

**Utility Commission**  
**April 4, 2022**  
**MEETING HELD IN-PERSON AND VIA TELECONFERENCE**

The regular scheduled meeting of the Delmar Utility Commission was called to order by Madam Chair Pase. This meeting is available to the public, in person with limited seating and via teleconference. The phone number and access code for accessibility to the meeting for the general public is posted on the meeting agenda. In attendance were Commission Member Dewald, Council Member Smith, Deputy Mayor Unsell, Town Manager Bynum- King and Clerk of Council Vondell Spencer. Guests: Benjamin Jorden, Cory Shaffer, Phillip Moore, Jason Welch, Doug Marshall, and David and Kathy Magner.

Madam Chair Pase took a roll call for attendance to establish a quorum and all were present.

**Approval of Minutes**

A motion was made, seconded (Unsell/Smith) and carried to approve the February 7, 2022 minutes as amended with corrections to page three first paragraph change spelling of county's and page three last paragraph change spelling of makes. Madam Chair Pase took a roll call vote and the motion was pass 4 Ayes.

**Unfinished Business –**

None.

**New Business –**

Mr. Marshall presented a request for an EDU waiver consideration on behalf of, Jason Welch, owner of Oaked 110, a new proposed restaurant /bar looking to come to the Town of Delmar.

Mr. Marshall said he and his business partner, Mr. Welch, have been working feverishly to attract a restaurant to The Country Store known as The Barn location. He mentioned that other municipalities in the surrounding area are not being charged for the EDU's to attract business including Snow Hill, MD where he resides.

Mr. Marshall mentioned they are seeing the population grow faster and the commercial assets have stalled. In Delmar, Maryland we are seeing subdivisions come online with about 500 homes between Kiltel, Stillwater, Pond's Edge, Blair Carey's subdivision, Pheasant Lakes and remaining buildout at Heron Ponds but not enough commercial growth.

Mr. Marshall mentioned Davis, Bowen and Friedel, the Town's engineers, have a calculation of approximately 6 EDU's necessary for the restaurant which is equivalent to a total of \$65,000. The installation cost of extending water and sewer to the property will be about \$120,000. The

numbers are more than anticipated, so they are hoping for some consideration to waive or reduce impact fees.

Mr. Welch described his current experience with the impact of rising food cost and labor at his restaurant/bar in Snow Hill, Maryland. He talked about difficulty of an already established restaurant to actually make a profit. He also mentioned the new restaurant will bring new jobs to the area. Mr. Welch thanked the Commission for allowing him space to speak and he was looking forward to becoming part of the Delmar community.

Commission Member Dewald asked Mr. Welch how long has he been in business with the restaurant Oaked 110? Mr. Welch answered almost 2 years and in the restaurant industry for 26 years. He further added the restaurant, Oaked 110, was started in October right around the time of COVID and it was a very difficult time but extremely successful. Commission Member Dewald commented, she does not see how a restaurant with live music and alcohol is a place where teenagers should even be allowed to go because they can't drink. She further commented, she doesn't think that parents would take their children to a place that serves alcohol. Mr. Welch responded he would invite her to Oaked 110 in Snow Hill, MD. He further responded it isn't a bar per say where people come to get drunk. It is not that kind of place and it's a good atmosphere for people to come and enjoy themselves and listen to music. He added they have a lot of family's come and the atmosphere is geared towards families; parents bring their kids. Commissioner Unsell replied he has been at Oaked 110 and it was a fun restaurant, fun place to be.

Vice Mayor Pase said she had been reviewing the request and she thought waiving the fees for EDU's entirely would set a precedence for the Utility Commission that they would not want to establish on a case-to-case basis or otherwise. She suggested a consensus of 50% reduction of the EDU's up to 6 EDU's. The 50% reduction would be good for a year for the Oaked 110 restaurant proposal. The impact fees could be paid by the end of fiscal year 2023, which is June 30, 2023 in equal monthly or quarterly installments over the course of the fiscal year starting July 1, 2022.

Commissioner Unsell mentioned Doug Marshall makes a good point that we have lots of residential growth here and almost no commercial growth. To see a restaurant come to Delmar like this is a very important step.

Commission Member Dewald commented she thought the Commission was setting a very poor precedence and it's the cost of doing business. Vice Mayor Pase said she thought the Commission was trying to make an honest attempt to bring this restaurant to Delmar. Council Member Smith commented he thought the 50% would be fair to try to move forward.

Doug Marshall added that the suggestion was a tremendous act of good faith but in Salisbury they waive it. Commission Member Dewald informed the Commission that the City of Salisbury does not waive the impact fees, she checked with them prior to attending the meeting. Mr. Marshall gave names of the businesses that the fees for EDU's have been waived. Commission Member Dewald reiterated the information she received from the City of Salisbury this afternoon, that the impact fees were not waived. Vice Mayor Pase informed Mr. Marshall that

Delmar is not Salisbury and Delmar does not have the size or revenue. Mr. Marshall stated, he felt what Vice Mayor Pase countered was more than fair and he appreciated the consideration. Mr. Marshall also asked if the Commission would consider paying over a twenty-four month or twelve-month period from the issuance of the building permit because the building permit will take three to four months to be ready. Vice Mayor Pase said from the issuance of the building permit could be considered.

Commission Member Dewald pointed out that the letter Mr. Marshall issued had an incorrect year, it is dated 2023. Mr. Marshall apologized.

Vice Mayor Pase called for a motion for 50% reduction in EDU's up to a total of 6 EDU's. The reduction offer is good for one year from issuance of the building permit to the Oaked 110 restaurant proposal. Impact fees could be paid by the end of fiscal year 2023 which is, June 30, 2023, in equal monthly or quarterly installments over the course of the fiscal year starting July 1, 2022. A motion was made/seconded (Unsell/Smith) and carried by roll call vote 3 Ayes 1 Nay (Dewald).

### **Town Manager Report –**

Town Mgr. Bynum-King reported the National Rural Water Association is currently working on a production of an educational video. The Superintendent, Water Treatment Operator, Sophia Oberton was invited to participate in the production of the educational video. Ms. Oberton will be flying to Florida overnight for the filming and returning after the production. The NRWA said Ms. Oberton spoke well when she testified before the US Senate. Vice Mayor Pase commented Ms. Oberton is doing a great job.

### **Council Comments**

Madam Chair Pase, Commissioner Unsell, and Council Member Smith had no comments.

Commission Member Dewald said to congratulate Ms. Oberton.

### **Adjournment**

A motion was made, second (Dewald/Smith) and carried to adjourn. By roll call, the motion passed with 4 Ayes.

Clerk of Council

Vondell Spencer