

*Minutes*

**DAGSBORO TOWN COUNCIL**

**Bethel Center – 28307 Clayton Street**

**Monday, September 17, 2018**

I. CALL MEETING TO ORDER

6:01 p.m.

Meeting was called to order by Mayor Baull at 6:00 p.m.

In attendance were: Mayor Brian Baull, Vice-Mayor Theresa Ulrich, Councilman William Chandler, Councilman Patrick Miller, Councilman Norwood Truitt, Police Chief Floyd Toomey and Town Administrator Cynthia Brought. See attached sign in sheet for other members of the audience.

II. MOMENT OF SILENCE IN MEMORY OF SCOTT CRATER

Mayor Baull held a moment of silence in memory of Scott Crater. He served on the Planning and Zoning Commission and passed away on July 16, 2018.

III. PUBLIC COMMENT

No public comment was made.

IV. APPROVAL OF MINUTES

- A. July 16, 2018 – Town Council Meeting
- B. August 29, 2018 – Special Meeting

Councilman Chandler made a motion to approve the meeting minutes for July 16, 2018 and August 29, 2018. Vice-Mayor Ulrich seconded the motion. All in favor.

V. CONSENT AGENDA

- A. Police Department Report

Chief Toomey pointed out that his reports for July and August showed they were dynamic months. He also informed Council that Del-Dot approved the speed reduction on Route 113. The town has received signed documents stating the speed will be reduced. It is moving forward with the Del-Dot sign shop making and installing the new speed limit signs. Chief Toomey and the department will be implementing a thirty day warning period to allow drivers to acclimate once the signs are in place.

National Night Out in August was a great success. Just a couple of days before the meeting there was the National Thank a Police Officer Day. Both events were spearheaded by community members, but the police department took a proactive step and recognized the citizens with certificates of appreciation.

Chief Toomey also brought up the cost of the blood tests for drivers under the influence. This topic has been discussed before. Right now, the town pays between \$69 and \$79 per visit to the local hospital. The department approached another company initially and the company came back and offered the department a phlebotomy service agreement. The company is available to the department 24 hours a day, seven days a week. They charge \$100 per visit and state in the agreement that they will be on location within the hour when service is needed and then bill the department monthly.

This came about because one of the officers made a DUI traffic stop and she had a young child with her and her boyfriend who was wanted. They were able to do a video phone arraignment for the wanted individual, but still needed to wait for someone to pick up the child. It would have taken five to six hours to complete everything with this traffic stop. The officer contacted the State Police to see how they would handle a situation like this without enough manpower and they informed the officer that they contract with The Lab at Seascap. He contacted them and they came within an hour and drew the blood on the individual. What would have been at least a four to five hour operation, depending on how busy the hospital was, became a three hour operation. It saved time, resources, and wear and tear on a vehicle. Chief Toomey believes this would be a positive way to go, unless they have a violent offender. He asked Town Council if he has their permission to enter into this service agreement with The Lab at Seascap. It would be \$100 each time the department uses them and they would have someone present within the hour, plus it would save man hours, wear and tear on the vehicles, fuel costs, etc.

Councilman Truitt asked how many times they had to do blood draws last year. Chief Toomey stated last year they had a full year and estimated about 15 times. This year it has been about five or six so far. Chief Toomey stated if this lab saves them one hour each time, it more than pays for itself. Vice-Mayor Ulrich asked where they normally go. Chief Toomey replied they usually go to Beebe Medical Center because the hospitals are the only 24 hour facilities. This lab service is also 24 hours; the officer had contacted them at 10:00 p.m. and she was there within the hour. Councilman Chandler asked if any other jurisdictions use this service. Chief Toomey replied that the State Police use it.

Councilman Chandler made a motion to approve Chief Toomey to enter into a service agreement with The Lab at Seascap. Councilman Truitt seconded the motion. All in favor.

Councilman Chandler asked Chief Toomey to do some research on the costs and pros and cons of having a camera at the traffic light at Main Street and Clayton Street. He was a pedestrian trying to cross and a truck went through the red light and barely missed him. He didn't need a response right away, but asked Chief Toomey to think about it for the next meeting. Councilman Miller stated his wife has that problem every time she walks to the bank and Town Administrator Brought stated it is a problem for the office staff also. Chief Toomey stated the officers do sometimes just sit in the parking lot and pull people over for running the red light.

- B. Treasurer's Report
- C. Administrative Report
- D. Economic Development Committee
- E. Building Official Report
- F. Code Enforcement Report
- G. Meeting Reports
- H. Water Department Report
- I. Prince George's Chapel Cemetery Report

## J. Correspondence

Motion to approve the consent agenda was made by Councilman Chandler and seconded by Vice-Mayor Ulrich. All in favor.

## VI. PLANNING & ZONING COMMITTEE

- A. Recommendation on Combination of Lots on King George III Street – 2-33-11.00-432.00 & 433.00
- B. Recommendation on Change of Use – Delmarva Billiards – Clayton Crossing

Cathy Flowers, Co-Chairperson of the Planning & Zoning Committee, was present. She informed Council that the Planning and Zoning Committee recommended the approval of the combination of lots and the Change of Use for Delmarva Billiards.

## VII. NEW BUSINESS

- A. Presentation by Artesian

John Thaeber, Vice-President of Operations for Artesian introduced himself, Rob Penman, Director of Operations, and Ken Branner, Director of Community Outreach, to the Council. Mr. Thaeber stated Artesian has been doing the town's contract operations for many years and feels that over the years, they have developed a good rapport with the town. They take their business very seriously and try to be very responsive. Artesian operates a system near Roxana that feeds out towards Selbyville, Fenwick Island, and South Bethany. They are exploring and looking to find another source of supply, including looking at sites in Dagsboro. They feel the geographic location and water quality in this area is a good fit and they wanted to meet with the town to be transparent. They are looking at a couple of properties on the southern part of Route 20 as it comes into town and they want to make sure they are doing things according to how the town would want them done. They want to make it fit architecturally with what the town would like and meet setbacks and other requirements. They will not be building any kind of storage tank – it would look like a farm house or a residential house or a barn. Mr. Thaeber had some renderings of possibilities for the Town Council to see and opened the discussion up for any questions from Council.

Mr. Gulbranson asked for clarification that they are just doing a well and treatment plant and there would be no storage on site. Mr. Thaeber confirmed. Mr. Gulbranson asked if they have any idea how much water they would be pumping out of that facility. Mr. Thaeber stated they do not know at this point, but they would like to find a source that would supply a half a million to a million gallons a day; when they test, they will see what it is. Once they test it, they will come back and inform Council the quality of the water because that will determine the treatment.

Councilman Truitt asked if the pumping and the treatment would all be done in the building at the site. Mr. Thaeber responded that they would probably have a couple of wells, one might be in the building or they could be outside and freestanding in a small structure. The building itself would house all of the electrical components and any water treatment; it would then tie into the distribution system externally to the building.

Councilman Chandler asked what distribution system they would be tying into. Mr. Thaeber replied they will be back later to talk to Council about that. They can tie their own line out, but they can also tie into

Dagsboro and feed the town, if they would like to discuss that at some point. Artesian would have an interest in doing that once they figure out the costs. It's a possibility they would work with the town to use a portion of the distribution system to tie into Artesian's or they can run a separate line. They want to work with the town to determine what is the most beneficial to Dagsboro. Artesian does believe that sourcing the town would give it better quality than the town sometimes gets today. They know there have been problems with chlorine residuals and this would help in that matter. But they are not making any presumption that they will supply the town – that would be up for further discussion.

Councilman Chandler asked if they have any specific end-use customers to use this facility for. Mr. Thaeber replied it would be their customers, possibly the town, but they will be tying into their distribution so they have end-use customers. Councilman Chandler asked where their nearest customer is. Mr. Thaeber replied that as of today, they are about four miles away. Mr. Gulbranson asked if that is all southeast of Dagsboro. Mr. Thaeber confirmed and stated that the service territory where they are working with the County to grow is within a mile.

Councilman Chandler stated that he assumes in order to do this, there would be all kinds of licenses needed from the state. Mr. Thaeber stated that is absolutely true – the primary water quality licenses, the amount of allocation they can have, etc. would all be determined at the state level. At the town level, they just want to make sure they meet the setbacks and building structure that fits into the community.

Councilman Chandler asked if the pumping structure is in a barn or house like building, if that means people living near it or driving by it, wouldn't really notice that – there are no externalities. Mr. Thaeber agreed – they would think it is either a farming structure or a residential structure because they will buy a large piece of property so the physical building will be hundreds of feet from anybody. Mr. Gulbranson stated that there will also be chemical storage and things of that nature in the facility. Mr. Thaeber agreed. Most likely it would not be any chemicals that would cause any concern for health issues, but probably fluoride, the state requires that, and it would be in its own room. The facility would also be monitored 24/7 – they would have operators there every day, but it would be monitored at all times. Councilman Chandler asked for a rough number of employees at this facility. Mr. Thaeber stated it would probably be one person at the plant. During maintenance times, he could be there all day, but most of the time it would just be as needed. They have security on all of their buildings that will reach out to their security company and the Artesian dispatch.

Vice-Mayor Ulrich asked what they would do about any type of waste. She is concerned about the iron and needing salt treatments. Mr. Thaeber replied that they are looking at a site where they believe the iron will be relatively low, but that if they have to treat for iron, it is all self-contained in the facility and they could work an agreement out with the county to send the iron residual to them or clean out the basin every six months or so and dispose of it however DNREC tells them to. He stated none of it will end up on the ground – it will go in a holding tank to be disposed of properly, if they even have to treat for iron. Most of their iron ends up in Maryland because it is a good supplement for certain crops.

Mr. Gulbranson asked if they have done the research to know what aquifer they will tap and how deep they will need to go. Mr. Thaeber stated a possible aquifer, but he'll know more when they test it. Mr. Gulbranson stated one of his concerns about a high production well in town is that he doesn't know the town's future is as far as water production – he knows it's been discussed over the years that maybe one day Dagsboro could sink their own well and be a water provider instead of the contract currently

held with Millsboro. He informed Council that his concern is that if there is another high production well in town, it could preclude the town from doing their own well. Mr. Thaeder isn't sure that they would really affect the town that much, but the testing will give them better information.

Mr. Gulbranson informed them that they would just need to go through the normal site plan process for their building. Mr. Thaeder replied that they will bring in test results.

#### B. Speed Restriction Approved US 113

Chief Toomey discussed this with his report. Town Administrator Brought informed Council that the signs have been ordered. The town will be billed once the signs are installed. Two Farms is paying the bill.

Vice-Mayor Ulrich asked if there will be any flags that say to reduce speed ahead. Town Administrator Brought replied there will be signs. Chief Toomey replied there will be signs – eight signs total. Town Administrator Brought responded that is all required by Del-Dot. Mr. Gulbranson stated there are actually twelve signs altogether. Chief Toomey responded that there are, but four they can re-use so only eight needed to be ordered. Town Administrator Brought stated the woman ordering the signs has been down to look at everything and some of the existing signs weren't the right size. Chief Toomey replied that all of the new ones will be the size they are supposed to be.

#### C. Coastal Gardeners of Sussex County Presentation

Sally Scarangella introduced herself to the Council. She is the president of the newly-formed gardening group called Coastal Gardeners. There are about twenty-four members in the group that was established last October. Many of the members met volunteering at the new botanic garden. They are trying to find some projects where they would volunteer to beautify or to enhance public areas. Recently, they worked at the Inland Bays office where they weeded and cleaned it up, added some plants, and maintained it and watered it throughout the summer.

They do this work because they want to and are at the meeting to inquire into any projects in the town that need cleaned up. They would work with whoever is responsible. Another member, Joelle Ward, was present. She stated they all have a love for the historic towns in Delaware and would like to preserve them. They hope to have projects throughout the county. The members have different schedules, allowing them to do many projects because some can work on the weekends and some during the week. They could do whatever the town would like them to do. They can also do civic projects such as cleaning a monument that needs cleaned up or planting or taking a vacant lot and making a community garden. They would work in conjunction with the town and what the needs are. They have started some fundraising and have fundraisers coming up so they could talk about that as well. If they did Town Hall, they could do seasonal plantings.

They wanted to see if the town was interested and then they'll look at their budget and vote on the projects they are going to take on. Mr. Gulbranson responded that there would be several projects they could work on. Mayor Baull suggested they brainstorm with Town Administrator Brought and she could guide them in some things that need done. Mrs. Ward had one idea for the police station and town hall – something like adding some nice urns and seasonal plants. She feels the buildings look nice; this would just be an offering to enhance them. Mr. Gulbranson shared that the town did a development plan last

year for the downtown area and one of the goals was to increase planting and increase the esthetic qualities of downtown and be the gateway to the botanical gardens.

D. Discussion/Appointment of Audrey Miller to Planning & Zoning Commission (replacing position held by Scott Crater through 12/2019)

Audrey Miller applied for the position. There has not been any other interest. Councilman Chandler made a motion to appointment Audrey Miller to the Planning and Zoning Commission. Vice-Mayor Ulrich seconded the motion. All in favor.

E. Discussion and Possible Vote on the recommendation from P & Z regarding the combination of lots on King George III Street 2-33-11.00-432.00 & 433.00

Mr. Gulbranson explained that there are two adjacent lots that have been under the same ownership for approximately twenty years. That community was subdivided under Sussex County before it was annexed into Dagsboro. The homeowner that bought both of the lots built their home right in the center of the two lots – the parcel line cuts the home in half. They are now selling the property and want to clean things up with the new owners and mortgage company so they want to have the lots combined.

Councilman Chandler made a motion to combine the two lots listed above. Vice-Mayor Ulrich seconded the motion. All in favor.

F. Discussion and Possible Vote on the recommendation from P & Z regarding the change of use application for Delmarva Billiards at Clayton Crossing

Leo Weigand was present. He currently owns Georgetown Billiards and Milford Billiards. He knows many people imagine a dark, smoky place that causes trouble when they hear “billiards.” He has owned Georgetown Billiards for six and a half years and the police have not had one call to that location. There were numerous police calls before Mr. Weigand took it over. Milford Billiards was previously called Longshots. They had seventy-three police calls in one year, including shots fired in the parking lot three different times. Since Mr. Weigand took that location over two years ago, there has not been one call for a police response.

Mr. Weigand was in the military for twenty years and a paramedic for fifteen years. Mr. Weigand was open to Chief Toomey doing an investigation. Chief Toomey stated that he spoke to the chief in Georgetown and the chief in Milford. The chief in Georgetown stated that he did not remember having a single complaint to the location in Georgetown within the six years that Mr. Weigand has been there. Chief Hudson in Milford told Chief Toomey that the place was a nightmare before; it changed overnight when Mr. Weigand took over. To Chief Hudson’s knowledge, there had been no complaints there since Mr. Weigand moved in. Chief Toomey stated that after speaking with those two individuals, it seems that Mr. Weigand runs a controlled operation. Mr. Weigand shared some of his rules. He gets a phone number for the officers so that if a problem does arise, he will call the officer to come so the situation can be stopped before it gets out of control. He stated that everyone knows his rules when they come in and if they get banned from his location, they are banned for life. They do not get another chance.

As far as the liquor board, Mr. Weigand shared that they have had no incidences with liquor control. They check to make sure the businesses are not selling alcohol to people under 21 years old and they check records to see how much alcohol is bought and how much is sold.

Mr. Weigand also thinks they could supply some job openings for the Town of Dagsboro. He noted there are many larger towns that are within twenty miles: Seaford, Delmar, West Ocean City, Bethany, etc. His intentions are to put in eight to twelve 7-foot pool tables, two or three 9-foot tables, a ping pong table, two dart boards and maybe a corn hole board. They would be serving food, but he isn't sure of the hours yet. He is considering opening at 11:00 a.m. for lunch, but it may not be feasible. They presently have leagues Monday through Thursday. Georgetown Billiards won the Delaware State Championship, went to the nationals in Las Vegas and placed 35<sup>th</sup> out of 600 teams. Mr. Weigand stated the pool tables are the biggest draw, but when people come to play pool, they want to have a beer or a soda. This is why he intends to serve some bar food.

Mr. Gulbranson stated that they are moving the Georgetown facility to Dagsboro. Mr. Weigand stated they are closing the Georgetown location. Councilman Chandler asked why it is closing. Mr. Weigand replied that the parking lot near them is going to become the new family court building; this would cause him to have no parking for his patrons.

He addressed the smoking area since it was questioned at the Planning and Zoning meeting. He uses concrete and sand for the bin and they clean the cigarettes out every day. He, his bartender, and his wife will park along Route 113, but everyone else will park in the back. It was asked how many parking spaces there are. Mr. Cummings, the property owner at Clayton Crossing, stated that 84 spaces were added when the Ryan Homes building went in making it so there are at least two hundred parking spaces.

Mr. Weigand stated that every month they have one large event and every three months there is a larger event. They just had one in Milford and between Saturday and Sunday and they probably had between 450 and 600 people coming through. Mr. Gulbranson stated that would only occur on a weekend. Mr. Weigand replied that it is also only quarterly. They do have tournaments on weekends, but that ranges from fifteen to thirty individuals. Mr. Gulbranson replied that typically when Mr. Weigand is operating, the other businesses in that area will be closed. Mr. Weigand confirmed that most of them will be gone when he is open, unless there is a need for lunch.

Councilman Chandler expressed concern that there is a daycare in the same area. Mr. Cummings replied that there is a daycare in building number one, the building closest to Royal Farms and Mr. Weigand will be in the space that is the furthest south in the second building so it will be a couple hundred feet away. Mr. Weigand stated that he did talk to the liquor board about the daycare and asked if it would be a problem and they told him it would not be.

Vice-Mayor Ulrich asked if the daycare has been asked about this. Mr. Cummings stated that he has not asked her because he hasn't seen her much due to health issues. She might even be selling the business. Mr. Cummings did inform Mr. Weigand that he does want to make sure nothing disrupts his current tenants. Mr. Cummings stated he is impressed with Mr. Weigand's character and that he seems to want to do the right thing and work with everybody. Mr. Weigand shared that the cosmetology school next door expressed concern. Chief Toomey stated that they had contacted him and he addressed their concerns. He has not heard from anybody at the daycare. Councilman Chandler stated that he spoke with Mayor West of Georgetown and he spoke highly of Mr. Weigand. Councilman Chandler also stated that he has confidence in Mr. Cummings because he has been a reliable and reputable landlord of Clayton Crossing and does not believe he would want to put any business out there that would bring the area down. Mr. Weigand stated he called Mr. Cummings when he heard the concerns from the

cosmetology school and stated that if there was an issue with any of the tenants, he won't use the space because he does not like making waves.

Mr. Gulbranson pointed out that in the highway commercial district, the billiards, the bar, and the restaurant, are all permitted uses. Councilman Chandler made a motion to approve the Change of Use for Delmarva Billiards at Clayton Crossing. Councilman Truitt seconded the motion. All in favor.

## VIII. OLD BUSINESS

### A. Water Study Discussion – Meeting held on August 29, 2018

Jean Holloway was present and stated she could go over anything again. She did send the rates that were requested – a scenario for \$4.25 per 1,000 gallons – and she took it upon herself to do a scenario at \$4.15 per 1,000 gallons.

Mayor Baull asked Mrs. Holloway to give a brief summary of what she did and why to those that were present. Mrs. Holloway informed attendees that she works for SERCAP – Southeast Rural Community Assistance Project. It offers free, technical assistance to communities like Dagsboro. She was asked to help with the water rate study through a referral from Delaware Rural Water Association.

Mrs. Holloway uses the AWWA recommendations and she stated the American Water Works Association's recommendations are the gold standard for calculations. She explained that the current water rate for the town is \$40.00 for up to 3,000 gallons of water and anything over those 3,000 gallons are charged at \$4.00 per 1,000 gallons. Her recommendation is to eliminate the 3,000 gallon allowance and start at zero gallons, but to lower the \$40.00 charge. She presented them with different options and has brought some more calculations. Her recommendation is that the town charges \$35.00 and increase the water rate slightly to \$4.10 or whatever they choose. The reasoning behind this is that the fixed costs, like debt service and reserves, should be recovered from a fixed charge, in this case, the \$35.00. Eliminating the gallon allowance allows for an equal footing – customers are paying for what they use, not what somebody else is using. Currently, a customer that uses less than 3,000 gallons is paying for somebody else that uses more.

Mrs. Holloway pointed out that she did put in a reserve for repair and replacement because if the town puts in a piece of equipment today, it will start to wear out and what is causing it to wear out is all of the people using the system. Without putting aside money for repair and replacement, it will be the people that haven't even connected to the system that are paying for the equipment.

Mayor Baull explained that the water rate hasn't been increased in at least eight years. Mrs. Holloway stated that she had done another water study in 2010 for the town and recommended back at that time that the rate go to \$4.00 and it did not.

Councilman Chandler asked Mrs. Holloway if the \$25.00 charge would cover the capital recapture. Mrs. Holloway stated the minimum should be \$27.58, according to her figures. Councilman Chandler clarified that making the amount \$35.00 is to cover the reserves needed. Mrs. Holloway confirmed that is correct. Councilman Chandler asked what Millsboro is charging the town. Town Administrator Brought stated it is \$3.50. Mrs. Holloway stated that people ask why the town would have to charge more than Millsboro, but it is because the town has to maintain the distribution system and is responsible for the distribution system wearing out. Councilman Chandler asked Mrs. Holloway to explain the rationale



behind lowering the recapture rate. Mrs. Holloway likes to call it a customer charge – it is like a membership fee that everybody should pay that is using the water to be a part of the system. That partly covers the debt service, which is what it cost to put the system in, as well as the reserves for the eventual wearing out of the system.

If Mrs. Holloway just puts the numbers in, the town is actually over-recovering the fixed costs at \$40.00, which is why she suggests lowering them. However, the variable charges are being slightly under-recovered. Mrs. Holloway uses the analogy of a pie. If one looks at the cost of operating the system as a pie, the pie can be sliced different ways, but it doesn't get any smaller. Changing the fixed rate and the variable charges is just reslicing the pie to make it as equitable as possible. This protects the low-end users as much as possible because they would then be paying for what they use; they aren't subsidizing someone else's usage. Councilman Chandler asked if they adopt the \$35.00 fixed charge, what would be the most optimal, most fair, most reasonable, and most equitable water rate she would use. Mrs. Holloway replied that she can't reply to those adjectives, but the minimum charge would be \$4.10, according to her figures. That would give the town a slight surplus of around \$1,000.00. Mrs. Holloway likes to see a slight surplus because no two years are the same. If there is a drought and there are water restrictions, the revenue will go down.

Councilman Chandler asked Mrs. Holloway how she would explain the impact to water users if they went with the minimum rate: \$35.00 plus \$4.10 per 1,000 gallons. Mrs. Holloway mentioned that 56% of the customer base use 3,000 gallons or less. With that rate, the 3,000 gallons or less users are getting the biggest break. The average usage is 5,000 gallons and 81% of the customer base uses 5,000 gallons or less so the vast majority of customers are at or below the average usage. The rates are the most equitable that she knows how to make them. The larger end users will be paying more, but the lower end users will be saving money or have the least increase and that is the vast majority of users in town.

Councilman Chandler asked what the rationale was in changing the rates. Mrs. Holloway stated that is up to the council. She stated they could keep the rates as they are, but her understanding was that a reserve was needed. They could keep the rates as they are but eliminate the 3,000 gallon allowance and that would give a surplus of about \$4,000.00. The EPA and all of the agencies that regulate water recommend a full-cost recovery. That full cost is for preparing for the wearing out of the system. Town Administrator Brought stated that the town also has a deficit every year in the water department. Mrs. Holloway stated the council can choose to do nothing – it is their prerogative, but she does not recommend it.

Mrs. Holloway gave an example for the public. She stated if they use between one and two thousand gallons a month, their bill would possibly go down about seventy-five cents, depending on which scenario was chosen and that would be about ten or twelve dollars a year. For those that use between two thousand and three thousand gallons, the bill would go up a little, but only about \$3.50.

Councilman Miller asked how it would help the town to go with \$4.15 instead of the \$4.10. Mrs. Holloway stated it isn't much different – it would give the town a surplus of about \$4,400. Councilman Miller stated the residents that would be upset about the increase, won't notice the difference between \$4.10 and \$4.15. Councilman Truitt likes the third scenario.

Mrs. Holloway stated the question came up about the \$27.58 fixed charge, but the usage rate would have to go up to \$6.20 if they used that. The trend is to have a higher fixed charge because customers can reduce their usage. At the present rate, the town has about an \$18,000 deficit.

Councilman Chandler asked Mayor Baull permission to poll the audience. He asked those present at the meeting that live in Dagsboro to raise their hand if they think the town should do nothing after what they have just heard. He then asked if they feel they should do something, if the proposal to eliminate the 3,000 gallons, lower the user charge to \$35.00, and increase the usage rate to \$4.15 for every 1,000 gallons used would be favorable. One resident stated it would only be about \$10 a month difference for him and that isn't that bad.

Mrs. Holloway stated the average around the State of Delaware is about \$5.00 to \$5.50. Councilman Truitt stated that even though the rates wouldn't change much, it makes almost a \$20,000 difference in the revenue. Mrs. Holloway issued a caveat – these numbers will only be accurate if the users all use the same amount of water as they did in the test year. The surplus will change if they use a lot more or a lot less.

One resident asked Mrs. Holloway if this will have a significant impact on businesses. Mrs. Holloway stated she thinks the water rate is already pretty fair to businesses compared to other towns. Mr. Gulbranson also replied that the town is in a good position in terms of water rates for businesses. Another resident asked if there were 50 more users added to the customer number, if that would impact the rates. Mrs. Holloway responded that it probably would slightly lower the customer charge, but probably not more than a nickel.

Councilman Chandler made a motion to set a public hearing for next month's meeting for the water rates. Councilman Truitt seconded the motion. All in favor.

The date of the next meeting was discussed and it was determined that the fourth Monday would be better for that month. October's meeting was changed to October 22, 2018 instead of October 15, 2018.

#### IX. PUBLIC COMMENT

Jim Thompson from The Woodlands was present. He had been at Mrs. Holloway's presentation in August and has his own presentation. He feels the rates should be \$8.60 per 1,000 gallons. He considered what is paid to Millsboro and the loan. This would give the town a \$30,000 surplus.

#### X. ADJOURNMENT

A motion to adjourn the meeting was made by Councilman Chandler and seconded by Vice-Mayor Ulrich. All in favor. Meeting was adjourned at 7:25 p.m.

Respectfully submitted by;  
Megan Thorp, Town Clerk