

**MAYOR AND COMMISSIONERS MEETING
CITY OF REHOBOTH BEACH**

July 6, 2015

The Workshop Meeting of the Mayor and Commissioners of the City of Rehoboth Beach, was called to order at 9:02 a.m. by Mayor Samuel R. Cooper on Monday, July 6, 2015 in the Commissioners Room in City Hall, 229 Rehoboth Avenue, Rehoboth Beach, DE.

City Solicitor Glenn Mandalas gave the invocation followed by the Pledge of Allegiance.

ROLL CALL

Present:	Commissioner	Toni Sharp
	Commissioner	Patrick Gossett
	Commissioner	Bill Sargent
	Mayor	Samuel R. Cooper
	Commissioner	Stan Mills
	Commissioner	Lorraine Zellers
	Commissioner	Kathy McGuinness

Also in attendance was: City Manager Sharon Lynn
 City Solicitor Glenn Mandalas

CORRESPONDENCE

There was none.

OLD BUSINESS

Mayor Cooper called to discuss with Kyle Gulbranson of AECOM, the City's planning consultant, the next steps to be taken to address the impacts of current development and use trends on residential neighborhoods within the City.

Mr. Kyle Gulbranson noted that the noise ordinance has been adopted. The proposed zoning ordinances will be going to public hearing on July 17, 2015. The last two items to be addressed are the vacation rental housing ordinance and discussion of permitted uses within the zoning districts. The purpose of today's discussion was to decide how to proceed and possibly set up a timeline.

Commissioner Toni Sharp said that the tree ordinance should have a portion of the discussion. Mr. Gulbranson agreed. This is one of the items that still needs to be addressed.

Mayor Cooper noted that the tree ordinance came to the Commissioners before the other matter started. It has been on the Commissioners' to-do list and should be factored in somewhere.

Mr. Gulbranson said that the work group had been doing work on the vacation rental ordinance in which a draft ordinance had been proposed in December 2014.

Commissioner Patrick Gossett has been a proponent of the vacation rental ordinance. He brought the idea to the work group. This sets expectations, and it addresses some noise issues, occupancy from the standpoint of the size of houses, the number of bedrooms and bathrooms, specifically vacation rentals, etc. It also addresses responsibilities and communication of a person responsible in the house, owner, owner's representative or rental agent. One of the proposals is to set up a 24 hour hotline so a person can call a City official in the evening, etc. such as a code enforcement officer or the police department. Commissioner Gossett noted that the permitted use aspect would go hand in hand with the vacation rental ordinance. Nothing has been done to address permitted uses in residential zoning districts. A definition would need to be created for a vacation rental property and where it is permissible.

Commissioner Stan Mills noted that the current version of the proposed vacation rental ordinance is Version 2 dated December 8, 2014. He suggested that a clean Version 3 should be provided to the Commissioners with comments incorporated in it from the December 8, 2014 Workshop Meeting for the August Workshop Meeting. Commissioner Mills thought that more work should be done on the curb-cut ordinance and have it presented to the Commissioners at the August Workshop Meeting.

Commissioner Kathy McGuinness suggested that extra meetings should be scheduled for discussions.

The current version of the proposed vacation rental ordinance will be placed on the City website.

NEW BUSINESS

Mayor Cooper called to discuss with the City's consultants the phases and timeline for the City Hall Project going forward.

Mr. Mike Wigley of Davis, Bowen & Friedel (DB&F) and Mr. Rick DiSabatino of EDiS Company were in attendance at the meeting.

Mr. Rick DiSabatino noted that the timeline is still a draft. Pre-Construction – Bid Pac A (Demo/Site) should be completed by the end of August 2015. Preparation will be needed to move the employees out of City Hall into temporary units. Currently, EDiS is in the process of creating a bid package for modular units. In that bid package, EDiS is utilizing the requirements the USDA has mandated. He will be meeting with the City Manager and others with regard to the specifics of what is needed. There will be two bid packages, one for the trailer units and the other would be for the site work that has to be taken care, such as sewer, water, prep of the area for the trailers, etc.. When the trailers are moved in and the underground services are provided, the tie-in of the new parking lot will be easier.

Mr. Mike Wigley noted that Bid Pac A is the demolition and site development, and Bid Pac B will be the balance of the construction for the City Hall building.

Mr. DiSabatino said that preparation for the trailer units will be bid out by EDiS. People will be mobilized and the preparation of the sites will start in the beginning of August 2015. Installation of the trailer units will be completed by November 13, 2015. At that time, staff will be moved into the temporary units. Closing of the Convention Center will occur on November 7, 2015. Staff from the Parking Meter Department will be relocated during the week of September 21, 2015. Demolition of the Parking Meter Building will be completed on October 23, 2015. The drawings are 95% complete for the Parking Meter Building. Currently, those drawings are being reviewed for construction, and another estimate is being done to make sure that they are still within the cost range. Bills will be awarded on October 22, 2015. Construction will begin in mid-October 2015 with completion in mid-May 2016. Mr. DiSabatino will try to improve that date to April 2016. The construction documents will be completed for the design of City Hall by September 22, 2015. The drawings are 75% complete for the City Hall building. Those drawings will be reviewed for construction, and another estimate will be done to make sure that they are still within the cost range. A plan check will be completed in early October 2015 by the project managers and field managers for constructability. The project will be bid out in early October 2015 with the contracts being awarded by the end of December 2015. Construction for the City Hall building would begin in December 2015 and would be completed by February 2017. Temporary parking will be provided on the west side of the Convention Center. The Parking Meter Sign Shop may be used as a temporary construction office for EDiS rather than renting an office trailer. The owners' meetings will be held every two weeks, and in that presentation, EDiS will present an updated schedule, will go through the events that happening on the project at that time and any upcoming events that need to be addressed and will review any questions that will arise. Questions will be brought to the attention of the City Manager right away. A monthly report will done that consolidates all the information for the City.

Commissioner Mills noted that the recycle bins would be removed from the back corner of the east parking lot. He suggested that anyone who rents the Convention Center should contact the City Manager. Highlights of the timeline should be shown on the City website.

City Manager Sharon Lynn has contacted Mr. Von Stetton with regard to recycling station at the rear of the east parking lot. Currently, it is not known whether or not those bins will continue to be used, but at a different location. Meetings will be held in the fire house. More than likely the Lake Avenue Project will not occur this year.

Mayor Cooper noted that all major contracts will be brought to the Commissioners. At some point, the Commissioners will need to give authority to the City Manager to execute certain contracts.

Mr. DiSabatino said that it is EDiS' job to wrestle with problems and work as the representative for the City and City Manager. It will review the bids to make sure they are in alignment and go through them with the contractor. EDiS will be responsible for keeping the job in line day-to-day, onsite and in the field and office. Mr. DiSabatino will coordinate key dates with the City Manager for when the Commissioners need to be present to approve contracts. Job and progress photographs from the EDiS Company website will be linked to the City website.

City Manager Lynn noted that signage and communication to the public will be worked out through her office, the owner's representative and the architect. She plans to be at each bi-weekly meeting and will know what needs to be accomplished regarding signage and moving people in the right direction. Relaying information to staff will be done on a regular basis through department head meetings.

Ms. Karen Zakarian said that she has been in contact with venues scheduled for Convention Center. She will follow up with a formal letter so people are aware about the closing date of the Convention Center and construction.

Mr. Wigley noted that the site plan has been submitted for initial review by the Fire Marshal. Comments have been received from the Fire Marshal which are currently being finalized. He is anticipating that the Soil Conservation District will be providing initial review comments in the next week or so. Each reviews are handled separately.

Commissioner Gossett suggested that a critical date calendar should be developed.

Mayor Cooper called to discuss the proposal of Davis, Bowen & Fiedel, for architectural and engineering services related to the design and construction of the new City Hall, Parking Meter Building and other related work.

City Manager Lynn noted that she has received the proposal from DB&F. A few changes were made based on the City Solicitor's comments that did not make it in its final form.

Mr. Wigley noted that the DB&F agreement was part of the EDiS agreement for construction drawings. USDA required a separation of DB&F and EDiS. DB&F is no longer a sub-consultant to EDiS. Its contract was originally with EDiS, but because of the USDA requirement, DB&F put together its own contract for the City. The numbers have not changed. The total amount would be \$686,000.00 to get through the bid phase of the project. The City has paid for the schematic design and design development. The City has authorized DB&F to proceed hourly, and that has been billed through EDiS. Anything that has been paid will be deducted from the \$686,000.00. DB&F's proposal is for the construction drawings and bid phase for City Hall, construction drawings and bid phase for the site, schematic design development and construction drawings for the Parking Meter Department/Main Street building.

Mayor Cooper called to discuss authorizing execution of USDA Form RD 1942-47, Loan Resolution, related to the City's application for a loan of \$18,000,000.00 from the United States department of Agriculture's Rural Development Program.

Mayor Cooper noted that he and the City Manager pursued funding through USDA since March 2015. The City now has a commitment, and the money has been set aside at 3.5% interest. USDA is requiring that a loan resolution be approved by the Commissioners, authorizing the loan. There will actually be two loans of \$9,000,000 each. Interim financing will be needed through the period of construction. Mayor Cooper will be working with the bond counsel to put together a letter to area banks requesting a term sheet on borrowing of \$18,000,000 as a draw down through the course of construction with a closeout hopefully in September 2017. This item will be placed on the agenda for the next Regular Meeting.

Ms. Judy Griffing, Lake Avenue, voiced concern that the transfer tax revenue will be lowered in the State of Delaware, and it will have a consequential impact to revenues. This would have a negative impact on the City's revenue, and she voiced concern about how the loan will be paid.

Mayor Cooper said that the State Joint Finance Committee proposed starting on July 1, 2016 that all municipalities' shares of the transfer tax will be reduce to 1% of the sale price. It has been pulled back and off the table at this point. He did not expect to see it back. The City benefits disproportionately with that tax because of the value of property in the City. Mayor Cooper noted that project is important to the City's future. The Commissioners have charted a course to get it done, and that is where his focus is to get it done. The City has a number of revenue sources that will handle this. The City has a \$6,000,000.00 loan that will be ending in September 2017 which will dovetail very well with picking up this project.

Mayor Cooper called to discuss the next steps and timeline for the ocean outfall project.

Mayor Cooper distributed the timeline which was presented by GHD at a prior meeting. A meeting was held with the State Joint Permit Committee where there were representatives from the various divisions of DNREC to meet with the engineers to go over the permitting process. The outfall itself will be bid as three projects – the outfall and ocean work, the force main from the treatment plant to Deauville Beach and the pump station at the treatment plant with the understanding that no work can occur on the ocean outfall and the force main between September 30th and May 1st. The plan at this point is that several of the permits need construction

drawings as part of the permit applications. The idea is that all the permits will go as one to the State, and there will be one public hearing. The engineers have been soliciting proposals from surveying firms because a fairly detailed survey must be done of the route of the force main. Within the next few weeks, the public will see survey crews doing that. The force main will go down State Road and Henlopen Avenue. There is still discussion as to the route of the force main where it leaves State Road and joins with Henlopen Avenue. With regard to bidding, the intent is to pre-qualify the ocean outfall contractors so they are fully vetted, and it is known that they have the capabilities of those who want to bid on it to do that work. This is a contract where there will be a fairly long lead time. Construction will begin in Fall 2017 and will conclude in Spring 2018. Two loans have been approved through the State Revolving Fund for the outfall and improvements to the plant. Submission for notice of intent for loans is at the end of August 2015. The application will need to be submitted for the bio-solids project at that time.

Mr. Sandy Bieber, 60 Henlopen Avenue, asked where he could find the plan to preserve all the trees on Henlopen Avenue when the force main is put in.

Mayor Cooper noted that there is no intent to taken down any trees. One of the things that will be looked with the placement of the pipe in the street are trees. The survey will determine where the trees are located, etc.

CITY MANAGER'S REPORT

City Manager Sharon Lynn reported that the City had a successful July 4th event which occurred on July 5th. She thanked all the staff involved from Public Works, Police Department and all who participated. Traffic was heavy as expected, but Rehoboth Avenue was cleared by 10:30 p.m. For the most part, everything went as planned. The Fire Department mentioned that there were less people viewing the fireworks than in previous years.

COMMITTEE REPORTS

There were no reports.

CITY SOLICITOR'S REPORT

There was nothing to report.

COMMISSIONER ANNOUNCEMENTS/COMMENTS

There were none.

DISCUSS ITEMS TO INCLUDE ON FUTURE AGENDAS.

Items to be included on a future agenda are: 1. Posting Ordinance or Policy where there is more outreach possibly on the City website. Commissioner McGuinness will talk with City staff regarding this item. 2. Charter change for the residency requirement. 3. Possibility of a fast track system for the permitting process. Commissioner McGuinness will talk with City staff regarding this item. City Manager Lynn noted that replacement personnel has been hired, and have outsourced through a private contractor.

CITIZEN COMMENT

Ms. Linda Kauffman, 206 Laurel Street, asked what had been glossed over about a charter change.

Mayor Cooper noted that it has been brought to the City's attention that the residency requirement to vote may be outdated in the sense of court rulings. There are other issues in that section which need to be addressed.

Ms. Lori Bloxom, address unknown, said that she would be in favor of being able to find things on the City website and have things available at meetings.

Mr. Walter Brittingham, 123 Henlopen Avenue, said that bicycles are a huge issue and should be placed on the next agenda along with crosswalks. No bicycle marks should be placed on the sidewalks every 50 feet. People should not have to wait for weeks to get a permit from Building & Licensing. He thought that there should be a public critique of the fireworks and traffic, and should be forwarded to the City Manager's office and then made accessible to the public.

Ms. Judy Griffing, said that her previous comments were geared toward future activities that would have financial impacts.

The next Regular Meeting will be held on July 17, 2015 at 7:00 p.m.

There being no further business, Mayor Cooper adjourned the meeting at 10:25 a.m.

Respectfully submitted,

(Lorraine Zellers, Secretary)