

Utility Commission
April 2, 2018

The regularly scheduled meeting of the Delmar Utility Commission was called to order by Vice Mayor Pase. In attendance were Commission Member Dickerson, Council Member Smith, Deputy Mayor Unsell, Town Manager Bynum-King and Clerk of Council Fisher. Absent: Commission Member Dewald. Guests: Doug Marshall and Charles Kistler

Approval of Minutes

Commission Member Dickerson made a motion to approve the March, 2018 minutes as circulated. Council Member Smith seconded the motion which passed with 4 ayes and 1 absent.

Unfinished Business

Update- Pine Street Pump Station- Town Manager Bynum-King reported that a progress meeting was held on March 9th. The original scheduled start-up date for the pumps was set for April 3rd. The contractors are working ahead of schedule, the start-up for the pumps occurred on March 27th.

Update- Grove St. Water Main Upgrade- Town Manager Bynum-King stated that there was nothing new to report.

New Business

Marshall Homes & Land Co. - Impact Fee Reduction Request for Yorkshire Estates and Heron Ponds

Mr. Marshall asked for consideration for a reduction of the impact fees for both Yorkshire Estates and Heron Ponds. Especially for Yorkshire Estates just to get the project completed. Vice Mayor Pase said that this is something that should be discussed at the budget workshop which they are towards the end of the budget process. They do have one more meeting this week. We can bring this request up for discussion but she is not sure what can be done at this late date.

Mr. Marshall said that his request is basically the same as it was last year. He said that taking over a project that was started by others has constant unknowns. The request is for a limited time so he can finish the Yorkshire Estates project. Town Manager Bynum-King said that she would have the Financial Officer prepare some numbers based on the reductions so it can be presented at the budget workshop to assist the Commission Members as they consider the request from Mr. Marshall.

Commission Member Dickerson said that the reduction of the utility rates was discussed about a month ago. Right now, Mr. Marshall is dealing with 2 entities; the Town and the Utility Commission. The Town isn't going to turn over a portion of the taxes paid on these properties to compensate the Utility Commission for those reductions. He feels that the reductions do not encourage people to build homes. He would not be in favor of the reduction request, however he was not the only one voting and would discuss with the other Commission Members at the next budget workshop.

Council Member Smith stated that he thinks of this as a cost of doing business. The cost of the homes have to be based on the cost of doing business. When the costs of lumber and concrete increase, the price of the home goes up as well. We have some developers who are building homes just as hard as they can go and they have not brought any request for the reduction of impact fees before this Commission. The price of the homes need to be increased based on the cost of building the homes.

Mr. Marshall said that he knows that the developers who are building homes in Delmar did not have to spend \$3M for a septic system. He said that he would either have to abandon the development or have to do something else for the project. He said that he wants to finish the project but right now his contract with Ryan Homes does not allow him to do that. He is so far invested in the 2 projects that they have to turbo charge through Heron Ponds. He said that the Public Works Agreement which he has signed was brutal but he knows a deal is a deal. Mr. Marshall said that he thinks a precedent was set when the Utility Commission allowed the developer of Wood Creek to have a reduction in impact fees and he would like to have the same consideration.

Council Member Smith said that maybe when the Financial Officer comes up with some figures, the Utility Commission might have a better picture of how much the total reduction would be. Commission Member Dickerson again suggested a conversation with the Council that when the taxes are paid on these properties a portion can be rolled over to the Utility Commission. He again stated that he is not in favor of lowering the impact fees.

Mr. Marshall informed the Utility Commission that right now he is in default with the contract with Ryan Homes. The cost to construct the rest of the lots will be more than what they will sell them for.

Deputy Mayor Unsell said that Mr. Mehta; the developer of Wood Creek came and asked for a temporary impact fee reduction. After it was granted, not one home was built.

Mr. Marshall asked about attending the Utility Budget Workshop. Town Manager Bynum-King said that while the Workshop is open to the public it is not open for public comment. She assured him that this would be discussed and she would get back with him.

Town Manager's Report

Town Manager Bynum-King reminded everyone that the Utility Budget Workshop is scheduled for this Wednesday. There were no issues with the water and waste water treatment departments this past week. The Superintendent of Waste Water's father passed away and the Public Works Director has been out suffering with migraines. During the time of their absences, the Town had no 5A Wastewater Treatment Operator. Town Manager Bynum-King reached the Town's engineers to have on-call their 5A licensed operator to come to Delmar to assist with the impending bad weather. The only operator the Town had on duty at the waste water treatment plant has a temporary license issued by the State of Maryland. The on-call 5A License Operator from DB&F was able to provide assistance as needed during the Town's License Operators absence. The Town did manage to get through the storm without incident.

Public Comments

Mr. Charles Kistler, who identified himself as being with First Choice Services, Inc., informed the Commission that First Choice Services is a 501C non-profit. He said that he is actually on the agenda to speak at the Delaware Council this evening, but he couldn't miss this opportunity to speak at this meeting. He stated that he is on the Energy Efficiency Advisory Council and he represents low income families. \$4M has been set aside for Delaware. There are 2 different pots of money; one community based and the other is for state wide initiatives. They started "Lights over Dover Strong" which is providing solar lights for low income families. Which in turn will displace criminal activities.

Vice Mayor Pase said that she thought it would be better to have this presentation at the Delaware Council meeting. She said that 2 of the members of the Utility Commission are also members of the Delaware Council.

Adjournment

Upon hearing no other public comments, Council Member Smith made a motion for adjournment which was seconded by Commission Member Dickerson. The motion passed with 4 ayes and 1 absent.

Submitted by:

Cindy Fisher
Clerk of Council