

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

**March 18, 2016**

The Regular Meeting of the Mayor and Commissioners of the City of Rehoboth Beach was called to order at 7:03 p.m. by Mayor Samuel R. Cooper on Friday, March 18, 2016 on the second floor of the Rehoboth Beach Volunteer Fire Company, 219 Rehoboth Avenue, Rehoboth Beach, DE.

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

**ROLL CALL**

Present:      Commissioner    Paul Kuhns  
                 Commissioner    Toni Sharp  
                 Commissioner    Patrick Gossett  
                 Mayor                Samuel R. Cooper (left the meeting at 7:51 p.m. and returned at 9:03 p.m.)  
                 Commissioner    Stan Mills  
                 Commissioner    Lorraine Zellers  
                 Commissioner    Kathy McGuiness

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

**APPROVAL OF AGENDA**

Commissioner Stan Mills made a motion, seconded by Commissioner Lorraine Zellers, to approve the Agenda with the deletion of approval of minutes and moving Item No. 11(A) to first item before Old Business. Motion carried unanimously.

Correspondence was received today from Lori Bloxom, 9 Country Club Drive, regarding the this item.

**CORRESPONDENCE**

Letter received on March 17, 2016 from Susan Gay, address unknown, honoring the 125<sup>th</sup> anniversary of Rehoboth's founding as a municipality.

**APPROVAL OF MINUTES**

Minutes of the May 29, 2015 Special Workshop Meeting, October 5, 2015 Workshop Meeting, November 9, 2015 Workshop Meeting, December 7, 2015 Workshop Meeting, January 4, 2016 Workshop Meeting, February 8, 2016 Special Workshop Meeting, February 19, 2016 Regular Meeting and February 26, 2016 Special Workshop Meeting were not available for approval.

**REPORT OF POLICE DEPARTMENT**

(See attached report.)

Police Chief Keith Banks presented the report of the Police Department for the month of February 2016.

**REPORT OF REHOBOTH BEACH VOLUNTEER FIRE COMPANY**

Mr. John Meng of the Fire Company reported that there were 29 crew calls and five alarms for the month of February 2016.

**REPORT OF BUILDING AND LICENSING DEPARTMENT**

(See attached report.)

Chief Building Inspector Damalier Molina presented the report of the Building & Licensing Department for the month of February 2016.

**REPORT OF PLANNING COMMISSION**

(See attached report.)

Chairman David Mellen presented the report of the Planning Commission for the Regular Meeting held on March 11, 2016.

## **NEW BUSINESS**

### **Consider authorizing the execution of a contract with Advantech Incorporated for security systems for the new Parking Department Building and new City Hall in accordance with the State of Delaware Contract No. GSS15599-BLDG\_SECURE.**

The Parking Meter Building and City Hall Building have been an ongoing project of which five contracts are related to it. The first contract was for the mobile offices, the second for the site work, the third for the Parking Meter Building, the fourth for the City Hall Building and the fifth for the security systems and technical items. Advantech has been a vendor to the City and has done work at 306 Rehoboth Avenue by installing the security system there as a subcontractor to the general contractor. City staff has reviewed with Advantech the specifications and requirements needed for the security systems. Monies have been budgeted in the amount of \$500,000.00 for security and technology issues. Two estimates were provided by Advantech for the Parking Meter Building and the City Hall Building. Advantech is a contractor through the State of Delaware and has been through the state process. USDA has agreed to the City using Advantech as its contractor. A performance bond in the amount of \$1,221.50 may be required which would be in addition to the base price in the amount of \$48,860.00 for the Parking Meter Building. Alternate 1 is being proposed for a command control graphical interface in the amount of \$9,765.00. A performance bond in the amount of \$6,743.37 may be required which would be in addition to the base price in the amount of \$269,735.00 for the City Hall Building. Alternate 1 is being proposed for a command control graphical interface in the amount of \$5,840.00. The audio/visual package for the Commissioners Room will be a separate bid with a separate contractor.

Mr. Walter Brittingham, 123 Henlopen Avenue, voiced concern that the contracts do not pass contract law. There are things in the contracts need to be corrected, and they need to be reviewed before being signed.

Commissioner Mills made a motion, seconded by Commissioner Kathy McGuiness to authorize execution of one or two contracts at the determination of the City Manager with Advantech up to the amount of \$59,846.50 for the Parking Meter Building and up to the amount of \$282,518.37 for the City Hall Building. (Kuhns – aye, Sharp – aye, Gossett – aye, Cooper – aye, Mills – aye, Zellers – aye, McGuiness – aye.) Motion carried unanimously.

Mr. Kevin Lucas, Project Manager, provided a brief update of the Parking Meter Building. The exterior of the building and the site work will begin in the near future. The building permit was received on March 17, 2016 for the City Hall Project to assemble the dewatering process which will begin on March 21, 2016. Shoring of the outside of the hole and excavation of the basement will take place after that.

Beginning March 22, 2016 at 8:00 a.m., the Rehoboth Avenue entrance to the City Hall offices will be closed for an indefinite period of time. Pedestrian and vehicular traffic will be rerouted. Employee and police vehicle traffic will be rerouted to enter and exit through Lake Avenue at Third Street. Signage will placed at appropriate spots in the City.

## **OLD BUSINESS**

Mayor Cooper recused himself at 7:51 p.m. from this portion of the meeting. The gavel was passed from Mayor Cooper to Commissioner Stan Mills.

### **Discuss with Kyle Gulbranson of AECOM, the City's planning consultant, a draft Residential Rental Ordinance.**

Support documents had been forward to the Commissioners prior to the meeting. They are the Residential Rental Ordinance Version No. 7 in redline and clean copy, Rental Application Version No. 6 in redline and clean copy and Safety Certification Version No. 4 in redline and clean copy.

The focus of the discussion at this meeting was about the updates which were included in the Residential Rental Ordinance from the last meeting. The ordinance received a legal review from City Solicitor Mandalas. There were changes to the preamble language. Some housekeeping issues and clarifications were done. Language was tweaked for consistency throughout the document. The major changes to the ordinance were that occupancy would be set at two persons per bedroom plus two, and children under the age of six would not be counted towards the occupancy level. The table regarding occupancy was removed from the document. The language regarding the occupancy exception has been tweaked by City Solicitor Mandalas. The two elements which would be evaluated in order to grant the exception are whether there is adequate space for the number of people and the health and safety issues. At line no. 244, reference to the City's Noise Ordinance was deleted from the document.

Ms. Jan Konesey, 42 Oak Avenue, did not think that because the proposed Rental Ordinance is a year-round ordinance, under the State of Delaware eviction laws a person can be evicted if the City's Noise Ordinance is violated. She suggested that the wording should be changed to "short-term rental" or "vacation rental" because most of the requirements in the proposed ordinance have to do with short-term rentals.

City Solicitor Mandalas provided verbage for Section 210-4 of the applicability clause that says this Chapter shall apply to all residential rentals except for hotels, motels, inns, tourist homes, rooming & boarding houses, cabins and cottages. This Chapter shall apply to residential rentals of any duration including short-term residential rentals of a duration of 120 days or less not subject to the State of Delaware Residential Landlord Tenant Code and those of more than 120 days which are subject to the State of Delaware Residential Landlord Tenant Code. Where the provision of this ordinance are inconsistent with a provision of the State of Delaware Residential Landlord Tenant Code, the State provision shall be controlling.

Ms. Donna Mabry, 221 Hickman Street, said that long-term and short-term rentals are completely different entities. Short-term rentals are visitors, and long-term rentals are neighbors. It would be clearer to everyone if the proposed ordinance applies only to short-term vacation rentals. Definitions will be added to the proposed ordinance for short-term rentals and long-term rentals.

Mr. Richard Cooperman, 214 Country Club Drive, said that this document protects both the tenants and the citizens. Having a description of what the rules are is really important in one comprehensive document. He did not see any harm in having the rules for the Noise Ordinance in the proposed Residential Rental Ordinance.

After a lengthy discussion by the Commissioners regarding the effective dates, City Solicitor Mandalas recommended that this ordinance shall be effective immediately upon its adoption by the Commissioners of the City of Rehoboth Beach, except that the Residential Rental occupancy limitations established in Section 210-7(D) shall be effective as of January 1, 2017, regardless of the date the lease was executed. The City will be sending out notices of the ordinance if it is adopted along with the highlighted version of the rental certification form which will be effective this year.

Minor changes regarding verbage and formatting have been made to the applications along with clarification of when inspections will be required.

Ms. Judy Griffing, 71 Lake Avenue, suggested that if the contact person will be out of the area, a second person could be referenced.

Mr. David Mellen, 105 Rodney Street, said that if realtors are fulfilling leases, even in October, and the occupancy is for January 1<sup>st</sup> and after, then the rules should apply irrespective of when the lease is signed.

Mr. Eugene Lawson, Esq., 12 Hickman Street, was concerned with the Property Maintenance Code being used by the Building Inspector when inspections are done.

Ms. Lori Bloxom, 9 Country Club Drive, suggested that if there are references to noise in the ordinance, then it should be added on the application that people have reviewed and understand the Residential Rental Ordinance and the Noise Ordinance.

For the first year the Safety Certification is used, only the life safety criteria will need to be filled out. The items which were true safety considerations were highlighted to be in compliance for this year. The others on the application will be phased in in the 2017 licensing year. The requirement that the form needs to be notarized has been removed. The statement of attestation language requiring the signature by the property owner has been modified.

A Special Meeting will be held on April 4, 2016 to consider the adoption of the proposed Residential Rental Ordinance.

The meeting was recessed at 8:55 p.m. and reconvened at 9:03 p.m. The gavel was passed from Commissioner Mills back to Mayor Cooper.

**Consider authorizing the execution of a new five-year contract between the City and the current beach concessionaire for the rental of umbrellas, chairs and rafts.**

The contract had been forwarded to the Commissioners prior to the meeting. (Copy attached.) An email had been forwarded to the Commissioners from the City Solicitor clarifying and revising six items which had been discussed at the last meeting. City Solicitor Mandalas read the six revisions to the contract.

Commissioner Mills made a motion, seconded by Commissioner Kathy McGuinness to authorize the execution of the new five-year contract by the Mayor with the beach concessionaire as presented this evening. (Kuhns – aye, Sharp – aye, Gossett – aye, Cooper – aye, Mills – aye, Zellers – aye, McGuinness – aye.) Motion carried unanimously.

**Discuss a draft ordinance amending Chapter 227 – Solid Waste of the City related to definitions, the methods for handling waste materials, the times of setting same out for collection, for taking in containers and other related matters.**

The draft ordinance amends provisions of Chapter 227 relating to the placement and collection of waste and recyclables, related definitions and related assessments and fines for violations. It had been reformatted and was forwarded to the Commissioners prior to the meeting. (Copy attached.) If the proposed ordinance is adopted at the Special Meeting on April 4, 2016, then the City Manager will be sending a letter to all property owners notifying them of the changes, etc. along with a letter about the offering of the valet service. The effective date of when the property owners would need to adhere to the timeline would be June 1, 2016.

This item will be placed on the agenda for the Special Meeting on April 4, 2016.

**NEW BUSINESS**

**Consider adoption of the City Budget for the fiscal year April 1, 2016 through March 31, 2017.**

The 2016/17 recommended Budget is balanced at \$27,103,462.00 which includes the General Fund Revenue, Water Fund Revenue, Wastewater Fund Revenue, Wastewater Capital Project Fund Revenue and the government-wide revenue and the General Fund Expenditures, Water Expenses and Capital Additions, Wastewater Expenses and Capital Additions, Wastewater Capital Project Expenditures and the government-wide expenses. Notable changes are an increase to the seasonal parking transferable permits in the amount of \$250.00 and non-transferable permits in the amount of \$225.00. In the Capital Outlay Budget, there will be an addition of 46 multi-space parking meters for the remainder of Rehoboth Avenue; 453 new single-space meters will be placed on the first and second blocks of Wilmington, Baltimore and Delaware Avenues; one new police vehicle; Lake Avenue Streetscape Project which the City will pay 20% of the project and DelDOT will fund 80%; the continuation of the City-Wide Paving Plan in the amount of \$250,000.00; Stormwater Outfall Project in the amount of \$1,200,000.00; tennis court resurfacing and miscellaneous items at the Bandstand; and iCompass software for the City Secretary to aid in agenda and records management in the amount of \$6,300.00. Staff changes include four part-time seasonal police officers, a full-time arborist position and possibly a full-time receptionist in Building & Licensing, and the addition of a communications specialist position.

Commissioner Mills made a motion, seconded by Commissioner McGuinness to approve the 2016/2017 budget as presented by the City Manager. (Kuhns – aye, Sharp – aye, Gossett – aye, Cooper – aye, Mills – aye, Zellers – aye, McGuinness – aye.) Motion carried unanimously.

**Consider adoption of an ordinance amending Section 220-2 of the City Code related to increasing the base volume charge for water.**

The Budget includes increasing the base charge for water from \$1.67 to \$2.10 effective with the billings that will go out on May 1, 2016. There will be a \$1.00 per thousand gallons summer surcharge for the two middle quarters of the year. The services charges for the basic billing fee will remain unchanged. These rates are for in-town. Any out-of-town rates will be multiples of these amounts.

Commissioner Mills made a motion, seconded by Commissioner Lorraine Zellers, to adopt the ordinance amending Section 220-2 relating to metered water rates. (Kuhns – aye, Sharp – aye, Gossett – aye, Cooper – aye, Mills – aye, Zellers – aye, McGuinness – aye.) Motion carried unanimously.

**Consider adoption of an ordinance amending Section 92-263 of the City Code related to increasing the fee for seasonal parking permits.**

The basic fee for the seasonal non-transferable permit will increase from \$175.00 to \$225.00. Starting August 1, 2016, it will increase from \$88.00 to \$115.00. The transferable permit will increase from \$200.00 to \$250.00. Starting August 1, 2016, it will increase from \$100.00 to \$125.00.

Commissioner Mills made a motion, seconded by Commissioner Paul Kuhns to adopt the ordinance amending Section 92-263 relating to increasing the fee for seasonal parking permits. (Kuhns – aye, Sharp – aye, Gossett – aye, Cooper – aye, Mills – aye, Zellers – aye, McGuinness – aye.) Motion carried unanimously.

## **CITY MANAGER'S REPORT**

Notice was received this week that DEMA's major disaster declaration request for Sussex County relative to the January 23, 2016 nor'easter has been approved FEMA headquarters. City Manager Sharon Lynn will be attending an applicant briefing on March 28, 2016 regarding this matter. DelDOT officials, City Engineer and Ms. Lynn met with the public and property owners on Lake Avenue on March 14, 2016 to discuss the next steps involved in the Lake Avenue Streetscape Project. DelDOT is in the process of accepting temporary construction easements from the property owners on Lake Avenue. Volunteers will be assisting DNREC on March 19, 2016 from 9:00 a.m. to 12:00 p.m. in planting beach grass along the dune area of the beach. A pre-bid meeting was held for street paving on Stockley Street between King Charles Avenue and the Boardwalk, Newcastle Street and the Boardwalk and Delaware Avenue between First and Second Streets. These are streets where utility repairs have been made in recent months. Sealed bids will be opened on March 31, 2016 at 2:00 p.m. The geotechnical backup barge is currently out in the ocean taking soil boring samples and will continue through next week.

City Manager Lynn recommended the approval of the Street Aid expenditures:

03/17/2016	575	Delmarva Power	\$9,285.09 (Street Lights)
------------	-----	----------------	----------------------------

Commissioner Mills made a motion, seconded by Commissioner McGuiness, to approve the Street Aid expenditures as presented. Motion carried unanimously.

## **COMMITTEE REPORTS**

Commissioner Mills had hoped the Communications Committee will be meeting in April 2016.

## **CITY SOLICITOR'S REPORT**

There was nothing to report.

## **COMMISSIONER ANNOUNCEMENTS/COMMENTS**

Commissioner Zellers commented that the Obama administration announced the Atlantic Region will be removed from the upcoming oil and gas offshore drilling plan. The testing is still on the table.

## **DISCUSS ITEMS TO INCLUDE ON FUTURE AGENDAS.**

Items to include on future agendas are (1) parking as it relates to off-street parking and zoning, (2) off-season parking meters, (3) parking permits, (4) short-term and long-term needs and whether or not there are revenue issues and (5) tree ordinance.

## **CITIZEN COMMENT**

Ms. Marion Jones, Police Department, expressed concerns regarding Personnel Ordinance and the lack of Employee Committee meetings since May 9, 2014.

The next Workshop Meeting will be held on April 4, 2016 at 9:00 a.m.

There being no further business, Mayor Cooper adjourned the meeting at 9:50 pm.

**Respectfully submitted,**

---

**(Lorraine Zellers, Secretary)**