



Townsend Council Meeting Minutes March 22, 2017

7:00 pm – Council Meeting

- I. Call to Order: 7:00 pm
- II. Opening Ceremonies
 - a. Roll Call: Mayor Rudy Sutton, CM John Ness, CM Jermaine Hatton, CW Lorraine Gorman, CW Cindy Cook, TA Fred Townsend, TE June Andres, TM Dawson Green (7:12 pm), TC Cathy Beaver
 - b. Pledge of Allegiance: Pledge was said
 - c. Recognition of Visitors: 5
 - d. Announcements: Town Hall closed April 14, 2017 for Good Friday
- III. Additions/Deletions to Published Agenda:
 - a. CM Ness motioned, CM Hatton seconded with unanimous vote to approve agenda as written.
- IV. Council Minutes
 - a. Approval of 2/15/17 Council minutes
 - CM Hatton asked to approve the minutes separately as he wasn't at the 3/1/17 meeting.
 - CM Ness motioned, CM Hatton seconded with unanimous vote to approve the 2/15/17 minutes.
 - b. Approval of 3/1/17 Council minutes
 - CM Ness motioned, CW Gorman seconded with unanimous vote to approve the 3/1/17 minutes.
- V. Mayors Report
 - a. Introduction of Ordinance No. 17-01 – Clean Hands Ordinance – CW Lorraine Gorman
 - CW Gorman read the title and synopsis. This ordinance will require residents, business owners and property owners to be current in the payment of taxes and other Town obligations as a condition precedent to making application for and receiving Town approvals, services, permits and/or licenses.
 - CW Gorman added that not only would the property owner but any applicant/renter applying for services would not be able to receive any license or permit prior to all fees owed on the property be paid in full. This ordinance is tied to the property, not the person.
 - CM Ness motioned, CM Hatton seconded with unanimous vote to have a public hearing on 4/5/17 prior to the Council meeting.
 - b. Introduction of Ordinance No. 17-02 – Prohibited Parking on Wiggins Mill Road
 - Mayor Sutton read the title and synopsis. This ordinance will prohibit parking on Wiggins Mill Road from the single lane bridge to the bridge at the pond.
 - CM Ness motioned, CM Hatton seconded with unanimous vote to have a public hearing on 4/5/17 prior to the Council meeting.
 - c. Discussion/possible vote on street light billing
 - CW Gorman said Council hasn't decided how the street lights will be paid for but feels it is important we move forward with this. The streets haven't officially been turned over to the Town but the HOA dues are due and residents have received the letters notifying them. The fees included street light fees in case that is the way Council decides to go. Would be a mess if they have to refund money. Would like to clarify now what Council wants to do; the residents need to know what is going to happen before they pay their HOA fees. Tom Cahill said they billed the light fees so they will have the money there.
 - CM Hatton stated if the streets aren't turned over until later in the year, they will need the money to pay the light bills.
 - CW Gorman stated it isn't the residents' responsibility; the developer needs to pay for the lights until they are turned over to the Town.
 - CM Hatton said the developer made the decision to charge the residents now for the lights; has nothing to do with the Town; it is between the developer and residents. He added the developer

has a right to charge residents for street maintenance, lights and open spaces until it is turned over to the Town. The Town has no say in this.

- CW Gorman stated the Town should be involved, the developer shouldn't be able to do this.
- CM Ness added that someone has to pay the bills, either the residents or the developer until the development is turned over to the Town.
- CM Hatton added the developer's funds may be depleted since it took so long to finish the development. He also said each development has a different amount of street lights and will all pay different amounts.
- CM Ness asked Council to decide on who will pay for the streetlights before they are turned over to the Town. He added the HOA bills will be due before the decision is made.
- TE Andres stated he doesn't believe they have started on the punch list items to turn the development over.
- Mayor Sutton asked TM Green if he has heard anything back from the meeting on TVI.
- TM Green said no and added that Jones Paving filled in the dirt around the sidewalk in TVII West. He doesn't believe it is done, there is still a drop off.
- CM Ness asked TM Green to call them and have them come back.

VI. Reports

a. Town Attorney Fred Townsend III:

- June 1st is the next deadline for litigation with Grassbusters. TE Hyne is preparing a report with issues of attack, testing results, opinions and conclusion.
- CM Hatton asked if we will have the report prior to the 6/1/17 deadline and TA Townsend said he isn't sure, but it will be ready by the deadline.
- TE Townsend said any decision made on the streetlights will require an ordinance and the Town should have a public hearing. He added when the Town takes the developments over there will be a deed/dedication agreement that will be filed.
- It was stated that the deadline for notifying the State for MSA funds is the first week of May. If the deadline is missed, the Town will not receive any funds for the additional streets until September 2018.
- CW Cook suggested TM Green send a letter to the developer giving them a deadline or the Town won't take over the streets - a gentle reminder.
- TM Green asked Council if they finish the punch list, can the Town legally refuse to take the roads.
- TA Townsend said he will have to read the agreement again, but there is a chance the Town wouldn't be acting in good faith.
- After a long discussion, Mayor Sutton asked TM Green to get a letter out to the developer's asap reminding them there are timelines that must be met and email Council a copy of the letters.
- TM Green said he will send the letter but part of the reason things haven't been done is the developer was trying to figure out what Council was going to do.
- Mayor Sutton asked TM Green what he means and TM Green said the streetlights.
- CM Ness said they should just ask; poor communication.
- CW Gorman asked how much time is needed to complete the punch list and can it be done.
- TM Green stated he hasn't seen the punch list; realistically it won't be done in a month.
- After a long discussion, CM Hatton said we can still work through it; the developer can put an escrow up.
- CW Cook stated it needs to start with communication.
- Mayor Sutton verified letters will be sent tomorrow and asked them what they expect from the Town; have had a good relationship up until now, want to continue that relationship.
- Ms. Sturgis asked who made the punch list and since the list was given to the developer, has there been any more communication.
- TE Andres said he made the punch list and there has been no communication since the developer received it.
- CM Ness asked if there was a deadline to complete the punch list and TE Andres said no.
- CM Hatton stated the developer is completely aware of the date deadlines.

- Ms. Sturgis stated TM Green doesn't know; he hasn't communicated with them.
 - Mr. Albert asked if the developer has received any follow up letters and CM Ness agreed this was a good idea.
 - CW Gorman asked if in the future we have developer agreements that include time frames for finishing the punch list. The Town needs control in the future with stricter deadlines.
 - TM Green agreed. The recession really hurt the market for these developments and that is why they want to turn it over in phases now, part of it has been done for years.
- b. Town Engineers Aquilino Andres Jr.:
- TVI - approved several building permits for new homes for the last phase.
 - Smith's Liquors - building is coming along and looks good.
 - LED lighting - talked to Tony DePrima who is still negotiating w/Delmarva on the rates for the lights.
 - CM Hatton said per the tariff agreement, LED lighting is higher by \$10.00 per light.
 - TE Andres stated he will call the developers and reinforce the deadlines.
- c. Town Manager Dawson Green:
- U-turn signs were installed in the school area. Now people are cutting through our parking lot on this end for a turnaround, using the fire hall at the other end.
 - DelDot will not put up any deer crossing signage; they don't believe it will do anything. They said if the Town wants to pursue this issue to contact Representative Spiegelman.
 - Put a draft ordinance together for the Nuisance Properties. Had Dave read it and he said everything is addressed in the property maintenance code that was adopted in 2014, we don't need the ordinance, the laws are already on the books.
 - CM Ness asked if TM Green had looked at the trash shut off list. It seems like these are also the nuisance properties and the ones with hazards. He asked how many people have their trash service shut off.
 - TM Green said there are 59 inactive accounts and most of them are in Old Town.
 - CM Ness said we need to keep an eye on these properties to ensure they aren't hazards and attracting vermin and make sure their trash doesn't build up.
 - TM Green said Dave has sent out the second notice and the next step is a letter from TA Townsend. His hope is the residents will come in the address the issue once they receive the letter.
 - Mayor Sutton asked TM Green to find a vendor we can call to come in and clean a property up for the Town as needed. He asked how many of the 59 properties have liens on them.
 - TM Green stated he doesn't know; maybe 15% of them. Liens aren't just for trash, could be grass cuttings and taxes also.
 - CM Ness said he doesn't believe Town residents will have a problem with the Town paying for removal of trash from nuisance properties.
 - TM Green said we need a consistent process.
 - CM Hatton asked TM Green to put a process together and email Council.
 - Mayor Sutton asked if residents whose service has been suspended receive reminder letters once in a while with the total they owe the Town.
 - TM Green said it hasn't been done for a while; the last time a few residents came in and made arrangements and paid the bills. He said we could send letters quarterly.
 - CW Gorman asked if there is a late fee to turn the trash service back on.
 - TM Green said it is in the fee schedule, believe it is \$35.00 or \$50.00.
 - CM Ness stressed again that we need to maintain a list and check the properties constantly.
 - Mayor Sutton asked TM Green to put the process together.
- d. Finance: Chair – CM Jermaine Hatton
- Dawn is working on several overdrawn accounts in the budget.
 - There are 5-6 open items left to fix for the audit. Hope to wrap it up soon.
 - CW Gorman said she stopped in the Town Hall today; Tony McDonald was there. He gave copies of our accounts to share with Council. Said he has missed coming to meetings. He will be attending the 4/5/17 meeting to go over our portfolio.

- Mayor Sutton asked where things stand financially with this audit.
- CM Hatton said it is the same as last year; around \$35,000; not happy about but almost done with the line in the sand.
- CW Cook asked why?
- CM Hatton stated it was because Council chose not to hire a true finance person 2 years ago; we now have someone with a strong accounting background. When the finance officer was dismissed, Council chose to put the newly hired administrative assistant in the finance position and send her to class. She wasn't qualified for the position. We haven't had a true audit in 2 years because the auditors have had to fix too many errors to just complete the audit.
- Mayor Sutton asked if CM Hatton feels Council not taking Debbie's recommendation to outsource payroll is part of the issue, what the audit will look like next year and if all the audit issues fall back on not having the right financial clerk.
- CM Hatton said payroll has never been an issue; the next audit will be much better and done quicker. He added that the Town hasn't had a true finance clerk in 10 years. The clerk that transferred all the info to the new system wasn't top notch. When she was dismissed Council then decided to put a part time admin assistant in the position. She wasn't qualified and only the front end accounting was kept up, nothing else was done. We now have a finance clerk who truly understands the position.
- TM Green added this has been an ongoing issue. Since the initial person has been gone the auditors have had no one to ask question. We finally got through 2015; now the person who was doing the finances for 2016 is gone. We are still doing reconciliation from years ago and trying to straighten it out, has been very painful. As for payroll, I have always done it and there have been no issues; the problem with the audits has been the operation account. Dawn and I understand it and we are working with Debbie to fix everything; going forward the audits should be painless. Also some things were set up wrong in Edmunds.
- Mayor Sutton asked TM Green what was different last year when you just stated you understand the finances.
- TM Green said Debbie came and sat with the person last year who kept saying the work was being done. Even Debbie thought it was being done. It wasn't done. We discovered with this audit that the person stopped doing the properly when Debbie quit coming to work with her. We are now trying to catch up and fix all of it. He added that the MSA and payroll accounts are reconciled through January. Dawn and Debbie are still struggling to fix the operating account. We don't know why things were put where they are and as other accounts are reconciled it affects the operating account. Still backtracking to fix it all but this should be the last year we have issues.
- CW Gorman stated reconciliation should be done monthly. She asked who checks to ensure it is being done.
- TM Green said everyone up to this point, no one prior to Dawn understood how to do it.
- CW Cook said since CM Hatton gets a copy of this monthly, does he see the reconciliation?
- CM Hatton said he gets a copy of the monthly statement but it still has to be reconciled.
- TM Green explained that in this system there are many steps to reconciliation in every account. He assured Council that he and Dawn have kept up on the current reconciliation and the next audit should be painless. He added you can see the front step to reconciliation, you can't see the back steps.
- Mrs. Albert stated it must have been very hard to do a budget without the correct numbers.
- There was a long discussion about income the Town may have lost because of poor accounting.
- Mayor Sutton asked what procedures are in place to ensure employees are doing their job.
- TM Green said Debbie put a spreadsheet together last year that the Finance Person, Town Manager and CM Hatton checks. A lot of previous issues were organization. Dawn keeps all folders now and keeps them well organized. Azure never communicated well with Debbie; she didn't have the language. We are always on the phone with Debbie now; not afraid to ask questions. Dawn has a good relationship with Debbie.
- Mayor Sutton said there were many recommendations made in all the previous audits and nothing

- was ever done about them.
 - TM Green said we are doing them now, it can be very intense, have to be organized.
 - Mayor Sutton asked about the payroll withholding taxes; Debbie said they hadn't been paid since 2013.
 - TM Green said they go to the Division of Revenue. Also have unemployment taxes that go to the Department of Labor. Money was sent in but reports never done. I didn't know about them and payments were sent with no reports and reports sent with no payments and some sent to the wrong place.
 - When Debbie asked about them I had no clue what she was talking about. A payment booklet came in the mail that same day. I called immediately; they hadn't been paid for years, didn't know about them, they removed 75% of the penalties but couldn't help with the interest, they are paid in full now. Azure and Melissa never did anything with them. The payroll company is now paying the payroll taxes.
 - Mayor Sutton said in the previous audit Debbie recommended payroll be outsourced; why didn't we do it then?
 - TM Green said the payroll company recommended we start with the new calendar year, said it would be a cleaner transition and CM Hatton researched it.
 - Mayor Sutton said Debbie has recommended for 4-5 years that the Town use a payroll company. He asked why we never did it?
 - CM Hatton said the Town has always just done the payroll and all our issues go back to the line in the sand.
- e. Public Works: Chair – Mayor Rudy Sutton - nothing to report
- f. Land Use & Development: Co-Chairs – CM Jermaine Hatton & CW Lorraine Gorman
- Discussion/possible vote to approve Planning Commission Bylaws
 - I. After a discussion over the Planning Commission By-laws, CW Gorman motioned, CM Ness seconded with a unanimous vote to approve the by-laws.
 - Discussion/possible vote to approve Planning Commission recommendation for Comprehensive Plan 5-year review
 - I. CW Gorman said the Town must do a 5-year Comprehensive Plan review; which is past due. Chairman Geiger sent Council a letter recommending we keep the 5-year review as is with the amendments made in the last few years.
 - II. CW Gorman motioned, CM Ness seconded with unanimous vote to accept the Planning Commission recommendation to keep the 5-year review as is with the amendments made in the last few years.
- g. Community Relations: Chairs – CW Cindy Cook
- Thanked Council for reviewing the Town scholarship. C Hatton recommended making it available to a recipient for 2-4 years of college.
 - Council all agreed to offer the scholarship for 4 years; candidates can re-apply every year and must attend a 2 year or 4 year accredited college. Must also be a Town resident.
 - Have been working with several people from MHS who will be at the next meeting for autism awareness month/color the Town blue. April is Autism month.
 - Mrs. Albert asked if we were having a Town wide yard sale again this year. CW Cook said she is working on advertising at a cheap price; will have the date at the next meeting.
- h. Public Safety: Chair – CM John Ness
- It is staying light longer, will adjust the patrols in Town. CM Ness asked TM Green what is left in the budget and what fees have come in.
 - The yield sign at Rt. 71 and Main Street - emailed DelDot and haven't heard back yet but don't see an issue there. There is a stop line at the yield.
 - TA Townsend explained that once you are over the line you are legally in the intersection.
- i. Parks & Recreation: Chair – CW Lorraine Gorman
- Easter Egg Hunt – Sunday, April 9, 2017 @ 2:00 pm, Rain date 4/15/17
 - I. Will have the Easter bonnet and crazy hat contest again this year. The Easter bunny will be there. There will be hotdogs and cupcakes which are being baked and donated

by members of the Immanuel United Methodist Church. There will prizes for all.

- Movie Night Under the Stars – Friday, June 9, 2017
- Town Fair – Saturday, September 23, 2017
- Baseball field renovations

I. Discussion/possible vote to approve additional expenditures for baseball field renovations

- a. The diamond tex could cost \$5,000.00; getting a \$3,000.00 donation from Steve Duncan. Worst case scenario is the Town will have to pay \$4,000.00. There are funds from last year's Town fair that will be used.
- b. CW Gorman motioned, CM Ness seconded with unanimous vote to approve paying a maximum of \$4,000.00 to renovate the baseball field.
- c. CM Hatton asked why we have to use diamond tex?
- d. CW Gorman said it is recommended for all ball fields and is safer. We haven't started the renovations yet but hope to start soon.

V. Citizens Comments & Participation:

- Mayor Sutton thanked CW Gorman for all her hard work with park and Town events.
- Mr. Haines said he is picking up other people's dog doo daily. Doesn't know who is doing it.
- TM Green said there is nothing the Town can do unless we know who the dog owner is and we can then send them a letter.
- CW Cook said she will put a reminder on facebook to clean up after your pets.
- Ms. Sturgis asked if the Town is going to do a "Meet the Candidates" if there is an election. All of Council agreed this would be a good thing to do.

IX. Motion to Recess for Executive Session: 9:19 pm, CM Ness motioned, CM Hatton seconded with unanimous vote.

X. Motion to Convene Executive Session:

- a. In accordance to 29 Del. C. §10004 (b) (9) the Town Council will be meeting in executive session to discuss personnel matters.

XI. Motion to close Executive Session & Re-Convene Mid-Month Meeting:

XII. Adjournment: