

**Town of Milton
Town Council Meeting
Milton Library, 121 Union Street
Tuesday, January 24, 2012
6:30 p.m.**

**Transcriptionist: Helene Rodgville
[Minutes are Not Verbatim]**

1. Call to Order – Mayor Newlands called the meeting to order at 6:30 p.m.
2. Moment of Silence – Councilwoman Betts
3. Pledge of Allegiance to the Flag
4. Roll Call – Mayor Newlands

Councilwoman Hudson	Present
Councilman West	Present
Councilwoman Betts	Present
Councilman Lester	Present
Councilwoman Jones	Present
Mayor Newlands	Present
Councilwoman Duby	Absent
5. Additions or Corrections to the Agenda

Mayor Newlands: Do we have any additions or corrections to the Agenda?
6. Agenda Approval

Mayor Newlands: Okay, can we get a motion to approve the agenda?
Councilman West: I make a motion that we approve the agenda.
Vice Mayor Betts: Second.
Mayor Newlands: We have a motion and a second to approve the agenda. All in favor say aye.
Opposed. Motion is carried.
7. Old Business
 - a.
8. New Business – Discussion and possible vote on the following items:
 - a. Presentation of 2011 Property Tax Appeals – order of appeals heard will be at the discretion of the Mayor and Council
 1. Mayor Newlands: The first order of business we have tax appeals. We have four residents from Heritage Creek; one from Chestnut Street; and then Atlantic Homes in Chestnut Crossing. I'm going to do these in the order in which they came to use in our package. You look like you have a question Councilwoman Jones?
Councilwoman Jones: No I don't. I don't have them in that order, I broke them apart, so if you would just call the name, I'll get them out.
Mayor Newlands: It will be Neil and Judith Sands first. What we're going is, we'll be listening to their appeal. Matt Hickey is here from Property Tax

Associates. He's our assessor and he will go back and do an analysis and then present it back to Council in February or March. Just for the resident's knowledge, since you're having an appeal going on, we will not send you a tax bill until the appeal is over with. Regardless of the decision, whether it's to change it or leave it alone, you will not have any penalties or interest. Your taxes will be suspended until you get a determination on what it's going to be. Okay? If you want to come up to the microphone; we're very friendly; we're not going to bite anybody; we just need it recorded.

Judith Sands, 111 Mill Pond, Milton, DE: Unfortunately my husband had the wrong date and because of the cancellation, he won't be here.

Mayor Newlands: I know and we apologize; we would not have had a quorum last week.

Judith Sands: You mailed him stuff that I don't know if you want me to read.

Mayor Newlands: You can give us a synopsis of what he has in there; we have his letter.

Judith Sands: Which one? The original one? Dated February 3rd.

Mayor Newlands: Hold on.

Judith Sands: Alright, we have the model of our home is a Columbus; the base cost of the house with upgrades was \$359,900; it's now down to \$309,900; but when our house was purchased, we paid \$394,211 and we are now assessed at \$426,800. Our house was purchased in 2008. I think it was at the same time when the town was doing the reevaluations and also he says, based on the facts, I believe it would be fair and reasonable to reduce the assessed value from \$426,800 to \$354,000, which reflects the \$40,000, which is now \$50,000, base reduction in the price of the house and also he does have another... It appears that every lot in Heritage Creek is assessed at \$120,000. There are other lots, even in... I think he's talking about The Preserve, which is up for sale for \$119,925 and the lots and are at least twice the size of what the lots are in Heritage Creek.

Mayor Newlands: Now, the base price of this model is now selling for \$40,000 less than what it was originally?

Judith Sands: \$50,000.

Mayor Newlands: \$50,000 less, okay. And the comparisons you gave us on your application they're on the same street as you or just around the corner from you?

Judith Sands: Um, they're on the street over. They're all the same houses. They're all the same model.

Mayor Newlands: The same as yours, also?

Judith Sands: Yes.

Mayor Newlands: Okay, great.

Judith Sands: In fact, I think some of them actually have a little bit more of upgrades, but they're all the exact same models. That's the only thing he put in. He didn't put any of the other models in.

Mayor Newlands: Okay, does Council have any questions?

Councilwoman Jones: Mrs. Sands, the three comparable properties you offered, are they the same land size as your homes?

Judith Sands: Just about every lot is about the same; they're very small lots; very close. They're not like 1/2 acre and I don't know if you know them.

Councilwoman Jones: I didn't see a dimension on the application.

Mayor Newlands: All of the lots in Heritage Creek and Chestnut Crossing,

they're all at the same price; they're all \$120,000 value.

Councilwoman Jones: May I ask a second question?

Mayor Newlands: Sure you can.

Councilwoman Jones: That \$120,000, does that go with the dimension of the piece of property and what else is factored in to that? If Mrs. Sands says a larger piece of property in a comparable community has greater land, but equal value; I'm just asking you for your formula.

Matt Hickey: We use the sales prices of the lots in that sub-division at the time of the reevaluation; then we use the sales prices of the... You know, we have two separate sub-divisions, with two separate land values; so what were the sales prices at the time of the last reassessment; that's the question.

Councilwoman Jones: So they had nothing to do with the dimensions of the lot?

Matt Hickey: A 1/2 acre lot in one sub-division sells for \$95,000 and a 1/4 acre lot sells for \$120,000 in a different sub-division; we go off of the sales prices.

Councilwoman Jones: Okay, thank you.

Judith Sands: But that has to count for what the prices of the houses are then. Why was our house evaluated higher than we paid?

Mayor Newlands: Excuse me one second. There's a spreadsheet that everybody received, also, that's behind the Sands' package and that's a listing of all of the house sales for the last 3 or 4 years in Heritage Creek and all the assessed values and the ones that have an asterisk (*) are the people who are appealing tonight.

Vice Mayor Betts: Is your house larger than some of the other homes?

Judith Sands: My house is actually smaller than the other models, because they added additional space in the dining rooms; you know, mine is 220 ft. smaller, between the two doors; because they added four feet. I don't know exactly what the dimensions would be and it would also be the same thing added upstairs on the second floor.

Vice Mayor Betts: But the dimensions of the house are probably the same?

Judith Sands: No.

Mayor Newlands: No.

Vice Mayor Betts: No?

Mayor Newlands: If you look at the second page, the letter from her husband; the bottom of the first paragraph it says that some of the homes are slightly larger; they have 2' added to the length of the home. So what Mrs. Sands is saying is that her home and the three homes that she listed on the bottom of her application, are all the same model; they're slightly different; but hers is the smallest.

Judith Sands: They're not really different; they're all the same model.

Vice Mayor Betts: They're the same model?

Mayor Newlands: But they're different in size, though.

Judith Sands: Only because, yes, because mine was the first one built and then they added on to the other ones, yes. I'm sorry.

Mayor Newlands: Mr. Hickey, do you have any questions?

Matt Hickey: Yes, Sir. Your house has a basement underneath it? Is that correct Mrs. Sands? And it's unfinished.

Judith Sands: All the houses have basements.

Matt Hickey: Yours is unfinished, correct?

Judith Sands: Right.

Matt Hickey: Just wanted to verify that information. Thank you.

Judith Sands: Yes.

Councilwoman Jones: Mrs. Sands do you have a value, your guestimate of the value is the current market value?

Judith Sands: The current market value; but that's based on what the other three houses... An average of what the three houses on the bottom sold for.

Councilwoman Jones: Okay, thank you.

Judith Sands: Within about the same time period.

Mayor Newlands: Mr. Hickey, we did the reassessment, when, the end of 2009?

Matt Hickey: Yes, Sir.

Mayor Newlands: Okay.

Matt Hickey: Things have changed considerably since then; values have gone down since then, but...

Mayor Newlands: Right, but her house was purchased in June of 2009 and the appraisal is much higher than the purchase price in the same six month period where the reassessment was done. She's June of 2009 for the purchase of the house at \$394,000 and the reassessment is \$426,000, just six months later.

Matt Hickey: Right, we'll have to review it.

Mayor Newlands: Okay.

Councilman Lester: It does seem a lot in a declining market; to accelerate in six months.

Judith Sands: Yes. We couldn't figure out why the assessment went up when the market was declining; even a lot less than what we paid for it, too.

Councilman Lester: I have a problem with the valuation of the land; I just don't know how that comes about, because the selling price for the piece of land, it's really an artificial number based on whatever the market will bear at the time.

Mayor Newlands: Actually, they don't sell those lots individually in that sub-division; they're only sold as lot/land packages; so how do we get a value of the land sales out there.

Matt Hickey: It's called land residual model. We have to use every sale that's occurred in the town and from those sales we develop a price per square foot. Now, when we go into a sub-division and if they only sell the lot or we don't have any land sales, we have to back out; take our sales price; back out our house value based on that price per square foot and then the difference between that house value and the sales prices is our land value. So if we come off the land value, you have to go back onto the house; one way or the other, you still get to the sales price at the end of the day.

Mayor Newlands: Okay. Does anybody else have any questions for Mrs. Sands? Thank you.

Councilman Lester: I'm just interested to see what the assessors come up with on that.

Mayor Newlands: Me too.

Councilman Lester: It's like a fairy tale.

2. Mayor Newlands: Next one is Mr. Galgano. Please state your name and address for the record.

Ken Kay and Don Galgano, 100 Arch: What brings us here this evening is the house and land total assessment package, and we've only lived in the house a year and a half; is almost \$100,000 more than we paid for the house. It would be nice if that increase in value was realistic, but obviously it's not, unfortunately. So we have a total assessment of \$454,600 and in round numbers, only paid

\$355,000 there; so I don't know how it could be assessed not even close to what the purchase price of the house was only a year ago.

Ken Kay and Don Galgano: Within April of 2010.

Mayor Newlands: April of 2010.

Ken Kay and Don Galgano: Our closing was April 27, 2010.

Mayor Newlands: Okay.

Ken Kay and Don Galgano: And again, this is the same house as Judy and Neil Sands; this is the one with the 2' more added to the dining room and of course, the upstairs, but as your assessor said, it has nothing to do with square footage of the house, at the time; it had to do on the value of the house; the tax assessment and purchase price. But it had nothing to do with the size of the home; which isn't a great deal difference, but it still had nothing to do with that extra 2'.

Matt Hickey: I was talking square footage of the lots. The house is done on a price per square foot. On Mrs. Sands' home, I've got 2,970 square feet; on yours I've got 2,677; with a basement underneath both, which is about the same size, and then you have a finished basement.

Ken Kay and Don Galgano: No we do not. No. No we do not. They have a porch, we don't. They also have a porch; we don't have an enclosed porch.

Matt Hickey: So you did not have a finished basement, correct?

Ken Kay and Don Galgano: No.

Councilwoman Hudson: How did you determine that it was finished? Did you go into the basement?

Matt Hickey: No, Ma'am, we're not allowed. We either assume from the outside based on window hangings in the window or ask the homeowner when we're there. We're not allowed on the inside.

Councilwoman Hudson: I see.

Matt Hickey: So we do the best we can.

Councilwoman Hudson: Okay.

Ken Kay and Don Galgano: Well you would also go by the purchase price, because the finished basement was an extra \$27,000, so you would see that in the price of the house.

Mayor Newlands: And you paid considerably less than the Sands' paid for their house and your assessed value is...

Ken Kay and Don Galgano: That was as the market was moving down, obviously from 2009 to 2010, yes.

Mayor Newlands: But your assessed value is higher than theirs.

Ken Kay and Don Galgano: Yes it is.

Matt Hickey: Mr. Mayor, may I ask another question? This is the Columbus Model? Is that correct?

Ken Kay and Don Galgano: Yes it is. It's the same model as the Sands'.

Mayor Newlands: You could have had one spokesman.

Councilwoman Jones: And without a copy of your tax bill, just to confirm, your land value is also \$120,000.

Ken Kay and Don Galgano: Yes. We have a copy and is listed at \$120,000 also, which we find...

Councilwoman Jones: I just want to make the Mayor said they all...

Mayor Newlands: The entire community is \$120,000.

Ken Kay and Don Galgano: They're all at \$120,000 and again, as Neil Sands had pointed out, you know, there are places in town proper; more so than we are in

proper; I know we're in town; but are selling for \$85,000 - \$110,000 - \$120,000; not up to \$120,000; so we're just curious where that land value came from.

Councilwoman Jones: Thank you.

Mayor Newlands: Does Council have any questions of the applicants?

Councilman Lester: No, I'm just puzzled by the process itself. I don't know.

Mayor Newlands: Me, too.

Vice Mayor Betts: I have been, all along.

Councilman Lester: I know there are houses in Wagamon's that have dormers and some of them were assessed as having finished rooms for the dormers and the dormers are just decorative; so I don't know what the norm is in the business. I mean, you make an assumption that there's a; what do you call it when they finish a room over a garage?

Mayor Newlands: A bonus room.

Councilman Lester: A bonus room; I mean, you make another assumption of that sort, especially in Wagamon's; so I don't know how you come to those assumptions just arbitrarily; and you know, that's an expensive assumption for the taxpayer.

Ken Kay and Don Galgano: We are too. My concern is if it's overvalued by \$100,000 now, and you're going from this point forward, it's going to really inflate taxes on unfortunately a value that the house doesn't have. And just a question, in the end, just referring back to what you had said, just assuming that because there are draperies hanging or something; I'm going back to what you said right now; if somebody puts draperies in an empty room, the assumption that the room is finished? That's rather strange. Especially for a basement; there is no window; there are no draperies hanging; so to assume something like that is rather strange to me. Sorry. I don't know how that is arrived at. I'm not going to question you, but I'm just saying from your answer and your response, it's just a strange way to get to the value of a home.

Matt Hickey: Well we try to err on the side of caution. I mean, if you take a living area above the garage, or a bonus room, and we don't pick it up, then we've undervalued it and short changed, not only that citizen, but the rest of the citizens in the locality. The pick up finished basements and these areas; since we're not allowed on the inside is always a constant question.

Ken Kay and Don Galgano: And that would be a question; rather than err on the side of caution, and make an assumption; why are you not allowed in with the process of seeing what is in a home; not to evaluate it by its contents; but what is finished and is not finished. That I find strange.

Matt Hickey: If the town wants to make that possible; we set up appointments with everybody; that will be the next go around.

Ken Kay and Don Galgano: That certainly seems the logical way to approach something like this, rather than make assumptions by draperies hanging in the window. I'm sorry.

Matt Hickey: It just makes it more costly. So.

Mayor Newlands: It's not in our Code that we can't do it; it's just the way it's always been done.

Ken Kay and Don Galgano: That's what I was going to ask. I'm sure there is a cost associated with it; I'm sure there is.

Mayor Newlands: Okay, does anybody else have any questions for the gentlemen? Okay, thank you.

- Ken Kay and Don Galgano: Thank you.
3. Mayor Newlands: Okay, the Kemps. Diana and John Kemp.
Unidentified Speaker: Oh, I'm sorry. They couldn't be here tonight, but I've got their information. They called and said that they would send a neighbor.
Mayor Newlands: Your name and address and who you are speaking on behalf of.
Judy Sands, speaking on behalf of John and Diana Kemp, 119 Heritage Boulevard: There's is basically, their purchase price of the house was \$334,087 and they're evaluated at \$496,500. Now this is a different model.
Councilman West: \$396,500.
Mayor Newlands: \$396,500.
Judy Sands: I didn't see that.
Mayor Newlands: \$396,500, it's still a lot. Is it the same model as yours, do you know?
Judy Sands: No. No. This is a different model.
Vice Mayor Betts: Is it larger or smaller?
Judy Sands: No. Unfortunately, I don't have the dimensions of that one. There's a very small difference between the models.
Mayor Newlands: Do you know, Mr. Hickey?
Matt Hickey: It's 2,397 square feet. It's not much difference.
Mayor Newlands: Okay.
Matt Hickey: And it has a basement that is unfinished, correct?
Judy Sands: Right.
Mayor Newlands: Not that you can answer many more questions for them; does anybody have any questions on this application? I guess not. Thank you.
4. Mayor Newlands: We had one more from Heritage Creek, Constanzo. I just can't seem to find any paperwork. I know it's in here. You may come to the microphone. Please state your name and address.
Mike and Paula Constanzo, 119 Arch Street: Unfortunately, we didn't bring our paperwork with us, but we have the same problem as the other residents; that the land value is too high and the price of the house is also too high.
Mayor Newlands: You paid \$344,415 for your house and it's appraised at \$414,000.
Mike and Paula Constanzo: Correct.
Mayor Newlands: What model is it?
Mike and Paula Constanzo: The Madison, the same as the Kemps.
Mayor Newlands: Oh, the same as the Kemps. Okay.
Mike and Paula Constanzo: Yes.
Mayor Newlands: Finished basement or not?
Mike and Paula Constanzo: Not finished.
Matt Hickey: It's not finished, is that correct?
Mike and Paula Constanzo: Correct.
Mayor Newlands: Does anybody on Council have any questions of the applicant?
Councilman Lester: Same questions as the others.
Mayor Newlands: Mr. Hickey, do you have any questions of the applicant?
Matt Hickey: No, the finished basement was my only question.
Mayor Newlands: Okay, thank you.
Mike and Paula Constanzo: Sorry we didn't have the paperwork.

Mayor Newlands: That's fine, we have a spreadsheet with everything on it, so. Thank you.

5. Ken Kay and Don Galgano: Just a question to the assessor also. When we're talking about finished basements or not; and you're basing it on the purchase price of the house, are you not aware when the purchase price is given to you that it had a finished basement or not? I'm just curious.

Matt Hickey: All we're given is a value.

Ken Kay and Don Galgano: All you're given is a value? That's rather interesting.

Matt Hickey: Yes.

Ken Kay and Don Galgano: So you're not given any of the upgrades and that's obviously considered an upgrade, so therefore that's why you're not given that information then?

Matt Hickey: All we're given is the total sales price.

Ken Kay and Don Galgano: Okay, fine, that's interesting. Okay. Thank you. We were all sitting here wondering why you're asking the question and saying, gee, don't they know that?

Matt Hickey: Real quick, the way we value a home is, we break it down to a space component; basement; finished basement; garages; everything has a different price per square foot; so I'm just trying to make sure that the information is accurate on the house, because we're valuing those homes, like the last one, that we had it with a finished basement; and it's not; so that is going to affect the value.

Ken Kay and Don Galgano: Right. Obviously, sure.

Matt Hickey: So just to get some factual information, makes a change on the property.

Ken Kay and Don Galgano: Sure.

Matt Hickey: So that was one of my main questions and usually one of the areas that we have issues on.

Ken Kay and Don Galgano: Okay, I understand.

Mayor Newlands: Robin is reminding me that you're getting building permits, so it should have on there, whether it's got a finished basement or not? Shouldn't it? Don't you get the cards from us? The cards that have the rooms and the square footage.

Robin Davis: Usually when they're given the building permit then they'll do the card for that.

Mayor Newlands: Who does the card?

Robin Davis: They do.

Mayor Newlands: They do, okay.

Matt Hickey: Yeah, but were these built before the last reassessment? Before we started doing that?

Mayor Newlands: I don't know when. When did that happen?

Robin Davis: Well these houses were built in 2010; you did the reassessment so the new ones would have been after the reassessment.

Mayor Newlands: So the answer is yes, they would have been under that process.

Matt Hickey: Okay.

Robin Davis: That's been our process ever since I've been here, since 2006.

Mayor Newlands: Robin is telling me that that's been the process since 2006.

6. Judy Sands: I have one question. If they receive the information from the town

on what the sales prices is; why were the houses evaluated higher than the sales price in most instances? I don't understand that.

Mayor Newlands: We're not giving them sales prices, we're just giving them what the permit says.

Judy Sands: Oh, you don't get the sales price of what it was sold for?

Mayor Newlands: No.

Judy Sands: I was assuming that. I thought he said he got the sales price.

Mayor Newlands: Not from us.

Matt Hickey: It's recorded.

Judy Sands: Isn't it public record?

Matt Hickey: Yeah, it's recorded in the Clerk's Office.

Judy Sands: Okay.

Matt Hickey: When we did the last reevaluation, we came up with the prices per square foot; so anything built after that reevaluation is taken back to the last reevaluation on the price per square foot.

Judy Sands: When was the last reevaluation?

Matt Hickey: The last part of 2009, at the peak of the market; that's why values have decreased and that's why your assessment is higher than the current sales prices because the market has decreased since the last reevaluation.

Judy Sands: I thought you were doing evaluations all through 2009; that's what I was told. They started in the summer of 2009. No?

Mayor Newlands: They were measuring properties, but they didn't set the values until the end.

Judy Sands: But yet at that point, the prices of the houses were not going up.

Matt Hickey: Correct, they were going down.

Judy Sands: They were going down in 2009. We happened to pay more than other people because we were the first people there. So that's not... You know. But certainly it shouldn't be more than that.

Matt Hickey: And since, it has gone down even further.

Judy Sands: Yes, I understand.

Matt Hickey: But the problem is the process is we have to establish a date; an effective date of the reevaluation and that was January 1st of 2009; so since then things have changed.

Judy Sands: If I had bought my house in January... I'm confused, because you said...

Matt Hickey: The last part of 2008, first part of 2009; the last reevaluation was done... The reevaluation was done, you're on a fiscal year, that's what was confusing me; the first part of 2009. Okay. You bought the house after the fact; anybody that builds a house after the fact is taken back to the evaluation of last reevaluation; the last reassessment. So everybody's valued at the same throughout the process.

Judy Sands: Where did you get an assessment in January of 2009 for those houses?

Matt Hickey: Based on the sales in 2008.

Judy Sands: There were no sales in 2008.

Matt Hickey: There were sales in 2008 in the town, based on...

Judy Sands: Oh, in the town, but I thought you meant in the development.

Matt Hickey: No and that's where we come up with that price per square foot and that's what you're comparing to; the sales in the last part of 2008 and the first part

of 2009; and that is where the values have changed considerably.

Judy Sands: Okay.

Matt Hickey: It's the process that is designed to keep everybody fair on a current time period. If I build a house that's 1,000 square foot and it costs me \$110 per square foot to build it and the next year you out and build the exact same 1,000 square foot house and it costs you \$130 a square foot, instead of you being taxed at \$130 and me at \$110, we make everybody the same at the \$110. So everybody has pretty much the same price per square foot and that's what's changed in the assessment process. The sale prices have changed since the last reassessment because of the economy, but we have to value it based on the last part of 2008, first part of 2009.

Judy Sands: So you have to evaluate higher than the purchase price?

Matt Hickey: Well it's based on the reevaluation at the time. Now, four years ago if we were having this conversation, your sales price would have been here and the market would have been here. It would have been the exact opposite.

Judy Sands: Yes.

Matt Hickey: So it's all based on the current evaluation or the current reevaluation period which was the last part of 2008, first part of 2009; it was effective 2009.

Judy Sands: And what was the square footage?

Matt Hickey: On your house?

Judy Sands: No, what was the price per square foot?

Matt Hickey: I don't have that information this evening. It will be in our final report that we give to the town. Your property card is available at the town and you can get a copy of it.

Judy Sands: Right. What do you have as the square footage for my house? Do you have that or no?

Matt Hickey: 2,970 and that's one of the things we'll review.

Judy Sands: And what is the square footage of the larger Heritage Creek Columbus models?

Matt Hickey: 2,677 on...

Judy Sands: The Madison?

Matt Hickey: No, on the other Columbus model.

Judy Sands: No.

Matt Hickey: On the Madison, we have 2,173 and 2,397.

Mayor Newlands: So she's saying...

Judy Sands: I don't understand where you got the extra square footage. Do you...

Matt Hickey: Yes, that's one of the things that we'll review.

Judy Sands: Do you include the screened porch, because that's not heated living space?

Matt Hickey: No Ma'am.

Judy Sands: Okay, so my house can't be more than the other one; mine is smaller.

Matt Hickey: And again, that's one of the things that we're reviewing. I don't have that data in front of me.

Judy Sands: There's something wrong there on that; I mean it's not by much, but I'm just saying it certainly can't be more than the other Columbus models.

Matt Hickey: Right and again I can't do that tonight. We have to review it and it will be in our final report.

Judy Sands: Okay.

Mayor Newlands: Given the way you do the calculations, the three applicants here tonight who own a Columbus model; they should be within a few hundred dollars of each other.

Matt Hickey: Right, as long as there's not a finished basement vs. an unfinished basement and so on and so forth.

Mayor Newlands: Right. Okay.

Judy Sands: Thank you.

Mayor Newlands: Thank you.

7. Mayor Newlands: Mr. Ingram. Oh, not here. And who is representing Atlantic Land Developers?

Mark Grahne, 23 Pinewater Drive, Harbeson, DE, representing Atlantic Land Developers. I'm the Managing Member. Basically what we're here for is we're questioning the value placed on the open lots within the community; I think all 12 lots at the time were given a value of \$120,000 a lot. Nothing has sold in town for \$120,000 a lot in a long time. We provided in our package our bank appraisal; it's a commercial appraisal that was done; on how they value the property to provide us financing in, I think, in June of 2010; which gave the lots a value of \$65,000; which from what I heard, I guess, was maybe about a year after this original appraisal was done. Subsequently, and this is not in your package, but we had a local residential real estate appraiser, appraise the lots. This appraisal just came in last Wednesday and she looked at current values of other lots that had been sold in town and she came up with a value of \$82,000 a lot. I think all the lots were given the same value of \$120,000 if I remember correctly; they're all about the same size.

Mayor Newlands: That is correct.

Mark Grahne: Yes.

Mayor Newlands: Mr. Hickey do you want to ask questions?

Matt Hickey: Yes, have you adjusted your asking prices from \$99,500 to \$129,000?

Mark Grahne: I could ask a million for a house; I'm not going to get it. In this particular real estate market, if I ask \$70,000, I'm going to get \$50,000. You know. So, have we adjusted prices? No. I could tell you what... Again, nothing has sold in there either; so there is no value in there at any of those levels. Actually, I think the values go from \$89,500, if I remember correctly; to \$114,900, approximately; so they might have been slightly adjusted since this form was filled out back in September or August, or whatever it was.

Matt Hickey: Can I get a copy of that recent appraisal?

Mark Grahne: Sure, yes, I have one here for you.

Mayor Newlands: Thank you.

Councilwoman Jones: Your appraisal that I have in my package, of June 28, 2010?

Mark Grahne: Correct.

Councilwoman Jones: Undoubtedly the bottom of the market.

Mark Grahne: No, actually no, it's actually gone down since June of 2010. We only provided that one, because that was the one we had most closely to when the values changed here in town.

Councilwoman Jones: So you have a discrepancy between the end of 2008, early 2009 to June of 2010?

Mark Grahne: Our tax bill changed in 2010 for the first time, which was when it

was increased to \$120,000; we paid \$120,000 a lot in 2010 and again in 2011. I guess we tried to correct the one in 2011; we were too late to do so; so we've paid that tax bill and now we're looking at the current 2012 taxes.

Councilwoman Jones: Are your twelve lots located in Chestnut Crossing?

Mark Grahne: Yes Ma'am.

Councilwoman Jones: Thank you.

Mayor Newlands: You're currently selling land/lot packages or both or land lot packages?

Mark Grahne: They're both listed in the MLS and like I said, we've never sold a lot; we've only sold a land lot package. We sold two in the fall; one for \$247,000 and I think the other one was \$279,000. And I did bring a copy of one of the contracts that was signed; actually it was \$254,729; it was a package price.

Mayor Newlands: Okay and you have two or three under construction right now?

Mark Grahne: Two; I'm sorry and another one to start, yes; so there are two under construction right now.

Councilwoman Jones: Which are prospect homes or they belong to someone?

Mark Grahne: The one is a model; the first one I started; the second one has been sold and the third one about to start has been sold.

Councilwoman Jones: Thank you.

Matt Hickey: The purchase price of \$2.125 million, did it include anything else; or just these twelve lots?

Mark Grahne: Actually no, that was a whole community, which was raw land.

Matt Hickey: Okay, how many acres was that?

Mark Grahne: I think 12 acres all together.

Mayor Newlands: It was what 21, 22 homes?

Mark Grahne: There's a total of 25 lots.

Mayor Newlands: 25 lots.

Mark Grahne: The appraisal is in your package, the commercial appraisal, so it's done a little differently and that's why I brought it and that's why I had a residential appraisal done.

Mayor Newlands: Okay.

Mark Grahne: Because it also includes open space and their overall acreage number that's listed on the appraisal of what's left; I think it says 5.7 acres, I think is what it says; or 5.3 is what they; 5.34 acres is what the commercial appraisal says, but that includes some open space that's part of the community. There are actually 12 lots that are available out of that 5 acres and they're each about 10,000 square feet per town curb. So there's about 3 acres worth of lots; and we have 5 acres so...

Matt Hickey: So you sold 10 lots out of the development?

Mark Grahne: We've actually sold 13 house lot packages in the development to date and then we have 2 more that we have under construction that won't physically go to settlement until they're done.

Mayor Newlands: So you're going to have 9 lots left or 10?

Mark Grahne: Well we'll have one as a model and then there will be 9 lots left after that.

Mayor Newlands: Okay.

Matt Hickey: When did you start selling those lots?

Mark Grahne: We bought the property in 2004; I think 2005 is when we started selling home lot packages; we did not sell lots in the beginning; we did not

advertise lots until about 2008, probably about that timeframe when the real estate market started to drop out.

Matt Hickey: But you've been selling since 2004?

Mark Grahne: The last house we built in there, besides the 3 we have right now, was in 2008; that was the last house that got built.

Matt Hickey: Okay.

Mayor Newlands: Questions? Go ahead.

Councilwoman Jones: Question for you. I didn't quite understand your last conversation reducing it from 12 lots to 9; can you explain that?

Mayor Newlands: He has 3 houses under construction so there's only 9 lots available to be sold as vacant land.

Councilwoman Jones: So, actually, additionally 3 out of these 12 lots are already...

Mark Grahne: There's 12 lots there now; 2 are having houses built on them; 1 is another one that's been sold...

Councilwoman Jones: One is a model.

Mark Grahne: Out of those two, one of those is going to be a model and then there's another one that has been under contract for a house lot package.

Mayor Newlands: So there's only 9 left that could be sold as a vacant lot.

Councilwoman Jones: Okay.

Matt Hickey: What is the lot number of the one that's sold? Do you know off the top of your head? Just to save me from looking it up.

Mark Grahne: Which lot?

Matt Hickey: Which one is under contract?

Mark Grahne: Well Lot 21 is under contract, Lot 17 is under contract, but none of those will actually show up until they go to settlement and those houses are completed. Although Robin does have a building permit for Lot 21 and then Lot 22 is the model.

Matt Hickey: They're on MLS aren't they?

Mark Grahne: You can't put a lot home package and a lot in the MLS at the same time, so half are listed as packages and half are listed as lots, about.

Mayor Newlands: Does anyone else on Council have any questions? Okay, thank you.

Mark Grahne: I brought two copies of the residential appraisal; who would like one?

Mayor Newlands: Robin can take one and then Mr. Hickey can take the other. Thank you.

Matt Hickey: Thank you, Sir.

Mayor Newlands: Okay, that's it for tax appeals. There are no other applicants.

Win Abbott: Pardon me, Mr. Mayor. I just want to bring to your attention and all the Council persons, I did put on your desktop there a copy of a letter that was received after the deadline for tax appeals, on behalf of one of the citizens. I made the citizen aware that it was indeed after the deadline; not according to our protocol, but that I would share it with the Council. It's there for your consideration.

Mayor Newlands: So this is Miss Roberts' property?

Win Abbott: Yes.

Mayor Newlands: Okay. Is she here tonight? Actually, I'm sorry, the last name was Kerr. Is she here tonight?

Win Abbott: I didn't see her.

Mayor Newlands: No. Okay.

Councilwoman Jones: Actually I have a question about entertaining looking at this, but if you're not going to look at it with the applicant absent, I won't ask the question.

Mayor Newlands: You could ask the question.

Councilwoman Jones: I'll be finding out whether or not you gave my house an improved basement or not and then will you hear another request for reduced tax, out of sync? That's going to be my question.

Mayor Newlands: You want to know if he has...

Councilwoman Jones: I need to know now with the information that's been shared, whether or not my house, on Behringer Avenue, was appraised with a finished basement? It would change the value of my home; so I'm asking you if you're going to hear cases out of sync and I find out that my home is appraised higher, will you hear another one?

Mayor Newlands: Yes, but you haven't even put in an application. At least, she put in an application in last week.

Councilwoman Jones: If she stands the same.

Mayor Newlands: At least she's got 6 days on this thing.

Councilwoman Jones: I don't mind hearing it, but you don't have an applicant here either, right?

Mayor Newlands: Right. Right. We don't normally; if the applicant is not here, in the past we've not dealt with them, right?

Councilwoman Hudson: But we've had representatives represent applicants.

Mayor Newlands: Representatives, yes; we've had representatives, sure. We've had real estate...

Councilwoman Hudson: Could one of us act as the representative and read this into the record?

Councilwoman Jones: Well would you do that for Mr. Ingram who is not here and not heard, because he was not here?

Councilwoman Hudson: When was that?

Councilwoman Jones: Right here.

Councilwoman Hudson: Tonight?

Vice Mayor Betts: Just here. Yes.

Mayor Newlands: Tonight, yes.

Councilwoman Jones: I'm just looking for some guidance.

Win Abbott: Mr. Mayor, I certainly didn't mean to muddle your process. I just wanted to extend a courtesy to this homeowner. That's all. It's entirely up to the Council's consideration whether or not to entertain this.

Mayor Newlands: She knew when the meeting was? She knew the meeting was tonight?

Win Abbott: Yes.

Mayor Newlands: Okay. In the past, if the applicant is not here, we don't do it. So. No. We're going to pass on this. Okay.

- b. Resolution to propose borrowing of up to \$3,450,000.00 to finance public water system improvements and to establish the time and place for a Public Hearing thereon

Vice Mayor Betts: I have one question.

Mayor Newlands: Sure.

Vice Mayor Betts: I know we're going to have a Public Hearing, but will we notify all

the taxpayers in the Town of Milton that we are having this public hearing; like the people that live out of town that tonight get emails or notices in the paper?

Mayor Newlands: Well we publish it on the website. It's going to be part of our next Town Council meeting.

Vice Mayor Betts: But I mean, how will the people outside of town, maybe living in Maryland or Virginia, and they don't have our website and they do not get papers; wouldn't it have been nice if we had sent a notice in the water bills this time?

Mayor Newlands: Well they wouldn't be able to vote on it anyway, because they're not residents. They may own, but they're not residents.

Vice Mayor Betts: I know, but they would know about it. I just think that we should be more transparent and letting the outside people know what's going on about the water tower; because their taxes are going up. I just think it would be nice if...

Mayor Newlands: This won't raise their taxes. This may raise a little bit of...

Vice Mayor Betts: I'm not saying that. Things will raise; taxes will raise; but I'm just asking if they were notified or if they will be.

Mayor Newlands: They're going to be notified the same way we notify everybody else, which is through the newspapers and our website; that's how we notify anybody. We don't do anything special.

Vice Mayor Betts: I just think that they should know it and being as we just sent out the water bills; I just think it would have been nice if the town had been considerate enough to send them a notice of it.

Mayor Newlands: It wasn't thought of because our normal channels of communication is what we normally do; it's newspapers and the website.

Councilwoman Jones: Mr. Mayor, may I ask a question? If we set the Public Hearing for the February meeting, and how much time does that then allow us between the Public Hearing and the Referendum?

Mayor Newlands: Probably a month.

Councilwoman Jones: Is there anything such as tax bills, mass mailings; because referendums then include non-resident owners. I believe that's correct.

Mayor Newlands: Is that true or not?

Councilwoman Jones: A referendum does.

Vice Mayor Betts: They have a right to the referendum.

Councilwoman Jones: So I'm asking, if that were the case; and we have 30 days from February the 6th for a referendum, which includes everyone; is that in keeping or time wise in sync with our tax bills, for instance; that a greater effort, especially over an issue with so much money attached to it, that actually involves everyone? Is there a way of increasing the notice given for such a large issue?

Mayor Newlands: Actually, tax bills are going to be going out in a week or so; so yes, we can do that. We should know our dates; Win, shouldn't we; we should know them by the end of the week?

Vice Mayor Betts: So you're saying you will notify everyone?

Mayor Newlands: With the tax bills we can do it.

Councilwoman Jones: For the referendum.

Mayor Newlands: I don't know if we'll be able to notice them for the February 6th; but they will for the referendum.

Vice Mayor Betts: But they will be notified for the referendum?

Mayor Newlands: Yes, we can do that. Sure.

Vice Mayor Betts and Councilwoman Jones: Thank you.

Councilwoman Hudson: It says here February 6, 2011?

Mayor Newlands: Does it, okay. Typo.

Councilwoman Hudson: It should be 2012. You mentioned something about payment? How will the property owners pay for it; through higher property tax or higher water fees or how will that be done?

Mayor Newlands: Bob Kerr, who works with CABA Associates, he's looking at a couple of dollars per quarter on the water bills. That's what he's looking at now.

Vice Mayor Betts: Well then it would affect everyone?

Mayor Newlands: If you're a landlord, your tenant is paying the water bill, then no it doesn't. It affects the tenant.

Vice Mayor Betts: But they may have a summer home here.

Mayor Newlands: Sure.

Councilwoman Hudson: And you've gone on record as saying it's just a couple of dollars a quarter?

Mayor Newlands: Mr. Abbott, do you remember what he was talking about?

Councilwoman Hudson: For a \$3.5 million...

Win Abbott: I don't have the exact figures, but I can say this much, the loan is amortized over a 30 year span and approximately \$500,000 of it, will be in principle forgiveness as part of their grant program. To address the matter of notice, any kind of advertisement, mailer, or whatever the Council authorizes, is certainly in play. However, one particular concern with regard to the program director for the drinking water revolving fund, has been that the town has been engaged in this process for 14 months. I think our Town Engineers have given two, if not three presentations, regarding this over the course of about a year and they'll be giving another one on February 6th, so we certainly will be advertising and engaging the public in every manner possible. Insofar as the additional expense for your water bill, on a per quarter basis over 30 years, I think it's less than \$10 and probably in the order of \$4 to \$5. I can get back to you on that.

Mayor Newlands: Yes, it wasn't near \$10 even for what he was talking about. I think he said somewhere around \$7 and we were adjusting some other numbers somewhere along the line, so he was \$7 a quarter or something like that. It wasn't much.

Councilwoman Jones: And we will have that report on the 6th Mr. Abbott from Mr. Kerr?

Win Abbott: On the 31st of this month, I'll be meeting with Scott Hoffman, the lead person for CABA Associates, as well as Bob Kerr, the principle at CABA Associates, to discuss all the particulars that will go into their presentation that they make on February 6th and I'll make sure that's part of that.

Councilwoman Jones: Thank you.

Councilwoman Hudson: You said \$500,000 was forgiveness? Down here, it says 30% of the loan amount. So...

Win Abbott: That's approximate. If you would like for me to pull back up the management reports that I provided you with about 2 months ago; I think it had all the particulars in there.

Councilwoman Hudson: Well, I'm just looking at what's here on this Resolution, because it says \$3,450,000; so is it 30% of the \$3,450,000 or is it just \$500,000?

Win Abbott: The amount of the principle forgiveness in the loan is something that depends upon the particular amount of the loan at that time and indeed, the program changes over time. It really depends upon what our settlement amount is for the purchase of the land, as well as the cost of construction at that time. So, this is a Resolution for a borrowing of up to \$3,450,000; but not to exceed that. The number may change, as we get closer to the date, because as you know, the cost of construction changes over time and this is a long period of time in which we have to put all the pieces

together.

Councilwoman Hudson: At prior Council Meetings I've heard that 30% of the loan amount would be forgiven; so that's not \$500,000; it's \$700,000; it's a lower amount than I thought.

Councilman Lester: Mr. Abbott, this Part Three says, the Agreement will include up to; it doesn't say 30%; it says up to; so that leaves the amount kind of opened.

Win Abbott: That is correct and once again, the State Revolving Fund for this loan is something that is managed through the State; but comes from the Federal Government; and the terms do change over time. Over the course of this 14 month period that we've been engaged in the process, market conditions have changed with regard to what interest rates are prevailing at that particular time, so it really depends upon when we close on this loan; when we make a commitment by way of Referendum; and all these things are subject to change until we get to that date.

Mayor Newlands: Since last December when we awarded this money, Ms. Marlin has stated that; she's consistently stated that it would be 1/3rd forgiven and it would be 1% for 30 years and so far she's been consistent with that number. Okay? So we need to approve this Resolution tonight. We will have a hearing on February 6th and then we will have a Referendum vote some time in early March and we probably can't do it election day, because we need residents and residential voters at the same; it will be a nightmare to try to figure that out; who's voting for what? We won't be able to do it.

Win Abbott: Yes that is a determination to be made by the Council, but I would suggest that we choose a date that is not the same time as the election day. The cost of actually engaging the Sussex County Department of Elections to be able to process this is relatively low.

Mayor Newlands: Okay. And we don't have that referendum date in here, anyway, do we?

Win Abbott: No.

Mayor Newlands: I didn't think so. Okay. This is something the State is looking for us to get done now; actually they wanted it done last month and we didn't get to it. So we just need to get this signed tonight and get it approved tonight.

Councilman West: Mr. Mayor, I make the motion that we adopt the Resolution to propose borrowing up to \$3,450,000.00 to finance the water system improvements and establish the time and place for the Public Hearing, which will be February 6th and that the referendum will be voted on in March, the date to be determined.

Councilwoman Hudson: Can we include the corrections in this?

Mayor Newlands: Sure. We just want to correct Mr. West that February 6th is 2012; the Referendum has 2011 on it.

Councilman West: 2012, yes.

Mayor Newlands: Can we get a second? This is only pushing this process forward; we're not borrowing any money based on this; we're just getting to the next step.

Councilman Lester: Second.

Mayor Newlands: Okay, so we have a motion and a second to approve proposed borrowing of up to \$3,450,000 to finance public water system improvements and to establish the time and place for the Public Hearing. We'll take a roll call vote:

Councilwoman Hudson	Yes
Councilman West	Yes
Councilwoman Betts	Yes
Councilman Lester	Yes
Councilwoman Jones	Yes

Mayor Newlands

Yes

Mayor Newlands: The vote is approved.

- c. Delaware State Auditor's proposal to hire an accounting firm to audit fiscal years 2011 and 2012

Mayor Newlands: The State Auditor's Office... I'll just go through real quickly and then Councilman Lester will finish up. The State Auditor's put out an RFP for our audits for two years; they always do it for a two year period; and the reason is it's not cost effective for an auditor to come in and do one year only and not know he's going to have the second year; so they do it for two year periods of time; because it generally costs a little bit more the first year and a little bit less the second year. So they kind of put a package together. They did the vetting for us, based on who was eligible and who filled out the RFP properly; who had the right insurance, up front; so they did all that vetting for us and came up with a firm, so Councilman Lester...

Councilman Lester: The Mayor and I were present when the bids were made available. I think it was probably about 20 to 25 accounting firms present and only eight firms made proposals and of those eight firms, a certain number of them did not follow the rules of the day. They didn't follow the set of rules set forward by the AOA's office, so out of that group, one firm met all the requirements and that firm is called Pigg, Krahl and Stern, more commonly known as PKS; it's easier to remember. They have offices in Georgetown and I think they're headquartered in Salisbury; but they are registered in the State of Delaware. All the members had to prove that everybody in the firm had Delaware licenses and were licensed and met all the professional requirements in the State of Delaware. So out of those eight proposals, this particular firm came out in the lead and their bid for the first year is... The first year of the audit which would be the fiscal year ended September, 2011, was \$22,550; the subsequent year 2012, it would drop to \$18,000. There are probably a number of reasons why in the first year the price is a little higher; because of some of the anticipated problems in accounting and they're following on the steps of the Auditor of Accounts Office ("AOA"). The staff working on the program are going to be at a high level in the first year; there's going to be more managers and supervisors than there are staff people. Normally, and I can tell you from experience, having been through this; usually when accounting firms bid on these audits, they put the young kids in first, who are getting paid nothing and they can charge very little for their time, so that's where the accounting firms make their money. They're going in the reverse. They're putting in more experienced people into this audit, which is certainly good for us. I'm not sure, they had to meet a detailed scoring requirement by the AOA's office and I don't know that they were aware of any of the problems that the AOA has come across; or that we've come across; in the past year or so. So they were the top scorer and they were also the lowest price out of all the firms. As I said before at meetings, I was always surprised at the price we paid for an audit. When I first came to Milton, Mayor Bushey asked me if I would like to bid on the audit and I told him I no longer engaged in the audit business; but I said I would guess it would be anywhere from \$18,000 to \$25,000 at that time. That was six years ago, seven years ago. I was shocked when they found they were only paying about \$8,000 or \$9,000; so I think this is probably the real ballpark and they met all the requirements; the insurance requirements; the capability requirements; everything that the AOA asked for; they've met those and exceeded everybody else that made a proposal.

Mayor Newlands: Now we budgeted about \$15,000 for this?

Councilman Lester: \$15,000.

Mayor Newlands: We went between \$15,000 and \$20,000, but we had no idea. It was a shot in the dark.

Councilman Lester: I had no idea. I knew we were probably going to be low, at that time. As I said at the time we were doing the budget process, I had no idea. My guess was what people charge in Sussex County is different than I am accustomed to in charging in the District.

Vice Mayor Betts: Did you advertise in all the papers?

Councilman Lester: They did.

Mayor Newlands: The State did.

Vice Mayor Betts: The State did that?

Councilman Lester: The State did. They had it on their website; they put out the bids; actually the bid went out to about 40 or 50 more accounting firms. A lot of firms that do business, sent it in Delaware; firms in Pennsylvania that operate in Delaware and firms in Maryland that operate in Delaware; they're licensed to do business in Delaware. It went out to a lot of people. It just came down to eight people; eight firms making the bid.

Vice Mayor Betts: Thank you.

Mayor Newlands: The State Auditor's had high insurance requirements that you had to have; certain insurance levels before you could even bid; because there were some firms that wanted to come in and bid; and they said if they won they would get the insurance. Their rules are you must have the insurance now, when they did the bid. So they controlled the entire process for us.

Councilman Lester: Absolutely and they had a very tight process. They're very well organized and Kathleen O'Donnell that ran this entire project, is extraordinarily capable. I think we've all met her, she's been down here a couple of times and talked to us.

Mayor Newlands: The State's now in doing the 2010 audit, so this is for 2011, which will follow right after 2010 and then 2012 will get done some time after September, October. So again, we have no choice, we have to have an audit firm and the vetting process was done by the State.

Councilman Lester: Do we need a motion or do we...

Mayor Newlands: It's better to have one. Seth always says it's safer to have a motion, then have me sign a contract with these guys.

Councilman Lester: I could tell the State Auditor's Office that we will let them know first thing in the morning, because nobody has been notified yet. Nobody knows that this particular company has won the bid. I would move that we engage the firm of Pigg, Krahl and Stern, Certified Public Accountants, to examine our Financial Statements for the year ended September 30, 2011 and for the fiscal year ended September 30, 2012.

Councilman West: I second that motion.

Mayor Newlands: We have a motion and a second to engage the accounting firm Pigg, Krahl and Stern for audits for fiscal years 2011 and 2012. We'll have a roll call vote.

Councilwoman Jones: Questions?

Mayor Newlands: Yes, I'm sorry, go ahead. I always jump that gun.

Councilwoman Jones: Two points. Does anybody have a collective memory of prior to the State doing the audit; prior to the group in Pennsylvania doing the audit; what was about an average year's cost for an audit?

Councilman Lester: \$9,000.

Councilwoman Jones: \$9,000. Okay and the second question to that is, I know you get what you pay for.

Mayor Newlands: Oh, you read my mind.

Councilwoman Jones: Second is, since it does exceed, how are we going to come up with the funds?

Mayor Newlands: We would have to take the money out of the bank, if we had to, number one. There are some of our budget items that are exceeding others, but I wouldn't bank on that; but we have no choice. We have to have an audit done. And Mr. Lester had said at the meeting, it was a shot in the dark. We were going back between \$15,000 and \$20,000; when we were doing the budget. We could have put \$40,000 in there and come out ahead. It's a number that we shot at.

Councilman Lester: It will be interesting, because we did save a great deal of money on insurance this year; health insurance, so that might balance it out.

Councilwoman Jones: Well that savings apparently balanced the budget.

Mayor Newlands: Yes, we're flat on the budget.

Councilwoman Jones: Right. So this is just...

Mayor Newlands: This is going to bring us \$7,000 over.

Councilwoman Jones: I'm just asking the question. Thank you.

Mayor Newlands: But that's what Council can do, they can approve extra expenses during the year. And we've done that before with Bobcats and other things that have gone on. So we have a motion and a second, any further questions or discussions? We'll do a roll call vote:

Councilman Lester	Yes
Councilwoman Jones	Yes
Councilwoman Hudson	Yes
Councilman West	Yes
Councilwoman Betts	Yes
Mayor Newlands	Yes

Mayor Newlands: The motion is carried.

8. Executive Session: Discuss Personnel Issues, Litigation and Land Acquisition

Mayor Newlands: Can we have a motion to go into Executive Session for five minutes and that's it?

Councilman West: I make a motion to go into Executive Session at 7:37 p.m.

Councilman Lester: Second.

Mayor Newlands: We have a motion and a second to go into Executive Session. All in favor say aye. Opposed. Motion carried.

Mayor Newlands: Can we get a motion to come out of Executive Session?

Vice Mayor Betts: I make a motion to come out of Executive Session at 7:53 p.m.

Councilman Lester: Second.

Mayor Newlands: We have a motion and a second to come out of Executive Session. All in favor say aye. Opposed. Motion is carried.

9. Adjournment

Councilman West: I make a motion to adjourn at 7:54 p.m.

Vice Mayor Betts: Second.

Mayor Newlands: We have a motion and a second to adjourn. All in favor say aye. Opposed. Motion carried. Thank you all.