

**TOWN OF SOUTH BETHANY
TOWN COUNCIL REGULAR MEETING MINUTES
APRIL 13, 2012**

ATTENDANCE

PRESENT: Mayor Jay Headman; Councilpersons John Fields, Pat Voveris, Al Rae, Sue Callaway, George Junkin, and Jim Gross; Town Manager Melvin Cusick; Ptlm. Patrick Wiley; and Administrative Assistant Pam Smith

MEETING CALLED TO ORDER

Mayor Headman called the April 13, 2012, Town Council Regular Meeting to order at 7:05 p.m., followed by the Pledge of Allegiance to the Flag. Mayor Headman announced that the order of the agenda items would be changed. These minutes reflect the order in which the agenda items were discussed.

Police Department Report/Questions—Ptlm. Patrick Wiley reported for the month of March, 2012:

- March 2 Public assist regarding a reported water leak. Contacted Artesian to follow up. Artesian was flushing the system.
- March 3 Agency assist with a fallen cyclist on Rt. 1 next to McDonald's. Officer called an ambulance and it was discovered that the individual who had fallen had an issue of mental illness. He was found to be okay and he was transported to his residence safely.
- March 6 Officer assisted Bethany Beach with a vehicle search as a result of a traffic stop.
- March 6 Residential alarm on Black Gum Dr. which was inadvertently set off by a contractor.
- March 8 Residential alarm on Petherton Dr. Everything was secure. No sign of criminal mischief.
- March 9 Agency assist with Delaware State Police Troop 4 with a vehicle that had left the roadway and was in the marsh grass near Bay View Park. No injuries.
- March 9 Followed up on a suspicious vehicle that was parked in front of a Sandcastle rental house on Logan St. Officer noticed that the front door was not secure and then went inside. There was no sign of burglary or criminal mischief. The realtor was contacted and advised to change the locks at the house.
- March 11 Assisted Delaware State Police with a mental patient who was transported to Beebe Medical Center for evaluation.
- March 12 Resident reported an open door on W. 1st St. Officer responded. No signs of criminal mischief. Residence was secured.
- March 14 Property check on Kimberly Rd. It was discovered that an air conditioning unit had fallen out of a window. There was also a sliding door that was not secure. The homeowner was contacted.
- March 14 On a traffic stop, officer found the driver to be wanted out of Newark Police Department for several capiases or bench warrants. The officer attempted to make contact with the Court of Newark. The officer was unable to contact the Court of Newark. The individual was released with traffic citations.
- March 14 Alarm activation on Bayshore Dr. The residence was found to be secure. No signs of criminal mischief.

- March 16 Alarm on Petherton Dr. No signs of criminal mischief.
- March 17 Agency assist with an assault. The suspect was too intoxicated to drive. He was transported to the Holiday Inn as the victim did not want to prosecute.
- March 19 Agency assist with a mental patient. He was transported to Beebe Medical Center. The officer stood by until the vehicle could be towed.
- March 23 Agency assist with Bethany Beach Police Department. One of South Bethany's officers intercepted a vehicle that was traveling the wrong way on Rt. 1.
- March 23 Agency assist with Bethany Beach Police Department with a DUI stop on Rt. 1.
- March 24 Medical assistance call with a dispatch of an ambulance for chess pains on Anchorage Dr.
- March 28 Agency assist with Bethany Beach Police Department for a traffic stop where the driver was wanted.
- March 28 Assisted Bethany Beach Police Department with an alarm activation at Capriotti's.

PtIm. Wiley announced that on Saturday, April 28, from 10 a.m. to 2 p.m. the South Bethany Police Department, in cooperation with the Drug Enforcement Agency, will be participating in the National Drug Take-Back Day. Anyone wishing to dispose of unsecured, unwanted, or expired medications is encouraged to drop the medications off at the Police Department. This program is anonymous and free of charge. The medications will be picked up by the DEA and destroyed. No syringes or aerosol containers will be accepted. Direct questions to Cpl. Burton at the Police Department (539-3996).

The Police Department will be posting information about the more important criminal incidents in town on the Police Department page of the Town's website.

Mr. Matera stated that he sees a lot of people rolling through the stop signs on Russell Road and Tamarack Drive. PtIm. Wiley said he would pass that on to everyone at the Police Department and have them increase their patrols in those areas. Mayor Headman stated that one of the Police Departments goals this year as a result of the town survey is to make adjustments to increase enforcement on the side streets.

Mayor Headman stated that PtIm. Wiley is the Police Department's Public Information Officer. His phone number and email are on the Police Department page of the Town's website. If you have any questions, feel free to contact him.

PROPERTY OWNERS' PARTICIPATION

- Bob Cestone (140 New Castle Dr.) – Inquired if anything had been set up for the harvesting of the algae in the canals. Councilman Junkin stated that he has been communicating with Ariane Nichols of DNREC. The harvester is under repair. Ms. Nichols thinks the harvester will be in South Bethany next week. Councilman Junkin stated that the algae bloom is the worst that he has ever seen.
- Mike Matera (311 W. 9th St.) – Referring to an article he read in the paper, Mr. Matera asked if the Town is going to put all new street signs up. Mayor Headman replied no but that new signage for Ocean Drive and Seaside Drive is included in the FY 2013 proposed budget. Mr. Matera asked if this was not a waste of money because the Town has signs there already. Councilwoman Callaway stated that they do not think it is a waste of money and explained that it is part of the Ocean Drive improvement plan proposed by the East Side Working Group, a subcommittee of the Community Enhancement Committee. The plan also includes new trash bins and planters.

- Barbara Jayne (1 S. 7th St.) – Asked if there was a reason for going from three trash pickups a week in the summer time to two. Mayor Headman stated that Council spent a lot of time on the subject and the rationale is the following: 1) Costs to the town; 2) With the implementation of recycling and the number of people recycling, there is a possibility that the amount of trash will be reduced. Mayor Headman said there are pros and cons to both sides. Ms. Jayne stated that summer residents party all week, and from Monday to Friday there is no trash pickup and the town will be overburdened with trash. Ms. Jayne stated that if there is trash all over the road the town will look terrible. She believes it is a poor decision for a small amount of money. She believes it will not work and the town is going to lose visitors. Ms. Jayne stated that about 70% of the Town's revenue comes from the ocean side.
- Lloyd Hughes (152 Layton Dr.) – Asked the Town Manager if he knew anything about the sewer work on Layton Drive. The Town Manager stated that they are relining the sewer line and they advised the Town that they would be working on Layton Drive. Mr. Hughes inquired if they got a permit. The Town Manager stated that they do not have to have a permit from the Town. After discussion, Mayor Headman stated that the Town will follow up.
- Tom Roche (141 Henlopen Dr.) – Stated that the Trash, Recycling, Yard Waste, & Bulk Trash Collection Calendar is a tremendous tool for property owners. Mr. Roche believes it would be a great benefit to the town to have at least one pickup a year for electronic and hazardous waste materials. Mayor Headman stated that it is a good suggestion and he thinks Council needs to look at it. After discussion it was determined that electronic goods for recycling could be taken to the Delaware Solid Waste Authority's Omar Collection Station, 33086 Burton Farm Road, Frankford DE 19945. Mayor Headman stated that Council will do a News Update regarding this, and the Town will follow up on the idea of having a community collection as Mr. Roche suggested.

ADOPTION OF MINUTES

- **Town Council Regular Meeting Minutes, March 9, 2012** – A motion was made by Councilman Gross, seconded by Councilman Fields, to accept the March 9, 2012, Town Council Regular Meeting Minutes as amended as follows:

Page 4, Second Paragraph: Change "The Town's goal is to come in as well as possible for the FY 12 budget" to read "The Town's goal is to come in as close to budget as possible for the Fiscal Year 2012."

Page 8, Budget and Finance Committee, Second Paragraph: Change "The committee discussed a new construction fee and debt repair fee" to read "The committee discussed a new construction fee and deck repair fee."

The motion was unanimously carried.

- **Town Council Budget Workshop Meeting Minutes, March 22, 2012** – A motion was made by Councilwoman Voveris, seconded by Councilman Gross, to accept the March 22, 2012, Town Council Workshop Meeting Minutes as amended as follows:

Page 5, Last Sentence: Change "Councilwoman Callaway stated that after reading Title 30, Chapter 51 of the Delaware Code she is sure that MSA is grant funds and that street improvements does include the purchase and installation of street signs" to read "Councilwoman Callaway stated that after reading Title 30, Chapter 51 of the Delaware Code she confirmed that MSA is grant funds and that street improvements does include the purchase and installation of street signs."

The motion was unanimously carried.

LEADERSHIP REPORTS

- **Mayor's Report**—Mayor Headman reported:

Mayor Headman announced that on May 6, 2012, there will be a bridge walk on the Indian River Inlet bridge from 10 a.m. to 4 p.m. with the dedication ceremony at 1:30 p.m.

Mayor Headman stated that Council has spent a lot of time discussing the Town Survey and has gained a lot of information from it. The following are a few things the Town has implemented or will be implementing this year (Mayor Headman noted that most of these items are funded by grant monies):

- Installed speed monitoring signs on Rt. 1 (people are concerned that cars are traveling too fast on Rt. 1).
- Modified the police schedule to focus on the side streets. Also the portable speed sign may be used in certain areas of town on the side streets.
- New signage for the lifeguard stands and new shore break signs.
- Enhanced the appearance of Ocean Drive/Sea Side Drive with the repaving of Ocean Drive last year and with new signage and new bins this year.
- Continue the Junior Lifeguard Program and make a concerted effort to get youngsters involved.
- Hired a new hauler for yard waste and will have yard waste pickup more often. Council will review this after a year to determine whether it is working or not. (Even though yard waste was not on the survey, the Town received a lot of comments on the survey about yard waste.)
- Changed recycling to Saturday. Council will continue to look at it and if it doesn't work, Council can go back and change it. Council's goal is to have South Bethany clean and attractive.

Mayor Headman reported that he had convened an ad hoc committee regarding public parking on the ocean side to see if there were some things that could be done to improve access to public on-street parking. The committee determined that putting lines for parking spaces on Ocean Drive would not add any parking spaces and may cause the Town to lose parking spaces. The committee is recommending that Council look at the issue of property owners expanding their driveways the entire length of their house which causes the Town to lose two or three parking spots each time. The committee is also recommending that Council address the issue of property owners putting their own "No Parking" signs on their property. The Town's ordinance regarding traffic management only allows the Town to take down those signs if they are in the right-of-way. There are close to 280 on-street parking spaces on the east side of Rt. 1.

- **Town Manager's Report**—Melvin Cusick reported:

The State has started pushing the dunes up on the beach. It is a slow start because some of their equipment is working in South Bethany and the rest of their equipment is working at the Indian River Inlet bridge because they are getting that ready for the dedication ceremony. Once the dune is pushed up, the crew will come back and start installing sand fence.

The Town's Maintenance Department has started working on the beach walkways on the west side of the dune and are doing very well. Since our maintenance employee, Ron Watts, is a very good equipment operator, the Town has rented a piece of equipment to do the work ourselves instead of hiring a contractor. This is saving the Town money. Most of that work is done for now until the State finishes their work, and then the Town will have some more work to do.

The ambulance report for March, supplied by the Bethany Beach Volunteer Fire Company, is available on the sign-in table.

Regarding the fine for conducting business in South Bethany without a mercantile license that Mr. Nazarian had inquired about at the last meeting, the Town Manager stated that the fine is not less than \$500 plus court costs if convicted. The fine is \$250 if paid voluntarily before going to court.

- **Treasurer's Report**—Pat Voveris reported as of March 31, 2012:

Balance Brought Forward	\$ 1,796,256.77
March Revenue	\$ 58,207.59
March Disbursements	\$ 134,993.43
Balance	\$ 1,719,470.93

Operational Reserves:	\$ 365,000
Other Reserves:	\$ 1,160,840

Profit and Loss:	Total revenue	\$ 2,104,235
	Total Expenditures	\$ 1,924,853
	Leaving an excess revenue of	\$ 179,382

Operating budget recap:

- Revenue is at 93%.
- Expenses are at 90%.
- All departments are operating within budget.
- Transfer tax for March was only \$6,942.32 which is 74% lower than the same month last year.
- Overall the Town's transfer tax is only at 63% of the budget projection. The Town is off the budget projection by \$111,611.

The Financial Administrator and Town Manager are closely monitoring expenses within departments to bring the budget in as close as possible to a good result.

Mayor Headman stated that transfer tax is going to make or break us. This is a year that there was an unexpected drop in transfer tax revenue.

ORDINANCES/RESOLUTIONS

- **Third Reading of Ordinance 161-12, to amend Chapter 84, Licenses and Permits, Article I, entitled "Mercantile Licenses" to add a temporary mercantile license. (Pat Voveris)**

Councilwoman Voveris reviewed Ordinance 161-12.

Mayor Headman asked for discussion. There was no discussion.

Mayor Headman declared this the third reading of Ordinance 161-12.

A motion was made by Councilwoman Voveris, seconded by Councilman Junkin, to adopt Ordinance 161-12. Mayor Headman asked for discussion. There was no discussion. The voting was as follows:

FOR THE MOTION: Mayor Headman and Councilpersons Fields, Voveris, Rae, Callaway, Junkin, and Gross

AGAINST THE MOTION: None

The motion carried with a 7-0 vote.

- **Third Reading of Ordinance 162-12, to amend Chapter 104, Property Maintenance, Article III, entitled "General Provisions", to require the removal of dead trees from all Town lots. (John Fields, Pat Voveris, and Jim Gross)**

Councilman Fields stated that this ordinance goes hand in hand with the Community Enhancement Committee's initiative to help make South Bethany look better. He stated that this is an effort to get people to remove dead trees from their properties. Councilman Fields said that since the second reading of this ordinance he, Councilwoman Voveris, and Councilman Gross made revisions to the ordinance. Councilman Fields reviewed Ordinance 162-12 and asked for questions. Councilman Rae stated that there are vacant lots that have natural growth that is not dead where the animals and birds like to go. He added that if the objective with this ordinance is to deal with dead trees and dead bushes, then he would like to insert the word "dead" before "underbrush, limbs and branches . . ." in the fourth line of § 104-12C because the objective is not to clear every lot that has bushes and small trees. Councilman Rae stated that he is also troubled by the words "invasive or noxious" in § 104-12C. Regarding invasive species, Councilman Rae asked who is going to make that judgment. Councilman Rae stated that he is not sure of what noxious means and asked who is going to make that decision. Councilman Fields stated that an example of noxious vegetation would be poison ivy or poison oak. Councilman Rae said he had no problem with that. Councilman Fields said the enforcement of invasive vegetation would be up to the Code Enforcement Constable. Regarding inserting the word "dead" in the fourth line, Councilman Gross said that would be very specific and if there is a little dead underbrush somebody has got to clear it out and he would be concerned about that. Councilman Gross believes the words "constitute a fire or health hazard" would cover Councilman Rae's concerns. Mayor Headman stated that he does not think the intent of the ordinance is to force property owners to clear their lots. He added that "constitute a fire or health hazard" would take care of that issue. Councilman Fields stated that there is enough flexibility in the ordinance for the Code Enforcement Constable to use his best judgment.

Mayor Headman declared this the third reading of Ordinance 162-12.

A motion was made by Councilman Fields, seconded by Councilman Gross, that the Council approve Ordinance No. 162-12. The voting was as follows:

FOR THE MOTION: Mayor Headman and Councilpersons Fields, Voveris, Rae, Callaway, Junkin, and Gross

AGAINST THE MOTION: None

The motion carried with a 7-0 vote.

- **Third Reading of Ordinance 163-12, to amend Chapter 145, Zoning, Article XV, entitled "Board of Adjustment", to change the terms of office of Board of Adjustment Members from four years to three years. (John Fields and Pat Voveris)**

Stating that nothing had come up in the Public Hearing, Councilman Fields asked if there were any questions. There were no questions.

Mayor Headman declared this the third reading of Ordinance 163-12.

A motion was made by Councilman Fields, seconded by Councilwoman Voveris, that Council approve Ordinance No. 163-12. The voting was as follows:

FOR THE MOTION: Mayor Headman and Councilpersons Fields, Voveris, Rae, Callaway, Junkin, and Gross

AGAINST THE MOTION: None

The motion carried with a 7-0 vote.

ADMINISTRATIVE MATTERS

• **Award Bid No. 12-03 Landscaping Improvements**

The Town Manager stated that the Town received two bids for the project. All Seasons Landscaping submitted a bid of \$96,541 and Lord's Landscaping, Inc. submitted a bid of \$52,981. The funding sources for this project are \$42,384.80 from the Federal Highway Administration Transportation Enhancement Program, \$2,615.20 from the DeIDOT Transportation Enhancement Program, and a local match of \$7,981.00 from the Town of South Bethany. To save the Town money, after the award of this bid is made, the Town may pull the maintenance portion (\$3,100.00) out of the contract by change order. With the additional full-time maintenance employee, the Town feels it can handle the watering of those plants this summer. The Town Manager stated that the recommendation is to award the bid to Lord's Landscaping, Millville, DE for \$52,981.00. For clarification Mayor Headman asked where the Town's match would come out of. The Town Manager stated it would come out of the Community Enhancement Committee's budget.

A motion was made by Councilman Gross, seconded by Councilwoman Voveris, to award Bid No. 12-03 Landscaping Improvements to Lord's Landscaping, Inc. The motion was unanimously carried.

Mayor Headman thanked Councilwoman Callaway and the Town Manager for their work on this project.

• **Approval of FY 2013 Budget**

Mayor Headman stated that this is always the important issue for this town and the budget sets the direction the town will go in. He stated that Council has tried to not make it only an annual situation but also a long-term long-range type of plan to consider things that may be needed in the future.

A motion was made by Councilman Fields, seconded by Councilwoman Voveris, that the Council approve the FY 2013 Budget as presented by the Treasurer. Councilman Junkin made a motion to amend this motion by adding back in the \$23,300 that was in the line item for a diffuser pilot project. Councilman Fields seconded Councilman Junkin's motion. Councilman Junkin read the following information which was on a handout he had prepared for everyone present at the meeting:

Data in Support of a Diffuser Pilot Program

1. The Dead End Canals are storm water management ponds – Data supporting the claim;
 - Water quality monitoring shows that the east ends of the canals have significantly lower dissolved oxygen than the west ends.
 - The algae growth is significantly worse in the east ends compared to the west ends.
 - The Entrex report shows why the above happens – There is no circulation in the east ends.
 - Where there is circulation in our canals, as there is in the Little Assawoman Bay, there is significantly higher water quality than in our Dead End Canals.

2. Diffusers are the best solution for maintenance of storm water management ponds – Data supporting the claim;
 - EPA documents
 - Southampton Community
 - Rehoboth Beach
 - Villas at Bethany West
 - The Refuge
 - Case Studies

Arguments Against Diffusers

1. If diffusers work, then everyone will want them and it will cost the Town a lot of money.
 - I would love to have this problem. It would mean that the diffusers are a solution for mitigating the poor water quality in our canals. If everyone wants them we would be able to find a way to pay for them.

2. The scientific community does not support spending money on diffusers.
 - It depends on whom you talk to.
 - Those who are tasked with cleaning up the Inland Bays do not want to see water quality improvement funds diverted to diffusers that do little to improve the water quality in the Inland Bays. Diffusers would only be significant in the canals.
 - Those who are tasked with maintaining storm water management ponds see diffusers as the most cost efficient approach for improving water quality in storm water management ponds.

3. The canal ends are not ponds or lakes so the diffusers will not work due to tidal action.
 - Data indicate that the canal ends behave as storm water management ponds.
 - I cannot prove the above without the pilot project that is designed to develop the proof.

Councilman Gross stated that when Council had voted on this project he was in opposition of the project. Since that time, at Councilman Gross' request, Councilman Junkin provided Councilman Gross with a great deal of additional information, particularly initial and long-term costs. Councilman Gross stated that because of the case studies, additional information, and the cost information that Councilman Junkin has provided, Councilman Gross is now in a position where he will support this project.

Councilwoman Callaway stated that in terms of the scientific community, the Town would continue to do the dual process of looking at bioretention areas, rain gardens, and ways to prevent the nutrients from entering into the canals. It is both a prevention approach and an active approach. She added that this Council is very committed to seeking grant funds or other funding resources. Councilman Callaway believes that if the pilot project is successful the Town will be in a much better position to seek funding support for diffusers. A case can be made about how it impacts property values and tourism.

Councilwoman Voveris stated that she has researched the subject some more and she is still at no. She would like to see the effect of the current projects measured before doing anything else. She added that the Town still has another study on the east side to be done. She believes the Town should do all of the studies first before trying a mechanical implementation. Councilwoman Voveris stated that everything she has read about diffusers was in regard to lakes and ponds. She is having trouble reconciling South Bethany's open ended canals that go into the bay as a lake or a pond. She stated that a lot of the information comes to the Council proprietary – somebody wants to sell the Town these diffusers and they are not going to come with information that does not support diffusers. Lastly, Councilwoman Voveris spoke to Chris Bason of the Center for the Inland Bays, and she believes that people who are into water quality are into all water quality and she does not believe they would discount anything South Bethany would do to improve water quality in the canals.

Councilman Rae stated that he has changed his mind for the same reasons Councilman Gross described. Councilman Rae feels that he does not want to wait another two years to find out the results. He would like to have the study, see if it works, and if it does work, the town will be two years ahead of the game. Councilman Rae is in favor of this.

Mayor Headman stated that he does not support the pilot project for the following reasons:

- The Town's approach to water quality has been to reduce the amount of nutrients or pollution going into the canals. Take care of this issue first. Scientists say diffusers are not the primary way to get rid of algae blooms. Algae blooms occur because the nutrients sit in the shallow dead end canals. The runoff coming from the east side of South Bethany,

which accounts for 21% of the water going into the canals, needs to be taken care of. Scientists that Mayor Headman has talked to say that if you are going to spend money the money should go to a study of the east side and make a plan for that area before going ahead with the diffuser project.

- Right now there are no algae blooms in the Anchorage Canal which has a lot to do with the depth in the canal due to the dredging. (Councilman Junkin added that the forebay had also been cleaned out.)
- The EPA, DNREC, and the CIB's focus is to improve water quality. Mayor Headman does not believe they have an alternative motive to not support diffusers in South Bethany's canals. Their approach is to take care of runoff – take care of the pollution that is going into the canals.
- Through the cooperative efforts of Middlesex, Sea Colony, South Bethany, the CIB, and DelDOT, the Town just completed the Anchorage Canal Drainage Area Assessment Project which takes care of reducing all the water and pollution that comes north to south into the Anchorage Canal. Future projects are planned in Sea Colony and Middlesex that would reduce the load of nitrogen and phosphorus coming into South Bethany.
- The bioretention areas that the Town put in are going to impact all of the canals south of the Anchorage Canal which are the majority of the dead end canals.
- The current stormwater system in South Bethany needs to be looked at. The Town needs to look at what it is currently doing and look at ways to improve the system.
- The Town should not be spending money it does not have. Mayor Headman is not in opposition of the diffuser pilot project, but the Town does not have the funds or shouldn't be spending funds for this project at this time.

Ms. Nazarian asked what the cost would be and if any of the other communities using diffusers get financial support from the State. Councilman Junkin replied that the other communities do not receive financial support from the State. The cost of the pilot project (which would be in the Anchorage Canal or Petherton Canal) is \$20,000 to design, permit, and install and \$3,000 a year for electricity and maintenance.

Mr. Hughes asked where the aerators would be installed and how would they be installed. Councilman Junkin said the pilot project would be in the Anchorage Canal. A compressor would be installed at the base of the power pole at the end of the canal. Weighted lines (tubes) would run out to each of the diffusers on the bottom of the canal. Each diffuser has its own line. The compressor supplies six diffusers that are approximately 200 feet apart along the canal from the Rt. 1 end to about 1200 feet down the 1600 foot canal.

Mr. Romeo asked if the compressor is large and will it make noise. Councilman Junkin said it makes about as much noise as a window air conditioner, and there is only noise where the compressor is.

Mr. Cestone inquired about air and circulation from the diffusers. Councilman Junkin said the diffuser adds air into the water and because the air is going up it makes the water circulate. The diffusers get oxygen in the water in two ways – one is bubbling the oxygen in and the other is the diffusers are continually moving new water to the surface and exposing it to the air surface interface to pick up more oxygen.

Mr. Cestone inquired about the tubes blocking boat ramps. Councilman Junkin said the tubes will not block the boat ramp. The tubes are going to be running down the middle of the canal. Mr. Cestone was concerned about boats running over the tubes and cutting them in shallow sections of the canals.

Ms. Jayne asked if any of the communities in Councilman Junkin's list of data supporting the claim that diffusers are the best solution for maintenance of storm water management ponds are using the diffusers in dead end canals. Councilman Junkin replied that they are all ponds. In that case, Ms. Jayne believes that is improper data. Ms. Jayne asked if South Bethany has enough money to spend \$20,000 on something that we don't know whether it will work or not. Councilman Junkin believes the Town should but he said that is what the Council has to decide.

Mr. Roche stated that it seems like every year the algae comes up we get complaints. He believes the pilot project is a cheap way to go to see if it will solve the problem. Mr. Hendrix agreed and he believes it is past time that the Town started doing something really productive in the canals.

Mr. Hendrix asked if the depth of the water has something to do with the efficiency of the aerator. Councilman Junkin replied that the deeper the water the more efficient they are. The reason the diffusers need to be closer together in the canals than in a deeper lake are that South Bethany's canals are at the low end of where they can work regarding depth and the canals are narrow and long which the diffusers do not like. South Bethany does not have an optimal shape or depth for diffusers.

Mayor Headman asked for a roll call. The voting on Councilman Junkin's amendment to the budget was as follows:

FOR THE MOTION: Councilpersons Fields, Rae, Callaway, Junkin, and Gross

AGAINST THE MOTION: Mayor Headman and Councilwoman Voveris

The motion carried with a 5-2 vote.

Councilman Fields stated that Council had voted on the amendment and the amendment is now a part of the FY 2013 Budget. Councilman Fields stated that Council is now open for a budget discussion.

On page 3, Councilman Fields asked for clarification on line item 60030 Contributions. Councilman Fields asked that the FY 2013 Proposed Contributions list be included in the minutes. The following is the FY 2013 Proposed Contributions list:

FY 2013 Proposed Contributions:

Bethany Beach 4 th of July Parade	\$ 100.00
Delaware Police Chiefs' Foundation, Inc.	\$ 100.00
South Bethany Historical Society	\$ 1,000.00
Bethany Beach Volunteer Fire Department	<u>\$ 2,000.00</u>
Total FY 2013 Proposed Contributions:	\$ 3,200.00

In anticipation of the approval of the diffuser pilot program, Councilwoman Voveris had copies of the amended budget pages to replace the pages Council currently had. She stated that this will be the final budget.

Mayor Headman stated that he is very fiscally conservative regarding budgets. He believes that in poor economic times the Town should be belt tightening and reducing expenditures before using reserves to balance the budget. This proposed budget has close to \$100,000 in new expenditures, and at the same time the budget does not cover the Asset Replacement Maintenance Reserve expense with projected revenue. Mayor Headman stated that he has always made decisions to do whatever he could to cut expenses in order to limit going to savings. He has made those decisions on whether to cut expenses or go into savings based on how long he thought the shortfall would be. When you are a town you either fall back on your reserves or you fall back on raising taxes or a combination thereof. Mayor Headman believes the town is facing a very difficult economic situation for the next few years. Mayor Headman stated that it is not that he is against some things; he just does not think this is the time to be spending money. Mayor Headman said that in this budget he supported the raises for the town staff, increase in expenses that are caused by inflation, and the use of reserves to replace a town truck. Mayor Headman stated that he was unsuccessful in getting Council to support a moratorium on all additional expenses this year and to get us through the next year to have a better understanding of what is going to happen. Mayor Headman's concern is that the Town is heading in a direction where it is running out of reserves and will have to pay the piper someplace down the line. This is why Mayor Headman would ask Council to delay

expenditures this year unless they are absolutely necessary. Mayor Headman stated that because of that he would not be supporting this budget.

Mayor Headman asked for a roll call. Councilman Fields said the current motion before Council is to approve the FY 2013 Budget as presented by the Treasurer as amended. The voting was as follows:

FOR THE MOTION: Councilpersons Fields, Voveris, Rae, Callaway, Junkin, and Gross

AGAINST THE MOTION: Mayor Headman

The motion carried with a 6-1 vote.

- **Resolution 2-12, a Resolution to Set the FY 2013 Property Tax Rate and Rental Tax Rate**

Mayor Headman read Resolution No. 2-12.

A motion was made by Councilman Junkin, seconded by Councilwoman Voveris, to adopt Resolution No. 2-12. There was no discussion. The voting was as follows:

FOR THE MOTION: Mayor Headman and Councilpersons Fields, Voveris, Rae, Callaway, Junkin, and Gross

AGAINST THE MOTION: None

The motion carried with a 7-0 vote.

COMMITTEE REPORTS

- **Assawoman Canal and Trail Update** – Councilman Rae reported:

Councilman Rae wanted to make everyone aware of a path being built alongside of Fred Hudson Road and on the opposite side a wooden pathway and bridges leading off into the woods. It is a recently completed segment of the Fresh Pond Trail system with the State Park land which begins at Fred Hudson Road across from McCoy's Way. The trail will have a crush stone surface much like what is being considered for the Assawoman Canal Trail. Councilman Rae said it was surprising how many trails are there and how big that area is which goes over to James Farm on the other side of the peninsula. Councilman Rae has an aerial photo of the area which shows completed trails and parking areas. Councilman Rae said it is going to feed from Rt. 1 over to the proposed Assawoman Canal Trail.

- **Community Enhancement Committee** – Councilwoman Callaway reported:

The Community Enhancement Committee will meet on April 19 at Town Hall at 10 a.m.

The committee has been working with the Town Manager on the Transportation Enhancement Program project. Councilwoman Callaway thanked the Town Manager for his work on tying up all of the details with the bid and contract. The project will include the development of the rain garden beds along the walkway, the improved circle beds along the median, and the York Beach Mall landscaping improvements. The committee is excited about these new changes.

The final plantings of the bioretention areas will be done in the next two weeks.

The Adopt-a-Canal program will be discussed at the next Community Enhancement Committee meeting. The committee hopes to continue to expand the program. The committee is looking forward to two new canal ends that will face Rt. 1 and will be more visible to people walking along the walkway.

Councilwoman Callaway met with the CIB about funds available for community education signage regarding the bioretention areas. They are in the process of exploring locations and designs for the signs.

- **Budget and Finance Committee** – Councilwoman Voveris reported:

The Budget and Finance Committee will meet on Saturday, April 21, at 10 a.m. at the Police Department. The committee will be discussing three key areas: 1) Finalizing the financial policy recommendation, 2) Review monitoring internet rental revenue, and 3) Look at the Asset Replacement and Maintenance Reserve (ARM Reserve) to bring a recommendation to Council.

Councilwoman Voveris believes one of the next things the Budget and Finance Committee will work on will be a three-year projection for the budget.

- **Canal Water Quality Committee** – Councilman Junkin read the following report:

The algae blooms in our canals this year are the worst I have ever seen. They came earlier in the year and cover more water than in the past years. The primary cause for the algae blooms is excess nutrients in the water. The reason that the blooms occur mainly in the east ends of our canals is that the canals are dead ended and get no tidal flushing in the ends. This causes the excess nutrients to stagnate in the dead ends.

What can we do about it?

The first thing to do is to reduce the amount of nutrients that enter the canals. The main source of nutrients is from rain water runoff. Homeowners should do everything they can on their property to restrict rain water runoff into the canals from their roofs and from their decks, patios and driveways. The Town has passed ordinances to limit rain water runoff. Homeowners can create rain gardens and use pervious (porous) materials on their property to keep rain water from entering the canals. The Town has obtained grants to create rain gardens in the Route 1 center median (to be completed this spring) and on the west side of Route 1, along the pedestrian walkway (to be started and completed this spring). The Town is pursuing grant funds to create rain gardens on the east side of Route 1 in the future. The Water Quality Committee is also conducting a survey of all storm drains along Town right-of-ways throughout the community to assess what can be done to slow the speed of storm water into our canals and thus stop the nutrients before they enter the canals. These rain gardens significantly reduce the amount of nutrients that enter our canals. Homeowners should also not allow any outside shower water from entering the canals and should minimize the amount of fertilizer used on their property.

The second thing to do is to increase circulation in our canals. The design of the canals causes the dead ends to become stagnate. The Entrex Study shows the scope of this stagnation. The Tidal Pump designed by Lloyd Hughes, would be the best approach to increase circulation but it costs over \$7 million and we haven't been able to get support for that because most of the benefit is within our own community and it doesn't help the Little Assawoman Bay very much at all and so it has been hard to get people interested. The second best approach is to use diffusers in the dead ends of the canals.

Next Steps

The Town has applied for an EPA grant to install a pilot diffuser system in one of our canals to assess the benefits that can be obtained from a diffuser system. The award date for this grant is late this summer. The Town Council has authorized expenditure for a pilot diffuser system in the event that the Town is unsuccessful in obtaining grant funds.

- **Planning Commission** – Councilman Gross reported:

The Planning Commission has not met since the last Town Council Regular Meeting. They have a hearing scheduled on April 23 at 9 a.m. at Town Hall to consider a division of one lot into two lots.

ADJOURNMENT

A motion was made by Councilman Fields, seconded by Councilwoman Voveris, to adjourn the April 13, 2012, Town Council Regular Meeting at 8:50 p.m.

PHS:Regular Meeting Minutes4.13.12 Amended 5.11.12