District, the Cedar Neck and Ocean View Expansions and North Millville Sewer Improvements of the Bethany Beach Sanitary Sewer District, the Holts Landing Sanitary Sewer District and the Regional Improvements to the South Coastal Regional Wastewater Treatment Facility, including interest on the Notes and the costs of issuance of the Notes. Mr. Baker advised that the County is proceeding with a two-year financing program for these projects. The Bond Anticipation Notes have been rated by Moody's with a "MIG 1" rating, the highest rating that Moody's offers for short-term issues. The "MIG 1" rating is a designation that denotes the best quality; there is present strong protection by established cash flows, superior liquidity support, or demonstrated broad-based access to the market for refinancing.

Mr. Baker reported that the Bond Anticipation Notes will be bid and the purchase of the Notes will be negotiated. Once bids have been received, settlement will be scheduled. The savings from this transaction will be passed on to the sewer district customers.

Amendment
to Note
and Lease
Agreements

Mr. Baker discussed a Lease and Note Agreement between Cay Properties, LLC (D&B Products) and Sussex County. Mr. Baker reported that Cay Properties, LLC has entered into a Financing Agreement with First Union Bank which will enable them to purchase a business in Toledo, Ohio. Cay

Amendment (continued) Properties, LLC plans to move this business to the County's Industrial Park. It has been requested that the County amend the Lease and Note Agreement with a Consent and Agreement and a Landlord Subordination and Waiver. These amendments would give the First Union Bank certain rights if there is a default or foreclosure in the business. First Union Bank would have (1) the right to take over the Lease and (2) a higher priority on the County's current unsecured Note, which is repaid with the number of jobs at their business at the Industrial Park.

M 315 99 Authorize Note and Lease Agreement Amendment/ Cay Properties, LLC (D&B Products) A Motion was made by Mr. Dukes, seconded by Mr. Rogers, based on the recommendation of the Economic Development Office and the County Administrator, authorizing the President of the Sussex County Council to execute the Consent and Agreement and Landlord Subordination and Waiver by and among Sussex County Council, Cay Properties, LLC (D&B Products) and First Union Bank.

Motion Adopted: 5 Yea.

Vote by Roll Call: Mr. Phillips, Yea; Mr. Cole, Yea; Mr. Dukes, Yea; Mr. Rogers, Yea; Mr. Jones, Yea

Proposed Procedure for Requesting Road Name Change Mr. Stickels and Mr. Norwood, Supervisor of Mapping and Addressing, discussed a Proposed Procedure for Requesting a Road Name Change. The Proposal requires a signed petition containing 51 percent of the residents' signatures showing their agreement and support of the name change. A non-refundable application fee in the amount of \$175.00 would be charged. Following approval of the road name by public hearing process, an additional fee in the amount of \$100.00 will be charged along with a fee of \$70.00 per sign changed.

Council discussed many issues pertaining to road renaming and the proposed procedure: the necessity of an ordinance, the percentage established (51 percent) to initiate the process, road names that need to be corrected without a charge, correcting discrepancies, establishing an arbitration procedure, map change concerns, costs to upgrade maps, conducting public hearings on an annual basis, placing a moratorium on road name changes, and proceeding with this process as soon as possible for emergency dispatching purposes.

Ms. Margaret Foulke expressed to Council her concerns regarding plans to rename County Road 291 to Bundick Road. Her concerns centered around her opinion that the word "Bundick" has sexual connotations and she does not believe area residents should have to pay the proposed fees to have it changed.

Procedure
(continued)

Council responded that consideration will be given to correct errors and discrepancies without fees being charged. Mr. Norwood will be identifying possible mistakes or questionable road names and presenting them to Council for consideration.

This issue will be placed on the June 29, 1999, agenda for further discussion and action.

Effluent
Pumping
Equipment

Mr. George, District Manager, presented bid results for Sussex County Project No. 98-10, Effluent Pumping Equipment”, as follows:

Envirep, Inc.	\$56,000
Mechanicsburg, PA	

The Engineer’s estimate for this project is \$55,000.

M 316 99
Award
Bid for
Effluent
Pumping
Equipment

A Motion was made by Mr. Cole, seconded by Mr. Rogers, based upon the recommendation of the Sussex County Engineering Department, that Sussex County Project No. 98-10 entitled “Effluent Pumping Equipment” be awarded to the low bidder, Envirep Equipment Corporation, at the bid amount of \$56,000.00

Motion Adopted: 5 Yea.

Vote by Roll Call: Mr. Phillips, Yea; Mr. Cole, Yea;
Mr. Dukes, Yea; Mr. Rogers, Yea;
Mr. Jones, Yea

Emergency
Medical
Services
Garage

Mr. Sapp, Project Engineer, advised Council that Sussex County Project No. 97-08, Emergency Medical Services Garage, has been completed. Mr. Sapp requested Council’s approval of a Balancing Change Order and Substantial Completion.

M 317 99
Approve
Balancing
Change
Order/
EMS
Garage

A Motion was made by Mr. Rogers, seconded by Mr. Dukes, based upon the recommendation of the Sussex County Engineering Department, that the Sussex County Council approves the Balancing Change Order for Sussex County Project No. 97-08, Emergency Medical Services Garage; this will extend the current contract time from 120 to 180 calendar days; the contract amount will remain under budget at \$71,000.

Motion Adopted: 5 Yea.

Vote by Roll Call: Mr. Phillips, Yea; Mr. Cole, Yea;
Mr. Dukes, Yea; Mr. Rogers, Yea;
Mr. Jones, Yea

M 318 99 Grant Substantial Completion/ EMS Garage A Motion was made by Mr. Cole, seconded by Mr. Dukes, based upon the recommendation of the Sussex County Engineering Department that the Sussex County Council grants Substantial Completion to Warfel Construction, Inc. for Sussex County Project No. 97-08, Emergency Medical Services Garage, effective June 11, 1999, and all held retainage shall be released, pending punch-list item performance approval from the Sussex County Engineering Department.

Motion Adopted: 5 Yea.

Vote by Roll Call: Mr. Phillips, Yea; Mr. Cole, Yea;
Mr. Dukes, Yea; Mr. Rogers, Yea;
Mr. Jones, Yea

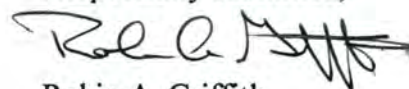
M 319 99 Councilmanic Grant A Motion was made by Mr. Rogers, seconded by Mr. Cole, to give \$600.00 from Mr. Rogers' Councilmanic Account to the City of Lewes for the Mayor to attend the Small Cities Council Conference in Fort Worth, Texas.

Motion Adopted: 5 Yea.

Vote by Roll Call: Mr. Phillips, Yea; Mr. Cole, Yea;
Mr. Dukes, Yea; Mr. Rogers, Yea;
Mr. Jones, Yea

M 320 99 Adjourn A Motion was made by Mr. Dukes, seconded by Mr. Phillips, to adjourn at 12:15 p.m. Motion Adopted by Voice Vote.

Respectfully submitted,



Robin A. Griffith
Clerk of the County Council