

CAMDEN-WYOMING SEWER & WATER AUTHORITY
P.O. BOX 405, CAMDEN-WYOMING, DELAWARE 19934

*Minutes of the Camden-Wyoming
Sewer and Water Authority
Regular Session - Authority Meeting
Held on December 10, 2013*

Authority Members present: Mr. Jeffrey Connor
Mr. Peter Couming
Mr. Michael Quinn
Ms. Tracy Torres
Mr. James Winchell

**Also in attendance representing
the CWS&WA:** Mr. Harold Scott, Authority Superintendent
Mr. Soheil Gharebaghi, P.E., Authority Engineer
Ms. Tracy Warga, Esq., standing for Authority Attorney

Public in Attendance: Meeting Attendance/Sign-in Sheet;
available at the CWS&WA Office

The Camden-Wyoming Sewer and Water Authority (CWS&WA) met at the CWS&WA Office on December 10, 2013. The meeting was called to order at 7:05 p.m. by the Chairperson, Mr. Winchell. Mr. Winchell noted that Ms. Blomquist, who was not present at the meeting, had corresponded with the Administration of the Town of Camden regarding her term on the Authority Board. According to Ms. Blomquist, she would no longer be representing the Town of Camden on the Board of Directors of CWS&WA, Mr. Winchell added.

There were no items removed from the Consent Agenda.

Approval of the Consent Agenda:

Motion: Mr. Quinn made a motion to approve the Consent Agenda, seconded by Ms. Torres. Motion carried unanimously.

Maintenance & Operations Status (Superintendent Report):

Mr. Scott distributed the period's Operation and Maintenance Report and discussed the same. Mr. Scott reported that the Authority's crews had installed a valve and meter vault for the CR Plaza irrigation system. Mr. Scott noted that the developers of CR Plaza were responsible for the Authority crews billable time on the irrigation meter pit installation.

Mr. Scott indicated that the Authority crews had performed routinely scheduled jet flushing and clearing of the sanitary sewer systems at Chapel Croft, Newells Creek and Barclay Farms. Mr. Scott noted that, in addition to debris removal from sewer mains, several problems had been revealed following the crews' Closed Circuit TV video inspection of the mains. Mr. Scott indicated that a cable company installation had ruptured a sewer main which would be repaired as soon as climatic conditions permit the same. Fortunately, the cable intrusion into the sewer main had not caused any blockages, Mr. Scott added.

Maintenance & Operations Status (Superintendent Report, cont.):

Mr. Scott indicated that representatives of Godwin Pumps had offered a refresher course on the operation and maintenance of the Authority's Godwin bypass pumps during the past period.

Mr. Scott discussed the Authority's finances and indicated that the Authority's current system balance was \$117,575, of which \$34,000 was for commercial accounts. Mr. Scott noted that Authority's accounts receivables, aging more than 180 days, amounted to approximately \$62,500, down about \$4,000 from the previous period. In general, Mr. Scott expressed satisfaction with the financial aspect of the Authority's operations.

Engineering Report:

As he had, during the Authority's September 10, 2013, Regular Meeting, Gharebaghi distributed copies of a Tidewater Utilities water bill for his house and noted that for the same exact water usage - for which he had been billed \$180.38 by Tidewater - he would have only paid \$90.32 if he had been a customer of CWS&WA. Tidewater's bill was double what it would have hypothetically been if the same service was provided by the Authority, he added. He brought the matter to the Board's attention, he said, to advise the Board about the fact that CWS&WA's water rates were substantially lower than the rates of for-profit, or investor-owned, water utilities. It was noted that the rates of investor-owned utilities, understandably, included profit and overhead charges which were not applicable to the Authority's rates and charges.

Gharebaghi distributed copies of his reports on the *Source Water and Storage Capacity Development Project*, dated July 30, 2013, and discussed the progress of the same. Following the formal introduction of the Project at the Authority's August 13, 2013, Regular Meeting, pursuant to the recommendations which had been made in his current report, dated December 3, 2013, toward land acquisition, the Authority had entered into an agreement to purchase a property, south of Nellie Stoke's Elementary School on Upper King Road. If the Authority's offer were to be accepted by the sellers, in addition to providing a site for a new production well and elevated water storage tank on a vacant lot, the proposed acquisition would provide an existing concrete shell structure on a separate adjacent lot, which could be managed by the Authority for uses ranging from equipment storage to future disposal as surplus land assets, he added. Gharebaghi indicated that updated reports on this matter would be provided at the Authority's future Regular Meetings.

Legal Report:

Ms. Tracy Warga, Esq., an associate of the Authority's Attorney, filled in for Ms. Sherlock, Esq. who was not able to attend the Regular Meeting.

Old Business:

Mr. Winchell discussed the matter of the decision which had been made by the Board at the October 8, 2013, Regular Meeting concerning CWS&WA Resolution 2000-3. Mr. Winchell referenced his remarks during CWS&WA's November 12, 2013, Regular Meeting and summarized the reasons for the Board's reconsideration of the matter.

Old Business (cont.):

After consideration of the matter the following was decided:

Motion: Mr. Couming made a motion to reinstate CWS&WA Resolution 2000-3, to read as follow: *“Unless suspended or otherwise decided by formal action of the Board of Camden Wyoming Sewer and Water Authority (“Authority”), an annual rate adjustment of 5% on all Authority fees and charges will be automatically implemented.”*, seconded by Mr. Connor. Motion carried unanimously.

New Business: *Winterberry Woods*

The Authority Engineer provided a Background and Introduction to the Proposed Winterberry Woods subdivision as follows:

In 2005, during the Authority’s December 13, 2005, Regular Meeting, Mr. Rodney Mitchell, a local developer, accompanied by his engineer, Mr. Zachary Crouch of Davis, Bowen & Friedel, made a presentation before the then CWS&WA Board of Directors.

A 166-lot, single family, residential subdivision of Winterberry Woods was proposed along Almshouse Road, approximately 2 miles west of Wyoming.

Between 2006 and 2009, the developer:

- 1) Filed an Application with the Authority for sewer and water services,
- 2) Requested the filing of an Application with the Delaware Public Service Commission by the CWS&WA for a Certificate of Public Convenience and Necessity (CPCN) to enable the Authority to legally serve the proposed land development. [The Authority filed for and was granted the CPCN for the property],
- 3) Submitted construction plans for the project.

Before the construction plans for the project were reviewed or approved by the Authority, in 2009, Mr. Mitchell requested a refund of the Impact Fees he had paid, and, for certain considerations, requested an extension of time for two (2) years to complete the project.

In 2009, during the Authority’s April 14, 2009, Regular Meeting, Mr. Scott brought the matter of Mr. Mitchell’s request to the Board and the Board conditionally approved the refund of Impact Fees to Mr. Mitchell.

On April 24, 2009, in a letter addressed to Mr. Mitchell, among other things, Mr. Scott indicated that “Additionally, the continuance of the service capacity commitment beyond two years, and the terms and conditions associated therewith, would be at the discretion of the CWS&WA Board of Directors.” [The 2-year extension period expired on April 24, 2011].

Since 2009/2011 time period, the ownership of the property, formerly known as the Thomas Farm, changed and Mr. Mitchell is no longer associated with the property or the proposed land development.

Through the new owner’s engineers, Davis, Bowen & Friedel, represented by Mr. Randy Duplechain, the Authority was requested to consider a presentation of the project by the new owners of the land. Gharebaghi indicated that Mr. Duplechain’s request to be placed on the Agenda of the Regular Meeting, and submission of supporting documents distributed to Board Members, had been made seven (7) days in advance of the Regular Meeting.

New Business (cont.):

Following the background and introduction presented, Gharebaghi requested the Board's consideration of Mr. Duplechain's request. Mr. Winchell invited the project proponents to address the Board.

Mr. Barrett Edwards identified himself as an attorney representing the new owner of the subject property. Mr. Edwards and Mr. R. Brandon Jones, also representing the new property owner, indicated that the project had already been approved by Kent County government and recorded by the Recorder of Deeds in and for Kent County. Mr. Edwards referred to a letter addressed to Kent County, dated September 11, 2011, signed by Mr. Dyer - the then Authority Chairperson - and indicated that according to Mr. Dyer the Authority had willingness and ability to provide sewer and water services to the subject property. Mr. Duplechain also argued that the CPCN for the property, which had been granted to the Authority by the Delaware PSC, obligated the Authority to provide its water utility services to the subject land development.

Mr. Couming was joined by other Board members who noted that the project's approval by Kent County in relation to land use, zoning and subdivision regulations and the like, was not the same as approval by the Authority for sewer and water utility services. It was also noted that in a letter dated, April 24, 2009, addressed to the previous owner, the Authority Superintendent had indicated that the continuance of service capacity commitment beyond April 24, 2011, required the approval of CWS&WA Board of Directors. The 2-year conditional extension of time, granted to Mr. Mitchell by the Authority, had expired on April 24, 2011, and it was the consensus of the Board that in 2013, the Authority was under no contractual obligation to provide its services to the new property owner or to anyone else without the prior approval of the Board.

Mr. Jones questioned whether the current CWS&WA Board of Directors needed to approve the project at all, because in his opinion, the project had already been approved by the Authority. Mr. Jones indicated that the Authority must serve the subject property water utility services or the Authority must give up its CPCN for the land. It was the new property owner's right to move forward with the project, Mr. Jones asserted.

It was noted that the project plans, which had been submitted by Mr. Duplechain, did not include a water main loop beginning at Westville Road and ending at Willow Grove Road as had been previously proposed. Mr. Winchell explained that because the project, to which the owner's representatives had referred, had been proposed by a previous property owner, and since the extension of time for the execution of that project had expired more than two (2) years earlier, and because sewer and water infrastructure construction plans for the project had not been approved by the Authority, the Board considered the new owner's proposal a new project which needed the Board's approval before the details of construction and terms and conditions of a developer's agreement between the new owner and the Authority could advance. As such, in accordance with the new property owner's representatives request, the proposed project would be placed on the Authority's next Regular Meeting Agenda for the purpose of presenting the new property owner's proposal to the Board, Mr. Winchell added.

Correspondence:

With the exception of those referenced above, there was no other correspondence.

Visitors' Comments:

As he had during previous Regular Meetings, Mr. Shuba, once again, expressed his strong objections to the development of the subject property and urged the Board not to approve the project.

Adjournment:

Motion: Mr. Couming made a motion to adjourn the Regular Meeting, seconded by Ms. Torres. Motion carried unanimously.

The Regular Meeting adjourned at 8:35 p.m.

The next Regular Meeting will be held on January 14, 2014, at 7:00 p.m.

Respectfully Submitted,
CAMDEN-WYOMING SEWER & WATER AUTHORITY

Harold L. Scott, Sr.
CWS&WA Superintendent