

**TOWN OF SOUTH BETHANY
TOWN COUNCIL MEETING MINUTES
APRIL 5, 2023
9:00 A.M.**

Meeting Called to Order and Pledge of Allegiance

Mayor Saxton called the April 5, 2023, Town Council meeting to order at 9:00 a.m., followed by the Pledge of Allegiance to the Flag.

Attendance and Absences

In attendance were Mayor Tim Saxton and Councilmembers Derek Abbott, Randy Bartholomew, Bob Biciocchi, Edie Dondero, Dick Oliver, and Tim Shaw; Town Manager Maureen Hartman, Town Finance Director Renee McDorman, Town Clerk Matt Amerling, and Chief Jason Lovins. Public attendees: 3.

Public Comment

There were no comments.

Adoption of Minutes

Motion by Councilman Derek Abbott, second by Councilman Dick Oliver to adopt the March 10, 2023, Town Council Meeting minutes with amendments. Motion carried 7-0.

Motion by Councilman Abbott, second by Councilman Tim Shaw to adopt the March 22, 2023, Town Council Meeting Budget Workshop minutes with amendments. Motion carried 7-0.

Motion by Councilman Abbott, second by Councilwoman Edie Dondero to adopt the March 22, 2023, Town Council Executive Session minutes. Motion carried 7-0.

Discussion and possible consideration to establish an annual graduated tax increase (Oliver)

Councilman Dick Oliver stated he did not prepare a full proposal but wanted to “plant the seed” for some sort of planning for the future; and since proposing this, Councilman Oliver has talked to several people and he’s beginning to doubt whether this approach would do what he visualizes what the Town may be able to do. Councilman Oliver stated the Council would raise taxes to such a degree that there would be a good amount of negative reception and it would not be enough money to really matter. Councilman Oliver stated he would still like to give this to the Budget & Finance Committee (B&F) so they can review it and see if there’s some way Council can plan for the future, because planning is a good thing and he’s not sure Council does that very well right now. Councilman Oliver stated his recommendation would be to either form a subcommittee, or send it to B&F to look into ways of planning for the future. Councilman Oliver briefly discussed the Town Comprehensive Plan and having Planning Commission Chairman Joe Conway submit a review of the plan maybe twice a year. Councilman Randy Bartholomew agreed that Council does need to start planning for a tax increase and he doesn’t exactly know the process for it yet, but the Town would need a twenty percent (20%) rate increase, which would take the tax rate from the current \$1.30 per \$100 of the assessed property value to about \$1.55 per \$100, in order to achieve one-hundred-thousand dollars (\$100,000.00) in additional revenue over what the Town currently has. Councilman Bartholomew stated he knows he’s heard of wanting to wait until the County reassessment numbers have come in, but news has broken that the assessment has been pushed back a year, so that would delay the Town’s possible increase several years. Councilman Derek

Abbott stated he thinks it makes sense to have the Planning Commission chairman to submit a review quarterly about items on the Comprehensive Plan.

Councilman Oliver stated he thinks if the tax increase were done, it would be in such a small increment, it would most likely not be worth doing. Councilman Oliver stated he was around when the Town didn't raise taxes for years and years, and the Town had the most acrimonious meeting he's ever experienced because people misunderstood the raise in taxes by fifty percent (50%), which worked out to about twenty dollars (\$20.00) more on their tax bill. Councilman Bob Biciocchi stated, regarding Councilman Oliver's mention of insufficient planning for the future, there is a lot of planning that goes into both the operating and capital budget; but you have to explain to the public what the need is as to why Council would increase the property tax. Councilman Tim Shaw stated he agrees with Councilman Biciocchi, and while there will be pushback from the public, Council has to do the increase. Councilman Shaw stated the Council needs to be thinking about how it will build up a "war chest" to "go after" these grants, because the Town will need to do some significantly expensive projects if we truly want to "fight off" the effects of climate change, nuisance flooding and such; and we'll need money for matching those grants. Councilman Shaw further stated the sources of revenue for the Town is going to change over the next few years, and he thinks the Town will not see as much money coming from the transfer taxes and fees because there's not much more to build on in Town. Councilman Shaw stated there's no one who owns property in this Town who couldn't afford to pay a little bit more for it. Councilwoman Edie Dondero stated her agreement that Council should begin planning for a tax increase and that there should be a demonstrable need for such that can be clearly communicated. Mayor Saxton stated he will not support a tax increase unless he can be shown the Town has a need for a tax increase. Mayor Saxton stated there is nothing wrong with the taxes being low, people often move here because the taxes are low, and Mayor Saxton is all for an increase if there is a real need and real plan for it. Councilman Abbott stated he thinks everyone on Council agrees that there must be a need for the increase, but he thinks with a little bit of scrutiny, there will be a demonstrable need for it. Councilman Shaw stated the ARM plan shows where Council plans to spend money, but it doesn't show where the money is coming from; and the money which is left over from what the Town didn't need to spend but was "swept in" to the plan. Councilman Shaw stated that is worrisome to him because it seems like Council is not putting a plan in place to ensure the money is there, but rather hope the money is there. Councilman Shaw further stated he would rather Council put a plan in place which says the Town will generate this amount of money, guaranteed with a tax increase, and that money will be put into the budget to fund the ARM so the Town and Council will know where that money is coming from. Councilman Shaw stated he doesn't want to pay more money than he has to for taxes if there is no need for an increase, but he is willing to pay more in taxes if it keeps the Town funded for necessary items such as salaries, equipment, and maintenance. Mayor Saxton stated he would encourage Councilman Oliver have the Planning Commission chairman submit a review letter of what is lacking regarding the Comprehensive Plan to Council at its next regular meeting in May. Mayor Saxton stated he also thinks the B&F should have a review of the ARM at its next meeting.

Discussion and possible action for a budget amendment to the FY23 Capital Budget for the purchase of two police vehicles at \$46,000 each, that were previously included in the proposed FY24 Capital Budget (Saxton) and any other possible budget amendments for FY23. (Saxton/Bartholomew)

Mayor Saxton stated any additional amendments he put in were for canal maintenance and it is additional monies Council already voted on for the front-end loader and the barge. Mayor Saxton stated the canal algae harvesting has been moved to May 1st with the option to pull it back to April 24th if there is suddenly a rapid growth in algae. Mayor Saxton stated if the Town doesn't spend the money for this item during this fiscal year, it will be put into the monies for next year. Councilwoman Dondero stated she is not opposed to the budget amendment itself, but she did express her opposition to the purchase of the police vehicles this year – and not because she doesn't want the police to have new vehicles as they do need to be well-equipped. Councilwoman Dondero stated

she is in opposition to the process and purchase of these particular vehicles as this is an example of how the Town is not following its Comprehensive Plan because it was months ago when Council unanimously adopted an amendment to the Comprehensive Plan which included the new goal of incorporating environmentally sustainable strategies and practices into Town operations of ordinances. Councilwoman Dondero stated this plan is meant as a guide for Council's decisions and incorporating new vehicles with a fifteen (15) mile-per-gallon fuel efficiency rating works directly against that goal when there are alternatives Council could have pursued; and that is why she is voting no on this amendment. Councilman Abbott stated he thinks the decision was driven more by pragmatism and while he respects that the 15 miles-per-gallon is not ideal, he thinks the market for police vehicles is thin enough – and availability is challenging enough – that finding those alternatives could leave the Town “in a lurch” when they have a need. Councilman Abbott stated he would rather choose to act aggressively and practically to ensure the Town has what it needs, when it needs it. Councilwoman Dondero stated she agrees if there is a proven imminent need, but that imminent need has not been expressed, so she doesn't know why this item was rushed.

Councilman Shaw motioned to approve a budget amendment to the FY23 Capital Budget for the purchase of two police vehicles at \$46,000 each, as well as other amendments as presented. Councilman Abbott seconded the motion. Motion carried 6-1, with Councilwoman Dondero voting no.

Discussion and possible action on Resolution 2-23, to set the FY 2024 Property Tax and Rental Tax Rates (Bartholomew)

Councilman Bartholomew motioned to approve Resolution 2-23. Councilman Abbott seconded the motion. Motion carried 7-0.

Action on Resolution 3-23 to approve the FY 2024 Budget and Capital Budget (Bartholomew)

Councilman Bartholomew motioned to approve Resolution 3-23 with amendments. Councilman Shaw seconded the motion. Motion carried 7-0.

Discussion and possible action on Resolution 4-23, Schedule of Fees (Bartholomew)

Councilwoman Dondero requested the Town consider a process by which de minimus encroachments into setback areas may be addressed by the Town Code Enforcement Constable rather than the applicant having to go to the Board of Adjustment (BOA). Council requested Town Manager Maureen Hartman do some research into this for the workshop meeting. Motion by Councilman Bartholomew, second by Councilman Abbott to approve Resolution 4-23 with amendments. Motion carried 7-0.

Leadership Reports

Mayor's Report – No report submitted. Mayor Saxton stated the Town received funding for the virtual messaging sign to be placed at the end of Town. Mayor Saxton further stated a Constant Contact email blast will be going out to make residents aware of the May 1st canal cleaning.

Town Manager Report – report submitted. Town Manager Hartman stated she heard from the Federal Emergency Management Agency (FEMA), and the Town should be hearing soon about the grant submitted in December.

Police Chief Report – report submitted.

Treasurer Report – No report submitted due to the early meeting date but it will be posted by the workshop meeting.

Committee and Commission Reports

Budget and Finance Committee – No report submitted.

Canal Water Quality Committee – report submitted.

Charter and Code Committee – no report submitted. Councilman Abbott stated he will have to schedule a meeting for drafting of recent ordinances mentioned.

Community Relations Committee – report submitted.

Planning Commission – No report submitted.

Bicycle & Pedestrian Safety Ad Hoc Committee – report submitted. Councilman Biciocchi stated the installation of the new sign on Kent Avenue will be on May 26th. The B&PSC did meet with Bethany Beach's Bike and Pedestrian committee to review their existing information regarding pedestrian safety highway crossing.

Adjournment

Motion by Councilman Shaw, second by Councilman Biciocchi to adjourn the April 5, 2023, Town Council Regular Meeting at 9:50 a.m. Motion carried 7-0.

Respectfully submitted,

Council Secretary

Town Clerk

Date of Approval