

## Public Hearing – City’s Interest in Purchasing Former SGCC Lands

May 18, 2010

7:00 p.m.

Mayor Butler called the Meeting to order at 7:00 p.m. with the following present: Councilman William G. Bennett, Councilman J. Rhea Shannon, Councilwoman Grace S. Peterson, Councilwoman Pat A. Jones and Councilwoman Leanne Phillips-Lowe. Dolores J. Slatcher, City Manager, Charles Anderson, Assistant City Manager, and Trisha Newcomer, Ed/IT were also present.

Mayor Butler did the invocation and led everyone in the Pledge of Allegiance. Mayor Butler thanked everyone for their attendance this evening and their interest in the purchase of the grounds of the former Seaford Golf and Country Club. He then introduced the members of the City Council.

Councilman Rhea Shannon spoke on the topic of open space. The City sees this site as one of the last large parcels of open space. This space can be retained as such or used for other recreational opportunities for things such as walking trails, bird watching and athletic fields. This site would allow for retention of two tennis courts on the west side of the community. Active ownership and responsibility of this site eliminates the second largest site on the west side of town from becoming another blight to our community.

Councilwoman Grace Peterson explained the topic of spray irrigation. The total maximum daily loads (TMDL’s) will affect Seaford’s wastewater discharge to the Nanticoke River. These regulations will be developed in 2012 and will be implemented in phases. Major nutrients of concern from sanitary sewer are Nitrogen and Phosphorus. These new regulations will apply to the treatments of sediments from storm water discharge. The reduction of these nutrients and sediments are critical to the health of the Nanticoke River and the Chesapeake Bay. The land application of treated effluent is one way of reducing this discharge of nutrients into the Nanticoke River. A site visit was done to the Town of Bridgeville’s Spray Irrigation Facility. At this site, about 250,000 gallons per day are discharged daily through a 20 acre +/- holding pond and 60 +/- acres of irrigated crop lands. The site looked agricultural in nature and fits in with its surroundings and land use. There were no odors present during the visit and there was housing located 100’ +/- within the facility. The golf course application could be an option for Seaford – there are similar projects that do exist. There has not been any engineering studies performed on this site which is also an option. The cost of pumping treated effluent from plant to golf course would be a benefit. It is close to the plant and pumping costs would be less than some other alternative sites located outside of the City limits. The current golf course uses 35-40 million gallons of water per year, this water could be recycled and not taken from the river or aquifer. The City’s current WWTF treats approximately 1.1 million gallons per day with the ability to handle up to 2 million gallons per day under its current design.

Councilwoman Jones gave points on the pool facility. The City is partnering with a non-profit group of interested community members to operate the pool. She explained that opening the pool would allow for public participation and a home for a second swim team in the community. If the Seaford Swim Association is the only swim team, then with the increased number of swimmers, there is likelihood of less swim time in swim meets and the current swimmers who would join this pool are currently training at the Boys and Girls Club's indoor pool. The City can assist this group with operational costs of opening the pool, utilities, insurance, chemicals, capital, etc. The non-profit group will provide the labor and manage the pool. Many people wonder why does the City think or want to open a pool when they closed the community pool? The management and labor will not be a cost to the City, having a public pool for the community is desired by many, there has been enthusiasm shown by community partners to lease from the City and do much of the work and the City's former community pool was well beyond its useful life. If the participation does not cover the costs of labor and management the pool will close and will be demolished.

Councilman Bennett stated that a Municipal Golf Committee was formed to look into this topic. The group consisted of Councilman Rhea Shannon, chair, Councilman Bill Bennett, Dolores Slatcher, Charles Anderson, Bill Harper, John Leverage, Trisha Newcomer, Bill Robertson, David Saks and Richard Thek. This committee recommended the purchase and retention of the golf course. The City has worked with Adkins Management to provide a proposal to operate and maintain the golf course. The evaluation showed that the course over time may attract 22,500 rounds per year as a public golf course with a projected cost of \$730,000 in the first year. The management company will hire the pro, the superintendent and maintenance personnel. The course will be open seven days a week. The City has spoken with a local golf course management firm (Adkins Management Firm) to run the course for the first year or two due to the time constraints in trying to save the course. After about a year or two the City will do an RFP for management of the course based on the City's experience. Saving the golf course would provide: recreation, open space, potential site for spray irrigation, place for high school golf team, civic organization fund raisers, economic development asset, avoidance of a blighted site in the community, no costs to the City to manage unoccupied facility, retention of a historical site and creation of jobs in our community. If the City or nobody else buys the golf course the land is zoned residential and can be subdivided for housing.

Councilwoman Leanne Phillips-Lowe discussed the Nanticoke Senior Center's information. The City originally became interested in 1001 Locust Street, when it became known the Seaford Golf and Country Club would be closing. It was then suggested that it would make a great permanent home for the Nanticoke Senior Center. A group for the City (Mayor Butler, Vice-Mayor Shannon & City Manager Slatcher) met with the Seaford Golf and Country Club Board of Governors to determine if there would be an interest to sell to the City which occurred in May 2009. In September 2009, the Board of Governors took a membership vote. The City met with Wilmington Trust Company to see what their opinion would be regarding the potential purchase and a favorable response was given. The Municipal Golf Committee that was formed investigated the site

for use as a golf course, senior center, pool, etc. The City went out with a RFP in October 2009 for an appraisal of the property, with no responses received. In November 2009, the City contact Carmean Appraisal Group, which agreed to do the work. The Committee submitted its recommendation to purchase the site to City Council in January 2010. In February 2010, the City formed a negotiating committee, comprised of Councilman Shannon, Councilman Bennett and City Manager Slatcher. This group worked with Wilmington Trust Company to finalize a purchase price. That same group negotiated with the Nanticoke Senior Center Board on the sale of the clubhouse to them. Many have asked why the City would use the clubhouse for the Senior Center. This would provide a permanent home for the center, reduce the center's cost by having a facility that can meet its needs – existing kitchen, office space, banquet room, etc., it will serve a group who have earned a place to call their own, provides easy access for them and the City has a history of helping the Senior Center. There are added values services with this property for the Seniors such as snow removal, grass cutting, occupancy would be more imminent, no fees for existing facility vs. fees to build, separation of services by City for water, sewer, and electric, no taxes as in a commercial lease, 99 year lease for \$1 and lower risk of property changing use.

Councilman Shannon discussed the finance information for the purchase. The City has the authority to borrow up to \$2 million for 10 years in any fiscal year. This loan will settle after July 1<sup>st</sup>, so it will be in FY2011. If totally funded with tax rate it would be approximately a one penny increase of a tax rate to cover debt. The alternative costs for similar land for use in Spray Irrigation, located outside of the corporate limits of Seaford have been looked at with a land cost of approximately \$4,250,000 for the land and \$1,117,560 for the transmission cost.

Mayor Butler concluded the presentation stating that there are some details that still need to be worked out such as Council to vote on the purchase, agreement of sale with Wilmington Trust Company, Agreement of sale with the Nanticoke Senior Center, Lease to purchase with Nanticoke Senior Center for two years, Lease of ground to Nanticoke Senior Center under the club house of \$1 for a period of 99 years, survey of the property, subdivision for sale of clubhouse, environmental study phase I, contract with Adkins Management, Agreement with non-profit group for management and use of pool, temporary lease of pool until settlement, agreement with Norfolk Southern for grade crossing, assumption of back nine lease and handling of unforeseen roadblocks.

Mayor Butler then opened the meeting up for public comments at 7:27 p.m.

Mr. Ben Sirman came forward stating that there are a lot of winners if this proposed purchase goes through. The first winner would be the Nanticoke Senior Center who would have a new home in a good location. He added that this would provide savings of over 1 million dollars purchasing this building rather than building a new building in the Industrial Park which is not as good of a location. They would also save on permits which would not be true at the other locations. The proposed purchase would reduce the campaign goal and save them on borrowing long term. The club house will provide an established opportunity to receive revenue. The Nanticoke Senior Center is planning to

have the ballroom open for parties, receptions and planned events open to the public. The second winner is the adults in the community and the surrounding community. The golf course, tennis courts, swimming pool and the ballroom will all be open to the public. These will not be restricted just to the seniors. The third winner is the youth and the athletic programs. Swimming lessons as well as competitive swimming meets will remain alive. The tennis courts will allow more practice for the youth in the community. The recreation that these provide are needed and these opportunities allow students to earn scholarships. The junior golf program needs to be re-established in the community and the course will allow the Seaford High School team to have a home golf course to play on. Mr. Sirman stated that the last winner is the City and the community. If this proposal goes through it will preserve heritage in the City of Seaford. If this step is not taken, another business will be boarded up in Seaford. This will bring people into the City and help our businesses which will help the economy.

Ms. Katherine Donovan stated that all of her questions have been answered at this time.

Mr. Erik Peterson came forward talking on the City's responsibility towards the citizens and the surrounding community. He feels that it goes beyond providing services such as water, electric and police. He feels that the City needs to promote substantial growth. There needs to be a focus for the City to be successful such as business growth, residential growth and personal growth. All of these things are needed in order for people to have a place to call home. He stated that if you look at business growth over the past five to ten years has been completed. The residential growth has increased over the years as well. He feels that the opportunity that is being discussed will allow personal growth in the City. The items mentioned earlier tonight such as the golf course, the pool, etc. will allow people to grow. He believes that the proposed plans for the purchase of the property and the sale of the Nanticoke Senior Center is a significant opportunity to provide the citizens an opportunity to growth and cannot be passed.

Mr. George Farnell then came forward stating the City of Seaford has many advantages such as the hospital, the manor house, the river and the marina. The golf course would be one more thing that would attract people to come here to live. He feels that the City operating the golf course would bring business to the community.

Mr. Bill Bowland stated that he thought that this was a wonderful opportunity. In looking into the cost of open land, the City would not be able to buy any other land for the price that they are paying for this proposed purchase or construct a golf course. He feels that this would not put a burden on the City and would allow more opportunities for the citizens.

Ms. Claire Brigidini was the next person to speak. She believes that this is a great idea but she does have some reservations about the purchase. She feels that there should be an open discussion for suggestions on the land use. She would like to see the land be an open park. Ms. Brigidini asked how exactly the spray irrigation worked. City Manager Slatcher stated that there are two methods of spray irrigation. The first method is used on farms as what was shown earlier where you get a land mass and you put it in a pond and

hold it and you spray irrigated it on farm property. The second type is using the same existing spray irrigation system that used to water the golf course only use it with the treated waste water to go on it. The City is looking into doing the second type of spray irrigation. It would be recycled water that would be used however, it does need to be researched and looked at by the engineers. Ms. Brigidini then asked what would be the contract with Adkins Management. City Manager Slatcher stated that all of the revenue would be given back to the City and they would be responsible to pay the bills. There would be a one year contract with a possibility of two years and then it would go out to RFP. City Manager Slatcher stated that Adkins Management will be doing the renovations and they have been looking at what needs to be done.

Mr. Bill Moore stated that he is in support of the Mayor and City Council's proposed buying of the property. He feels that this would improve Seaford and the surrounding communities. He added that in the City of Wilmington they have a public course which has benefited their community.

Mr. Bill Hinz expressed his respect for the Mayor, City Council, the City Staff and the Nanticoke Senior Center for their hard work with this project. He asked what was the current tax revenue that is brought in from the City from the Country Club. City Manager Slatcher stated that it was \$12,000 year approximately. He then asked what the assessed value of the tax revenue was. City Manager Slatcher stated that she was unsure at this time; she can get that information to him tomorrow. Mr. Hinz then stated that he works with distressed businesses where a lot of them are dealing with rough times now due to the use of optimistic figures and poor planning. He stressed that the City be careful with this project and look into everything before making a final decision.

Mr. Ted Gruwell stated that he feels that this Country Club is going to be in trouble along with other Country Clubs in the area. He also stated that costs up every year with a Country Club, they do not go down. He feels that the Senior Center going into the clubhouse is a great idea. Mr. Gruwell said the only tax money that was shown tonight was a penny to buy the land, he feels that number is way below and that the numbers will be higher.

Mr. Richard Eager stating that the difference in cost for treating the federally mandated rainwater is incredible. He added that the piping will be costly to treat from a distant field. Even if the golf course does not work out he stated that the land can be used for spray irrigation. He proposed to put some of the money to revamping the Nylon Capital Shopping Center. He feels that this proposed purchase should go to a public referendum.

Mr. Herbert Collins asked if the City is operating a golf course would be used for enterprise for funds? City Manager Slatcher stated that was correct.

Mr. Shane Beard stated he thought that this was a great idea. He is glad that the City of Seaford is looking at the interest of the community. He asked what advantage the City has for making this a golf course vs. subdividing it for housing with the tax base. City Manager Slatcher stated that if it was subdivided for housing it would bring in more

revenue for the City but they are looking at the benefit of the community. This would provide recreation within the City of Seaford. He then asked what housing density was desired for this area for the City of Seaford. City Manager Slatcher stated that it is zoned R-1 and there is an area that is zoned R-3 which is multi-family use.

Mr. Dan Messick stated that looking at the costs of spraying treatment fluid and the discharge numbers this is a no brainer. He added that this is not a Country Club; the City is not proposing to buy a Country Club. They are looking at buying a golf course and hiring a management team to run the course and will generate revenue. He added that he totally supports this proposed purchase.

Mr. Carol Beard came forward stating the community will benefit will this proposed purchase. He feels that people will support this and the pool is a plus as well as the senior center. Mr. Beard stated that the City of Seaford needs to move forward with this plan. He added that it will take everyone to promote this for this to be a success.

Ms. Whitney Poyuist said that she was present tonight for the interest of the pool. She has worked with the City and made a proposal to them to partner with them and run the pool with a group of volunteers. They have sent letters out to each member of the pool asking for support. She added that they have come up with the name "Seaford Community Swim Center" to use for the pool. They have made rates to join the pool at \$75.00 per person with a cap off of \$350 which she feels are reasonable and not every family member is required to sign up. They have made the decision to open the swim team up to the community; you will not have to be a member of the pool to be on the team. Ms. Poyuist added that she has volunteered her time to coach the time and they have a pool manager who will be volunteering their time. She feels that this is part of her history and she would like for this to be a part of her children's history as well.

Ms. Bunny Williams stated that she feels that people need recreation. The seniors need a place to congregate. She added that the plans that were shown tonight had a lot of hard work and thought put into them.

Mr. Guy Longo stated that he is in support of the concept as it was presented tonight. He added that DuPont did the spray irrigation on the back 9 for many years that was operated by the top chemist at the time, however, it could not be done all of the time do to the concern of ground water and the nitrate levels. He asked what the EPA/DNREC long term affects was. City Manager Slatcher stated that more engineering need to be done with a depth study. She said that the rain and saturation would be an element and testing would need to be done. In 2012, the EPA will be requiring that storm water be treated in the future that goes through the systems of the City. This has been looked at as being a small site for what will be needed in the future.

Mr. Ralph Day expressed that this was a win situation to all parties and the community. He added that there are so many opportunities for this property.

With no further comments Mayor Butler closed the public hearing at 8:30 p.m.

By: \_\_\_\_\_

Dolores J. Slatcher, City Manager

/tnt