

**MINUTES OF THE MEETING**  
**SMYRNA TOWN COUNCIL**

**February 20, 2007**

The meeting was called to order at 7:30 p.m. by Mayor Mark G. Schaeffer with the following members of Council present: A. Douglas Chervenak, Memphis P. Evans, Gene A. Mullen, William D. Pressley Sr. and Valerie M. White.

Also present were Town Manager David S. Hugg III, Police Chief Richard H. Baldwin Jr., Attorney Erika Schrader and Recording Secretary Carol C. McKinney.

Chief Baldwin led the Pledge of Allegiance and Mayor Schaeffer asked for a moment of silent reflection.

**ADDITIONS/DELETIONS TO PUBLISHED AGENDA**

Councilman Mullen made a motion to accept the agenda as presented. Motion was seconded by Councilman Evans and carried unanimously.

**READING, CORRECTION, APPROVAL OR DISPOSITION**  
**OF MINUTES OF PREVIOUS MEETING**

Councilman Evans made a motion to approve the minutes of the February 5, 2007 meeting as presented. Motion was seconded by Councilman Mullen and carried unanimously.

**REPORTS**

**Presiding Officer's Statement** - Mayor Schaeffer had no comments.

**Town Attorney** - Ms. Schrader had no report.

**Police Chief** - Chief Baldwin said that Mr. Hall addressed Council at the last meeting concerning the intersection of Route 13 and S. Carter Road Extended. He added that he sent a letter to DelDOT on June 29, 2006 addressing the issues Mr. Hall raised and a copy of that letter was in his packets. Chief Baldwin said DelDOT chose not to take action on that intersection at that time. He said he has asked them again to consider this intersection and is more optimistic than he was previously.

Mayor Schaeffer said that our local legislators have a copy of that letter. Citizens wishing to make contact with them may be helpful.

**Town Manager** - Mr. Hugg noted that Council needs to take action on the minutes of the Special Meeting held February 12, 2007.

Councilman Chervenak made a motion to approve the minutes of the Special Meeting of Council held on February 12, 2007. Motion was seconded by Councilman Mullen and carried unanimously.

Mr. Hugg said his written report was in packets and he has nothing to add to it.

**Committees:**

Councilman Mullen reported that the Long Range Planning Committee will meet Friday at noon. He invited everyone to come. Issues concerning status of a new library in northern Kent County will be discussed.

Councilman Mullen said the Finance Committee met on February 13<sup>th</sup>. The major areas discussed were the bank loan vs. bond and the Capital Improvements. Their recommendations to Council will be considered under New Business.

Councilman Pressley reported that the Personnel Committee met on February 14<sup>th</sup>. Since they didn't have a quorum, not much was accomplished. Their next meeting is March 14<sup>th</sup>.

Mr. Pressley also noted that there will be a Business Development Committee Meeting at 8:30 a.m. on March 1.

**RECOGNITION OF VISITORS**

Visitors present included Dan Escherich, John O'Grady, Charles and Betty Hall, Terry Berl, Pat Stombaugh, Zac Crouch, Edwin Tennefoss, Grace Ghee, Patsy Brown, Jennifer Sprague, Regina Brown, William Wilson, Joseph Sheridan, Barbara Allsopp.

Mayor Schaeffer said this is the only opportunity for the audience to address Council tonight. He asked that anyone wishing to speak give their name and address for the record.

Mr. Dan Escherich of ZKT LLC said he represents the Pavilions Shopping Center, previously Duck Creek Plaza. He noted that he is very proud of the improvements they have made to the shopping center which was in a very deteriorated condition when they obtained it.

Mr. Escherich said that, once the shopping center was completed, the inspector advised them that they had to do something with the trash containers (dumpsters). He said those dumpsters had been there for twenty two years and he was told that now we need to do something with them. Mr. Escherich said he assigned one of his local employees to work this out with the Code Enforcement people. They moved them to the side. Then, he said they were advised that it wasn't the proper way to do it. Mr. Escherich said he went back to the original inspector and said he thought they had approval. The inspector said that the code requires that dumpsters must be screened in. Mr. Escherich said he rode around Town and look at other locations. He said he moved them to the side where no one can see them. He added that if he puts doors on there, the trash company guys will tear the doors off and it will be a mess. Mr. Escherich noted that he is not saying he won't do it but he would prefer not to put doors on there.

Mr. Escherich said when he asked what was his best option for a solution, he was told to talk to Council since they know all the rules. He again noted that he prefers not to screen the dumpsters. He said they will keep the area clean. They face the cemetery where they are placed now. No one else can see them. The only other option is to put up a security system to keep others from dumping in them.

Mayor Schaeffer said why not give Council members the opportunity to drive by and take a look and get back to Mr. Hugg with their comments.

Mr. Escherich said the Code Enforcement people have an extremely rough job. He added that he understands they have a job to do. He said they have worked with him but he has a certified letter saying the containers must be screened.

Councilman Pressley said one inspector told him one thing and another told him the first person was wrong.

Councilman Chervenak asked if he has anything in writing. He added that the establishment where he has a business has been there seventeen years and they have always had a wall around

their dumpsters. People come in and empty those dumpsters and nobody had torn up any gates in all those years.

Mr. Escherich said he has nothing in writing.

Mayor Schaeffer said Mr. Hugg will take care to see that nothing is done about the certified letter until we can get an answer for Mr. Escherich.

Mr. Hugg said the ordinance is fairly specific. This is where the inspectors got into it. The first inspector was trying to do something that would satisfy everyone. This is something we may need to look at with the regulations committee.

Mayor Schaeffer thanked Mr. Escherich for the beautiful job they have done with that shopping center.

Charles Hall of 900 Appleberry Drive said that he was present at the Special Meeting on February 12. It was a public meeting yet Council chose not to let anyone from the public speak. He wanted to know why he was not allowed to speak. It was a public meeting and he said he felt he had the right to speak.

Councilman Chervenak said that Mayor Schaeffer has made the statement many times that the ability for people to talk at our public meetings is a privilege. He added that we had a special meeting for a specific purpose. There was not agenda item for Recognition of Visitors. That is why that happened.

Mr. Hall asked why it was not on the agenda. Councilman Chervenak said because nobody on this Council asked for it to be put on the agenda.

Mr. Joe Sheridan of 641 Lake Drive West said he was here to respond to Council granting him permission to have St. Patrick's Day events at his establishment. He said he brought information so that Council will know what they gave permission to do. Mr. Sheridan noted that he spoke with Chief Baldwin and the Fire Chief about where they are going to put up a tent. He added that they left space for a fire lane for emergency vehicles to get around the tent. Mr. Sheridan said they will open at their regular time with no change in business hours. There will be extra staff for crowd control. They will keep things clean. He said he is willing to answer any questions.

Councilman Chervenak asked Chief Baldwin if he has any concerns about closing that street. Chief Baldwin replied none.

Mr. Sheridan said they are staying back from the stop sign and leaving space for travel for traffic.

Mayor Schaeffer closed the public portion of the meeting.

## OLD BUSINESS

### REQUEST TO CLOSE A PORTION OF GEORGES ALLEY

Mr. Hugg said we have received a request from Davis, Bowen & Friedel (DBF) representing Royal Farms. At the last Council Meeting, we brought this matter up with Council. In further discussions with DBF, some of our concerns have been addressed. The principal issues are that the request from Royal Farms for the Town to abandon a portion of Georges Alley is that it bisects the existing Smyrna Diner property. The Town's concern was that we have a number of existing utilities in Georges Alley there. We have concerns about our ability to get to our water and sewer lines being reduced by the construction they propose. Mr. Hugg said they have had discussions with Mr. Jester for installation of shut off valves on the water line. Other concerns was access to properties north of this property that legally have access to Georges Alley which would be cut off by abandonment of this portion of the alley. We advised the applicant they must allow public access to the auto parts store.

Mr. Hugg also noted that Section 16 of our Charter has a process we must follow to consider abandonment or vacation of a street or alley which includes notice to property owners, public notice and a public hearing. Tonight, he said you can not grant this request but you can schedule a public hearing and proceed with the process.

Mr. Crouch of DBF said that, as Mr. Hugg as expressed, they have talked with the Public Works Director and the Town Manager trying to resolve some issues and concerns.

Mayor Schaeffer explained that they were not present at the last meeting because they were not aware that this was on the agenda then.

Mr. Crouch said some concerns raised at the last meeting have been addressed. He added that they have prepared a cross easement to give the auto parts store ingress and egress. By

eliminating the alley, the Town will not have the maintenance responsibility for taking care of it. He added that the Town will have access to use the existing signalized entrance in front of the existing Smyrna Diner. There will be access to First Avenue and documents have been prepared to show that they would be recorded as part of that easement.

Mr. Crouch said the other issue is that sewer and water lines run in the existing alley way of Georges Alley across to Route 1. He said they have had conversations with the Public Works Director. There would be a ten-foot wide easement on both sides of the sewer main throughout the property so there will be space to access the sewer and water lines if there is a maintenance issue in the future. That would not be a problem. He said they will also put two shut off valves on the water line and they will video tape the sewer line to determine its condition. If it needs to be replaced, Mr. Crouch said they will do that.

Mr. Crouch said one other concern is how does this benefit the Town. He said from the public safety perspective, there are several different ways this is making the site safer for traffic flow as well as for public safety. Mr. Crouch said there really isn't one designated entrance/egress to Route 1 on the property now. The entrance at the north side of Smyrna Diner will be closed as well as the one at the existing car wash. The alley on the northeast side of the property is not connected now. He said they will connect that alley.

Mr. Crouch said the alley will be cut off, but you can go from the alley to the auto parts store. There is also a connection to First Street that was mentioned. Mr. Crouch said there will be full access at the intersection where the traffic light is at Route 1. He added that DelDOT has agreed to this based on closing the two entrances with right in only on the south side. Sidewalks will be provided along the front of the street, tying into existing sidewalks south of this site.

Councilman Chervenak asked if there will be blocks in front of the gas pumps so that people can't drive off Route 13 into the pumps.

Mr. Crouch replied that there will be curb and sidewalks along Route 1. The whole frontage will be reconstructed, abandoning the alley. What does that do from the perspective of the Town? There is no maintenance involved with the Town. Royal Farms will maintain the area. Liability is expressed in

the cross access easement. They will not hold the Town responsible for liability from the cross access easement. Mr. Crouch said there are so many pluses from the abandonment of this alley.

Mr. Schaeffer asked what staff thinks of this. Mr. Hugg replied that the Town's primary concern when this first came up was for our utilities. The Public Works Director is satisfied with the plans DBF have discussed with him.

Mr. Hugg said he sent this whole packet to Mr. Jaywork and asked for his legal review to be sure that it adequately covers the Town's interest. He added that our ability to get in there to maintain and operate our utilities and fix them has been pretty much resolved. Mr. Hugg said that he does not know if we are a party to the cross access agreement between the auto parts store and Royal Farms. He added that we have to be sure we have not taken any rights away from the auto parts store that they would have had previously.

Mr. Hugg said he thinks this is a good project for the Town and this intersection. It will clean up the property from the carwash to the diner and he said he has no problem supporting it.

Councilman Chervenak said suppose our pipes burst and we have to work right in front of the store. Your customers can't get into your business. Who is responsible for the burst pipe and who will be held responsible for your lost business?

Mr. Crouch said the water and sewer lines remain the Town's responsibility. We are insuring that you can get in to work on them if necessary.

Councilman Chervenak said why are you so insistent on abandonment of the alley. He asked if they can build on this lot if we don't abandon it.

Mr. Crouch said there are setbacks that they won't be able to meet unless the Town abandons the alley. There are three properties here and the alley goes between them. The building front yard setbacks cannot be met if the alley isn't abandoned. Even if it is abandoned, they will need a variance to build there. He said the Town will get the same use from the alley if they abandon it or not, but they will no longer have to maintain it. Mr. Crouch said they are not trying to get anything away from the Town.

Mayor Schaeffer said this abandonment would allow Royal Farms to extend the lot lines and build this footprint. Mr. Crouch said that is correct.

Councilman Mullen said he and Mr. Crouch discussed this afternoon and he knows my (Councilman Mullen's) concerns. You have a 30 foot building setback line to the rear of the property. You are using most of that for your parking within the setback line. He asked why they can't slide the building back a little bit. That would get the water line away from your front entrance right in front of your doors.

Mr. Crouch said they have moved the building back three to five feet.

Councilman Mullen asked Mr. Hugg about the water and sewer lines. Mr. Hugg said they are outside the building setback lines. The islands are over our utilities.

Mr. Crouch said if you don't want concrete islands in your setbacks, we will just pave them.

Councilman Mullen said if that water line is within ten to twelve feet of your front door, a problem will effectively close your store. He said he is concerned that if we are responsible for maintenance, we need enough access to do whatever we need to do.

Councilman Mullen said the alley is owned by the Town. To think that the Town would abandon it without compensation is a little far fetched. He said he has been told since he came on Council that the Town is a business. Being a businessman, he said he certainly won't give anything away.

Mr. Crouch said the rear of this property is used up for their storm water management area. The north as well as the south side has swales. He said they are right at the limit. To move back from the alley would make it very difficult for them to have their storm water management area work. He added that they have worked very hard to make agreements that everyone could live with.

Mr. Crouch said they researched a lot before learning that the Town owns the alley. No one knew who owned the alley. We came to the Town. We are providing a business. The design flows. We are pulling everything off Route 1. Our design

provides everything the alley provides now. We are cleaning up the entrances along Route 1, we are providing access to the auto parts store, access to First Avenue. We are providing everything that the alley is providing today. None of the building encroaches into the alley.

Mayor Schaeffer said he understands that what they need to do is extend their lot line. The utilities of that alleyway will be the same if the Royal Farms is built as it is today, probably better. If Council agrees to set this date, we are going to ask you to discuss compensation with your client. Mayor Schaeffer said that it is incumbent upon us to see that our taxpayers be compensated for the property. The cost is at the pleasure of this Council.

Councilman Chervenak asked if we have established assessment rules based on other alleyways.

Mayor Schaeffer said we can get an appraiser to come up with a real dollar value fair to all parties.

Mr. Crouch said Royal Farms would be willing to discuss that with the Town.

Councilman Pressley said with traffic dumping out onto First Avenue, where does that traffic end up. Councilman Mullen said it will go through Parkway Manor to North Street right behind Kentucky Fried Chicken.

Councilman Pressley said it can only go north on Route 13. Councilman Mullen said it would have to go through the residential development.

Councilman Chervenak asked if that business will create more traffic than is there now. Councilman Mullen said it will all have to get back to the highway.

Mayor Schaeffer said it will probably do away with the trucks using that parking lot now.

Mr. Crouch said the Chief commented to the Planning & Zoning Commission on another access. Those were some comments we need to address on the plan.

Councilman Pressley asked if they have any comments from citizens. Have you notified them of these plans. He said Royal Farms are very nice and very clean.

Councilman Mullen said that Royal Farms will have to provide something that is going to hold the Town harmless if utility repairs, water breaks, etc. cause them to lose business.

Mr. Hugg said we have already addressed most of the utility issues, everything except compensation. You might want to set a date for the public hearing. The second meeting in March is the earliest you can schedule it. That gives us enough time to do research and get legal opinions.

Councilman Pressley made a motion to set the public hearing to consider abandonment of a portion of Georges Alley for March 19<sup>th</sup>. Motion was seconded by Councilman Evans and carried unanimously.

### APPOINTMENTS

#### Housing Code Board of Appeals

Mayor Schaeffer said that Mr. Hugg has helped him find two citizen members, Michael Kwiatkowski for a four-year term and Joseph Sheridan for five-year term and the chairman position.

Mr. Hugg noted that Mr. Kwiatkowski purchased the Bamberger's house and he feels that everyone knows Mr. Sheridan.

Councilman Pressley made a motion to accept the nominations for the Housing Code Board of Appeals. Motion was seconded by Councilman Chervenak and carried unanimously.

#### Committee to Review Charter Changes

Mayor Schaeffer said we are not ready to do this since we do not have the Mission Statement Councilman Chervenak volunteered to prepare.

Councilman Chervenak said he changed his mind. He said he is interested in having this drafted by the people who are appointed to the committee.

Mayor Schaeffer suggested David George, Brooks Keen, William Hill and Councilwoman White.

Councilman Pressley made a motion to accept these nominations for the Committee to Review Charter Changes. Motion was seconded by Councilman Chervenak and carried unanimously.

**NEW BUSINESS**

**PROPOSED PROCEDURE FOR COMMITTEE APPOINTMENTS**

Councilman Mullen said that not knowing nominees for committee appointments until we are sitting here in a meeting is confusing. We have no opportunity to review the names that are put before us. He added that he would like to get Council to agree that committee appointment nominee's names, addresses and phone numbers have to be in packets on the Friday before a meeting.

Mayor Schaeffer said why not just make a Herculean effort to do that.

Councilman Chervenak asked if he wants names to be brought up at one meeting and voted on at the next. Councilman Mullen said simply put the names, addresses and phone numbers in a memo in packets. We receive them on Friday before our meetings. That gives us the weekend to contact them or get information on them and come into the meeting prepared.

Councilman Chervenak said we could get them at one meeting and then wait two weeks. The names could be sent to Mr. Hugg.

Mr. Hugg said staff can simply type up a list and put it in packets.

Councilman Evans agreed that no one should be nominated unless we have talked to them.

Councilman Mullen said the Mayor puts the nominations out there. We have twenty seconds to make a decision. He added that he would like more time to review names, know who they are and what their qualifications are.

Mayor Schaeffer said he and Councilman Mullen have talked about this before. He noted that he has asked the solicitor before if we could go into Executive Session to discuss this and we were told that we could not.

**RECOMMENDATIONS OF FINANCE COMMITTEE MEETING (02/13/07)**

**1. Refinance BAN/PNC Bank Loan**

Councilman Mullen reported that the Finance Committee held a meeting on February 13<sup>th</sup> specifically to address capital projects and the Band Anticipation Note (BAN) loan that we have right now in the amount of \$4.6 million. It is a temporary loan. The Council must do something about that loan to make it a more permanent structure by April 15<sup>th</sup>. We met with PNC Bank Loan Section and they gave us an overview of some of their items the Town could use. He said Mr. Hugg can go into this a little more.

Mr. Hugg said that the Town's current BAN is a short term version of a construction loan you might get. It was a drawdown note, interest only payment, for a period ending the middle of April this year. The purpose was to provide short term loans for short terms projects while we considered how we would ultimately convert that to long term financing. When we started down this path, our intention was to go to a regular bond loan for a twenty-year period. After working with our financial advisor, the bank and others, we decided to use a BAN as short term. Given the amount of money we were looking to borrow, it didn't make sense to go to the bond loan. The Town doesn't have an established bond rating. PNC is our bank of record, the bank that helped us through creation of short term debt and investments in our reserve funds. Our options were a ten-year bank loan maximum unsecured bank debt or a combination of bonds and financing. The Committee approved converting the BAN to a ten-year bond. We can convert that to longer term debt or to other financing. It would pay off the \$4.6 million BAN, convert it to long term and provide us \$3 million for other projects.

Mr. Hugg called attention to the Resolution Proposing to Borrow a Sum Not to Exceed \$8,000,000.00 from PNC Bank Pursuant to Section 13.2 of the Town Charter to: (1) Refinance Existing Outstanding Short Term Debt in the amount of \$4,644,000.00; and (2) To Pay a Portion of the Costs of Certain Municipal Improvements, and Scheduling a Public Hearing to Receive Public Comment Thereon. Mr. Hugg said we need to pass this resolution which announces our intention to pursue a bank note and to set the public hearing to receive public comment for the second meeting in March (March 19).

## **2. Capital Projects List**

Mr. Hugg noted that the second recommendation of the Finance Committee is a list of capital projects under active discussions by the Finance Committee and the five-year capital program. These projects may get modified, entered into, or

dropped as we go along. He also noted that we moved the funding for the Police Station into 2008 to reflect new numbers the Chief gave us.

Mr. Hugg said that also identified were ways we believe we will get financing in addition to Town sources, some from impact fees, developer contributions, fees in lieu of parkland (parkland development), Municipal Street Aid funds, State grants, etc.

By recommending this list, we are not committing except that they are referred to in the resolution. It is still a work in progress. Mr. Hugg said the committee will meet again on February 27<sup>th</sup>.

Councilman Mullen said we considered a lot of other funding sources and loan institutions, government bonds, etc. This seems to be the most economical means of getting what we need. Right now, the BAN extends to \$7 million. This loan will function a lot like the BAN but we will not pay interest on the money we don't borrow. Initially we will pay on \$4.6 million. Whatever we borrow that year, that is what we will pay interest on.

Mayor Schaeffer asked if that is the recommendation of the committee. Councilman Mullen said it is.

Councilman Mullen noted that some of these capital projects we have gone over again and again. They have been in the works for years. Councilman Mullen commended Mr. Hugg and Chief Baldwin for doing everything they can do to reduce the cost of a lot of these projects. A lot of the Public Works Building and the Police Station were redesigned to save us a tremendous amount of money.

Councilwoman White asked if every member of Council received the packet or just the Finance Committee members. She said she will not vote for it unless every member of Council has had an opportunity to review it. This says we may qualify for a drinking water loan. The Town of Smyrna is responsible for a lot of things. Park and trail development needs to be addressed where the developers can pay for them. Municipal Street Aid says "if available". Twelve or thirteen things we are going to attempt at one time instead of doing one at a time. It says "possible" State Revolving Loan Fund. Councilwoman White said it is important that the entire Council see this and meet with our financial advisor. The financial advisor recommended that

we not do this. He said we were not in a position to take a bond.

Mr. Hugg said we talked to him today about these projects. His original advice was to not go to the bond market. He recommended a substantially reduced operating budget which we did and which does give us a cushion of \$1.3 million which you set aside. That was his recommendation and we successfully did it. Mr. Hugg said some of them are "yesses" because we do not know if you are going to get loans from the state. The State lends out funds at 1 to 1½ % below bank interest. To build the new water tower, we got a State loan at much lower interest than the BAN. You throw your hat into the ring with a letter of intent. The State ranks projects then they ask for applications and you still may not get funded for a few years. We should get about \$180,000 to \$190,000 in Municipal Street Aid funds assuming the Legislature does not decide to take that money to bail out DelDOT. Several years ago, they took \$1 million out of Municipal Street Aid. If that happens, we would cut back on projects.

Councilman Chervenak asked which of our funding sources are "hard" (you know they are there) and which are "soft" (you hope are there).

Mr. Hugg said that is a hard question to answer. Money in lieu of parkland and impact fees are dependent on development so they are in between. Electric Impact Fees come in at least what we budgeted and are pretty solid. State funding is a flip of the coin. It depends on whether the Legislature cuts funding or where we rank in their projects. PNC is a solid number. They have told us we can have that money. Developer escrows, we have agreements with developers on both sides of Route 13. They know what their share of costs will be. They know they will have to put in their shares. The west side of Route 13 is close to 90% of costs. On the east side, because of the sewer line from the State, the developer will fund the majority of costs because of the pump station but we will have to pay certain things.

Councilman Chervenak said everyone has to consider the worst case scenario. How do we adjust projects to the funding sources?

Councilman Mullen said that is why PNC came up with this kind of a loan. It is a drawdown loan. We only borrow what we need at a time. It is a ten-year loan, but you only pay on what you borrow.

Councilman Chervenak said we could have a line of credit six months from now that could be different from what it is now.

Councilwoman White said we all need to understand everything. The entire Council needs to be advised on this.

Councilman Mullen said it is a work in progress. Funding sources will fluctuate. We are already budgeting for debt service in the budget now. The 2006 debt service on \$8,000,000.00 doesn't include the \$1.3 million surplus. We are at 25 percent of what our debt service could be. It is a long term commitment and we are taking it very carefully.

Councilman Pressley noted that we have to do something with the BAN.

Mr. Hugg said we have to convert it by the middle of April. It is possible that we could extend it for a month or so, but they would prefer and we prefer to do it now. He said, let's assume by mid year that revenues are off. The purchase of heavy equipment can be forestalled. It is like the purchase of police cars. Sometimes you have to give up on purchases for a time. If you don't address some of these issues while the timing is appropriate, you will have to address them eventually.

Councilman Chervenak said he appreciates what you have done here in addressing the needs of the community and the methods of financing. Unfortunately, most of this is based on a good case scenario. If we don't get the money, we don't have to do some of that.

Councilman Chervenak said we have to mention taxes here. Unless we have some hard sources of revenue that we know are hard, we will have to deal with making choices. He added that he thinks that, as a community, we are going to do some thing about a hard funding source of revenue from the community and that is where taxes come in. Otherwise, he said we are guessing. If we have to use our tax base as a hard revenue source, we will have to do it.

Councilman Chervenak said we should sit down and have a council meeting devoted to finances and figuring out what we can and what we can't do.

Councilman Mullen said we need to schedule a public hearing because the BAN is coming due.

Councilman Pressley made a motion to schedule the public hearing for the second meeting in March to get public input on the bank loan. Motion was seconded by Councilman Mullen. Council members Chervenak, Evans, Mullen and Pressley voted yes. Councilwoman White voted no. Motion carried.

Councilman Pressley urged everyone to attend the Finance Committee Meeting on February 27<sup>th</sup> at 5:00 p.m. Councilwoman White asked if our financial advisor will be there. Mr. Hugg said he will invite him.

#### **OTHER COUNCIL BUSINESS**

Councilman Chervenak noted that it is difficult to get people to serve on committees. He asked Council to form a Compensation Committee to consider what we get as Council members and compensation for the time committee members volunteer. He said we are running a \$24 million corporation and ask people to volunteer to accept criticism to sit here and accept people's different ideas and then be responsible for dealing with the issues. Such a task requires compensation.

Councilman Chervenak made a motion to create a compensation committee according to the Charter to look at compensation of Council members and compensation for people who are members of our committees. Motion was seconded by Councilman Mullen.

Councilman Mullen noted that, in this day and time, he can tell the audience that we get paid \$25.00 for each meeting we attend, \$50.00 a month. He added that he knows how much time he spends in committees and working on Town business and it is substantial. Councilman Mullen said that is why he ran for Council and that is why he is here. If they don't want to pay me, it doesn't matter. He added that he understands what Councilman Chervenak is saying. He said he agrees that it is hard to get people involved. Councilman Mullen said if you care about your community, you don't need anything to serve it. He added that he is chairman of the Finance Committee and we can't afford it anyway.

Councilman Chervenak said he would like to convene a compensation committee to look at it. When you look at towns outside of Smyrna, you want volunteers to run a \$24 million corporation. He said our attorney doesn't work for nothing. We don't have volunteers banging on our doors wanting to be on our committees. Councilman Chervenak said we should be able to see

and recognize that we value their time. We need to let them know they have done a good job. He said there is no government that is volunteer. There is no army that is volunteer.

Motion carried unanimously.

Councilman Pressley suggested that Councilman Chervenak chair the committee.

Ms. Schrader said the Charter requires that there shall be members of at least three standing committees of the Town and one of those must be from the Finance Committee.

**ADJOURNMENT**

Councilman Chervenak made a motion to adjourn, seconded by Councilman Mullen. Meeting adjourned at 8:58 p.m. by unanimous vote.

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Council Secretary

ccm