**TOWN OF ELLENDALE**

**REGULAR MEETING OF ELLENDALE TOWN COUNCIL**

**December 3, 2025**

**Ellendale Fire Hall – 302 Main Street**

**Minutes – Records on Apple iPad**

**CALL TO ORDER:** President Tom Panas began the meeting @ 7pm

**PLEDGE OF ALLEGIANCE:** Recited, and a Moment of Silence was observed.

**ROLL CALL:** Taken by Council Secretary Sam Noto and the following council members were present:

Tom Panas – President
Clay Walton – Vice President
Bob Billbrough – Treasurer
Joe Beck – Council Member at Large
Sam Noto – Secretary
Jamie Sharp - Town Solicitor
Kayla Adkins - Town Manager

**APPROVAL OF AGENDA:** December 2025 Agenda – approved

**Motion to approve Agenda. Joe 1st and Clay 2nd.**
**Passed 5 to 0**

**APPROVAL OF PREVIOUS MEETING MINUTES** – November 2025 approved with spelling corrections to be made.

**Motion to approve Previous Minutes. Clay 1st and Bob 2nd.**
**Passed 5 to 0**

**TREASURERS REPORT** – Bob Billbrough (see report for detailed information))
Report from period ending October 31, 2025

- Total Income: $81,956.42
- Total Expenses: $44,224.68
- General Fund Balance: $336,567.37 and included in that total is $116,256.75 of community reinvestment grants. So, taking the general fund balance minus those grants plus the $400,000 that we invested in the CDs to earn more interest, we have an operating balance of $620,310.62
- Outstanding tax invoices: $69,801.56
- Outstanding Accounts: 30 as of November 19th

**POLICE CHIEF'S REPORT**

- See detailed reports for November 2025

**TOWN MANAGER'S REPORT –** Kayla Adkins

November 3rd attended meeting/demo of Edmunds government software which we'll talk about later on the agenda

November 7th, attended the SCAT Steering Committee Meeting. Guest speaker Scott from Delaware tourism, he gave us some insight on the website and how it assisted visitors showing them the local towns in Sussex County, what's available across the Delaware, what's available different events and things like that. I checked out Ellendale's page and there were some notes that I made for updates needed.

November 12th attended DelDOT Stakeholder Meeting for route 16 and 113. Right now our biggest need for attending is for any updates on Rts16 and 113. Currently there are no updates happening, for the bypass or any other improvements through town right now. They are focused on other parts of the county.

November 14th met with State Representative Shupe and Wilson along with Jim Smith from Delmarva Power to discuss with them about trying to work out an understanding to install security cameras on their poles throughout our town. That is still pending, we are working with them to try to resolve.

November 18th attended Alliance for the Chesapeake Bay/DNREC event in Georgetown. That event was a big eye opener. It's not just for beach areas. There are other ways that they can help us related to stormwater management, the ponds as well as doing improvements throughout town that will benefit us. I thought it was mainly just beach areas but it kind of helps us across the board. They gave us a lot of information about different grants that are available for funding.

November 19th met with the Community Solar Partnership Program which I'll speak about later.

November 24th met with the Safe Think House Security as a different option for security cameras that we could use throughout town.

November 25th met with our current security camera software company.

November 25th attended meeting on the Chesapeake Franchise Agreement which we will talk about very shortly.

Upcoming Meetings:

- Planning Commission: December 17th
- Community Outreach Committee: December 18th

**REMINDER -** Town Election is coming up January 3rd at Town Hall from 1:00pm to 7:00pm. There are three seats available for council. If you would like to submit your candidate form, it has to be submitted by December 17th at noon. We will have meet the candidates on January 2nd here at 7:00 PM. So please come in if you have any questions or reach out to council.

**COMMUNITY OUTREACH REPORT** - Terrie Ottomano (See detailed report)
Cookie Walk is Sunday December 14th. Wrong date in report.

Parade – need to know if Council is going to participate and any candidates are asked to be in the parade.

Little Library – waiting on one part. It will be installed once that part is received.

Newsletter – 334 residents on the mailing list.

Community Outreach Chair and Secretary positions are still available.

Next Meeting – December 18, 2025 @ 7pm

Welcome Packets – Spoke with Colleen and agree out of date. Colleen showed me the new welcome letter and contact form that is being mailed to new residents. We do need to get emails for our residents. Leftover green folders can be used for Family Fun Day.

**Visitor Recognition**
Patricia Marney – I am a property owner with the Town of Ellendale, and I am the Controller for the City of Dover. Purpose of my requesting to speak this evening is in favor of the Edmonds program. I've implemented several ERP programs for local governments over many years of my career, and this will be very well suited for what the town needs. You could continue to use QuickBooks as you do now, it's a wonderful program for the size of the community. In Dover we have around 50,000 residents, we have general funds, special revenue funds and enterprise funds. Your accounting is not as complicated as what I've dealt with, but I've also used Edmunds. It's wonderful for utilizing your property tax billing and things of that nature so my overall comment is to be in support of implementing the Edmunds software. I'm also interested to see if you've received other quotes for different programs, which I haven't seen in any of the agendas as of recently. I strongly discourage you from using Tyler Technologies and can speak offline about that. That was the purpose of my discussion.

Deborah Short - I have a question and I've been questioning this for quite a while now and it's nothing to reflect on Kayla, she's a lovely person. I was just wondering how do we have a town manager when it's not in our charter? I have our charter up on my phone right now and we have no provision for a Town Manager. I know we're working on a new charter, I'm

just curious as to how we have a town manager now. That is my question and like this the complications of having something that we're not particularly supposed to.

**OLD BUSINESS**

**Chesapeake Franchise Agreement**

Jamie – Council asked me to look at the franchise agreement, and we had a discussion about that at our last meeting. Based on the comments that council provided we arranged for a teleconference last week with some folks from Chesapeake utilities which was productive and helpful discussion that we had, and I know that we have Tiffany here tonight from Chesapeake and she can perhaps answer some questions. But there were a couple of the topics that I know council is particularly interested in.

One of which was the you where the line would be run and I think the nice thing is Chesapeake and the town are both kind of the same mindset that the preference is not to run the line down 16, but to run it down Willow and then come around, so they have presented language in the agreement to revise it that says "Chesapeake and the town acknowledge that the preferred route for both Chesapeake and the town is to construct the main line from East to West through the town limits on Willow St. rather than route 16 and Chesapeake agrees to make reasonable efforts to do so considering all permitting and operational factors". There are some limitations that they may have as they encounter but I think that may give some comfort to the town about you know where that line was to be run with the idea that that could hopefully capture some other folks in town to be able to connect in.

There's also been a concern about the distance and how far from a line that they could go. What they've done is the approved tariff with the Public Service Commission it allows for them to go up to 100' and I believe before it was 75' so that is a change and that has been drafted in the agreement as well that they would have their line extension policy "regarding Chesapeake's line extension policy on the date of this agreement was executed the approved tariff provides the Chesapeake will install free of charge combined 100' of main and service pipe for a single family residence with at least one gas appliance ready to take service and for those extensions that exceed the footage allowance Chesapeake will apply its approved internal rate of return model to calculate any required financial contribution from the new customer". So that extends it quite a bit further than what we had before, so I think that was a concern that council had raised.

I know one other point that had been brought up and we had significant discussions on this was the ability if there was somebody on the outskirts of town or outside the town and they're kind of benefiting from it could we capture the volumetric franchise fee. We would not be able to do that. Their council appointed us to some statute on this and I looked at it. There's what they call you can't discriminate based on fuel surcharges against similarly situated persons, so if they were to have someone outside of town it would have to be everybody outside of town and you can't do that. So, it couldn't be somebody you know very close to town we wouldn't be able to really account for that, so there's some discriminatory language there. So, the bottom line is and that's not something anybody else has either so it's not something that we can capture. There are talks about what those

volumetric franchise fees would be and were not talking a big number. Tiffany Giroux, she gave us some calculations it's kind of like what a sample would be; it's based on the therms and 459 therms which is kind of a template that's used that would add about $4.46 from an individual home for a year with that volumetric franchise fee. So again, we're not talking a lot of money here. Now of course the more people you have to tap in it could be you know combined it might be some money that would be beneficial but it it's not like we're talking you know $100 surcharge per house, it's nothing in that ballpark.
Those were the three kinds of main issues.
Clay: So, there's still this underlying question. The language you spoke of for somebody who just passed the 100' mark, somebody's 200' out, Chesapeake has the ability to look at the feasibility of whether it's worth tying that person in. My point is your feasibility is a profit you're making on all the developments you're tying in, not just whether that one house is going to make them enough money to justify going there, you're making the profit over the whole community that should be factored and weighted with the single individual. It's kind of like the cost of doing business.

If I understand it correctly, if it's going to cost you $1000 to tie somebody in that's past 100' and you're not going to make margin of $1,000 for 10 years you can elect to not connect to them. And I'm saying the five developments you're tying in you've made your profit. That margin should offset that single individual that you might not want to tie in. It's the root question from the beginning that you came in that we're still trying to get at.

Tiffany: Whenever there's a project, whether it's a large community or a single family that particular project has to fund the extension and so our extension from Milton is being funded by the newer projects that are in the community. So whatever profits we see from that is what's going towards the extension. Any project outside of this community we're looking at you know Selbyville or Dover again whether it's a large community or a single-family home we have to show to the PSC that that particular project is funding their extension and so that's why that model has to be done with any home.

Clay: I disagree. If you calculate must be large scale all of Ellendale connecting as part of your project, then you're covered.
Tiffany: You can't prove that they're going to have those additional homes.
Clay: You would have to come up with a reasonable participation level for the town.
Tiffany: We only have commitments from the new communities; they actually sign a developer agreement that says X amount of those will use our service.
Clay: Hearing you but you want to come through the existing community to get to them. We own the street, we own the road, we own the town you want to come through our town why aren't the town residents benefiting from it.
Tiffany: It's a requirement of the PSC, it's not a Chesapeake rule that we have.
Clay: It's not the rule, it goes back to how the calculation is done. You're going to look at each individual whether there's enough profit for you to connect and I'm saying you look at the whole community which is all the developments you're tying int, the profitability that you're making off of them should fund that lesser or maybe undesirable piece of business

that you don't want because you've made that margin on so many other home. I don't know where the legal standing is on that, but I just don't feel that you're looking at everybody as an individual you'll connect to him if he's close but if he's a few feet away you're able to make that determination and the town doesn't have a recourse for that. Once we let you lay pipe through here, we don't have a mechanism to go back and say we want you to you go a few more feet here.
Tiffany: Every scenario is different too so if someone is over 100' you would have to run that model right and depending on how many gas appliances they have it could still fund that extension if their 120' or 200', so it depends on their usage as well. So, where we project them as a customer and the profits that we make over that six-year rate of return will cover the cost of that extension to a point.
Clay: If there's somebody at the end of the line that wants to connect the five neighbors might have new heating systems so they're not ready to connect today but once you get that pipe in it's available to them at future as mechanical failures come up if they want to tie in their heater, their hot water heater, gas dryer or whatever later it's available to them. If it just never gets put in then it's not available to them and when my dryer gives up, I'm not going to wait months for Chesapeake to come out and put a line in the ground I'm going to go to Lowe's and buy a dryer for what I what I have. So, it's like I said it just doesn't look like we're representing the town with this moving forward if we can't offer this as a service to everybody in town.

Tom: If I understand your example you're saying if somebody's 200' out and they have no gas, all propane appliances and they're going to hook up versus their neighbor that only has one gas appliance because the volume is different, the charge to hookup will be also different.
Tiffany: Yes, so there's a chance that whoever has five gas appliances versus 1 they're cost might be covered because they're going to have more gas usage. It's all going to vary depending on what they have.
Tom: The other part would be what you were saying if they were to allow that they would have to have a time frame you couldn't say five years from now I'm going to hook up because now I'm replacing my dryer that I'm going to hook up for free it would have to be within a year or within six months.
Clay: I don't think you could leave it open ended. Everybody that was here before remember as the water and sewer when they came through you opted in they took care of it, you couldn't go back two years later and say oh I'm ready to go to county sewer now. But when they come through you opted in and you were hooked up at no charge and that's similar to what I think would be a compromise for town, everybody could get hooked up maybe they might only have one appliance now. I mean all of your appliances aren't going to fail at one time or might not be convertible but if you got hooked up then as things aged out you have the opportunity to replace with natural gas appliances.
Tom: But doesn't the Public Service Commission control what you're saying that 100' and what the charge is after.

Tiffany: You just can't put in pipe and hope they will come. That's what the different from other utilities so we have to be able to prove that whoever wants to connect can cover that cost.
Clay: And that is the impasse.
Jamie: I believe that's something the Commission has, I mean they have a policy, line extension policy is something that gets vetted by the Commission, so the Commission is the one that has jurisdiction. Now my understanding and correct me if I'm wrong that when they go back to look at their rates which is let's think 7-8 years so it's not like a yearly thing, they go and review that line extension policy at that time but that is something the Commission has control of.
Clay: This isn't always Public Service Commission, this is an end user further than 100' and Chesapeake has the ability to look at it and say there's just not an ROI here in a reasonable amount of time, so therefore we are not going to connect to you. It's not worth their time. And I'm saying that ROI is this whole town that they're coming into, you have to look at it as a big project, not individually.
Jamie: I understand, what I'm saying is that they articulated to us was that they are governed by the Commission and their policy is something that gets vetted through the Commission on a periodic basis and they are kind of bound by that because they cannot be discriminatory to users throughout their service area and that's the challenge that I think that they run into. It's like the idea where we had we're going into being able to put that volumetric franchise fee on so it's just outside of town why should they get the benefit of it. Well, there's a law that says you can't discriminate against persons.
Tom: Next week we have a meeting with the Public Service Commission to fight them to get them to release them to do it.
Jamie: That's what we were told in our call, and I think that the gentleman who was there he used to be at the PSC for many years Mr. O'Brien.
Clay: Would you be able to share franchise agreements from similar communities? Agreement rate, franchise rate.
Jamie: When you go into their tariff it has a list of some of the ones that they have and you can see the rate schedule for Selbyville and it's not in therms because that's a recent change but as I went through at the last meeting most of them are .0181 square foot, some of them are lower 0.100 that's Frankford for example. But most of them were within that range and then when you compared it to a therm and I did the calculation for it just based on what I'm selling from their filings with the PSC, those figures appeared to be consistent with what we're seeing elsewhere. For example, Frankford is from effective date of February 1, 2025, so we're in that range as to what they were charging similar towns. It does not have their actual agreements far is the line extension policies. I don't think there should be any issues obtaining those because I would think that they're going to be in the town so there should be something that can be pointed at a minimum if not provided. But the actual rate for the therm and then the rate for the initial agreement rate I don't have that number there.
Tiffany: Don't typically give that upfront cost it's typically just that franchise fee.
Jamie: If it was to be beyond $5K you would have to kind of demonstrate why.
Clay: Because we want to hook up the rest of the residents of town.

Jamie: Two items to edit: Refers to mayor but it should refer to President. And there is not an address on the notices and to add the town address and Jamie's law office address as well.

> **Motion to accept the Chesapeake Agreement with edits. Bob 1st motion. Sam 2nd.**
> **Clay did not accept, all others did.**
> **Passed 4 to 1**

**Town Survey (see attached docs)** - **–** Kayla Adkins
New, updated survey shows all of the properties and side of town except for the two annexation zones across 113. The rest of them are included in this survey. Annexations across 113 will be added later on. So, currently this is the survey that is being proposed for the town. There is a map with an explanation of the points and everything which was included in the package.

Approval of survey for towns on east side of 113. GMB owes us big map as part of the original proposal, survey of lands on other side of 113 and also add Wawa. Note that original scope of project under Workman did not include other side of 113 or the Wawa. We owe for Old Town.

> **Motion to approve the town map as presented for the lands east of 113, work completed to date. Joe 1st and Bob 2nd.**
> **Passed 5 to 0**

**TOWN PAVING BIDS (**see attached breakdown) - **–** Kayla Adkins
Kayla provided excel spreadsheet with all paving bids documented from 3 companies. Shows pricing per street and totals. Jerry's paving includes flaggers. Reached out numerous times for additional bids on paving in front of our park and the only who got back was McKenzie's Paving with a quote of $15,500.00 which includes the grading, milling and painting.
McKenzie's price increases next year about $1K in each section/street.
Parts of Shorts Alley may not need paving and if you didn't do 2 sections here it would pay for your park paving.

> **Motion to accept McKenzie's paving. Joe 1st, Bob 2nd.**
> **Passed 5 to 0**

**Security Cameras Update** - **–** Kayla Adkins
Postpone pole purchase – we are still trying to install on Delmarva Power poles. Delmarva Power has a new president, and he was interested in it because of all of the attention that

has been drawn to it from legislative as well as other towns to revisit the option to install it on the polls. So, they have been working with their engineering department to narrow down what the exact safety concerns are as to why cameras cannot be installed on their poles. We did receive the other bid for cameras from Safe House, and we did not get the updated camera pricing from our existing company. There's is going to be an increase, but I do not know the exact increase to compare equipment side by side currently. Should have more information for next month.
There was a concern that if there is a different company to install these cameras on the poles the concern of them going back and forth with tools, who is in charge of maintaining the cameras and who's in charge of maintaining the equipment in town hall.

**Realign Feral Cat Voucher Program (see attached)** – **–** Kayla Adkins
We have a short window to utilize and reallocate the funds and get it approved.
We got a quote for installing 1/2 court basketball court and what we were quoted for the entire thing was $76,000. I have reached out to other companies, but I haven't heard anything back to get different quotes.
I did research on updating some of the playground equipment because the swings do need to be updated. Looked at replacing the existing chains, seats for the swings as well as utilizing the grant fund money for the parking because the grant is used for capital projects of improvements. I looked into adding a tire swing and researched 4 different companies that had great reviews, consistent use and compared the pricing to show what the differences were if that's something Council wants to do. It's just another option to utilize the grant funds. If we want to keep pursuing the basketball court then that's fine, we'll try to find different companies, vendors.
Sam: Maybe we should contact our paving companies to see about cost of asphalt basketball court.

- Kayla to follow up on cost of asphalt court.

**2023 Audit Final Review** - **–** Kayla Adkins

- 2023 audit financial. Very pleased with findings as were other Council members.
- 2024 is almost done, so I'm hoping that next month will have 2024 available to be presented.
- We are on track, going forward and follow right into 2025.

**NEW BUSINESS**

**Edmunds Government Software –** Kayla Adkins

Patrick is here and he came to our office and gave us a presentation/demo to show what's possible in the different modules. There were a few Council Members at the demo. They provided the attached proposal to show what each module cost as well as the cost for taking our existing data and putting it into Edmund's and training for all the different modules. The goal for implementing this and bringing this in was the relation of organization for town records, keep property taxes organized, business license, rental license as well as permitting. There is also a financial module. As the town grows, we are going to outgrow QuickBooks and what it is used for. QuickBooks is great when you have a tiny area but we are now growing. We're going to need this type of database to back things up, it's all cloud based, you're able to scan in records right to the account.
For the Parcel Management screen you put in your parcel number and it will show you all of your property taxes for years, it will show you building permits, rental license fees, violations regardless of who owned it. It will keep track of that entire parcel.
Patrick: We have a whole product matrix. When we met 1 month ago, we showed the tax billing, the code and permitting module and the accounts receivable module. The added modules on there are the Finance Super Suite as well as the Payroll module, so you can get a cost estimate as to what it would be to add those to what you saw a month ago. We have over 30 different modules on one integrated platform.
So, what you'll see on your subscription fees is your annual cost, the implementation fees inclusive of the physical setup of the module as well as the training up until that module goes live and then the conversion from QuickBooks.
To add modules at a later time, increase in cost could be 3 to 5% to keep in line with inflation. Currently your quote is discounted at 60%. Financial Suite is not included on the quote.
Kayla: This will not replace QuickBooks completely. Financial Super would replace QuickBooks. This cost would be an additional $4K.
Patrick: With the $4K there is an implementation fee and a conversion fee that goes with the finance module.
Clay & Tom: want another demo. All module prices.
Implementation: Current standard is 16 months which is an industry standard. Ellendale due to size could take much less time than 16 months.
Tom: Could we get tax module in place for 2026 taxes.
Patrick: We could phase out the project to where we would install the tax module first and train.

- **Demo Edmunds to new Council Members**

**New Town Property Tax Rate –** Kayla Adkins
Town needs to adjust current take rate of $2.00 per $100.00. The new rate is $.22 per $100.00.

**Motion to approve new tax rate: Sam 1st, Bob 2nd.**
**Passed 5 to 0**

**AMPION'S COMMUNITY SOLAR PARTNERSHIP PROGRAM** - **–** Kayla Adkins
Delmarva Power has a certain amount of percentage that is allocated for low-income families. What Ampion does on behalf of them is to reach out to those families to offer them a discount power bills with the solar program. There are certain stipulations that are required to meet that threshold. They presented to us it would be a 20% discount for lower income families off their electric bill, which would show a credit on that bill. I asked if there was less sun do people get a lower amount and they said rate does not change, the credit might be smaller because there's not as much power coming from it, but they do not get charged more because of the lack of energy coming in. There is no membership fee. No cost to opt out of the program but they do ask for 90 day notice to work through the program paperwork to remove from the program.
Clay - Why would the council want to endorse it? They could come in and go door to door; we wouldn't stop them from representing themselves. But we don't have anything to do with Delmarva power. This is a deal between them and Delmarva Power, why would we want to interject ourselves into the middle of something that we have no responsibility for, no control over and no obligation. If people have issues, they may come to town hall wanting explanations and we are not involved with it.

- Tom: Add this to the Town Newsletter

**CORRESPONDENCE**
Bob: I just wanted to give an update on the Community Development and Building Grants that we started working on back in July or August where there's a program that has money available to help homeowners with repairs and we had about 12 people apply. Two people who have approved.
Projects are things like doors, windows, flooring, plumbing, electrical, HVAC, siding and decking. Sussex County is at the point of getting ready to do the contracts to do the repairs and when those repairs are done, they can see how much funding is left to move on to some more people.
Sam: The money did slow down for a while because of the government hold up on the continuing resolution and so forth, but now that they've passed some of that stuff with the new budget bill, we may be seeing some new grants come through for the next year. And the people that already signed up are already on the list and the County will continue to work down that existing list of folks that applied.

**CLOSING**

Tom: In closing out the year of 2025 I want to thank the council for their, it's really been a privilege working with everybody. I want to go back and say compared to last year 2024 we basically had a four-person council throughout the year and to survive 2024 I want to thank Virginia for working in the office and to helping with the council and all the office work. I wanted to thank Karen Brittingham, she was a big part of getting the annexations resolved and work through with all the meetings at Dover that happened. I want to thank our solicitor, Jamie; we had a lawsuit that we had to get through. We had a pending lawsuit. We had a situation where I had to sign for records to keep it on file in case there was going to be a litigation about the evidence and it was in proper procedures and signed for. So, I think it's been a great year. Kayla congratulations on your one year as the Town Manager. I think we've really come a long way; we're doing very good. The Town Hall is functioning, it's not just putting out fires, it's moving forward with programs and agendas. It's been great privilege with working everybody this year. We really need everybody to consider running and participating in council right now, maybe 10 hours a week. It's not much just working on the programs because Kayla and Colleen are doing a fantastic job in there.

**ADJOURNMENT:** Meeting adjourned at 8:40pm