

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

**August 21, 2015**

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, August 21, 2015 in the Commissioners Room, 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 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 approval of the January 16, 2015 Special Workshop Meeting, July 17, 2015 Regular Meeting, August 10, 2015 Workshop Meeting and August 10, 2015 Special Workshop Meeting. Motion carried unanimously.

**CORRESPONDENCE**

Letter received August 21, 2015 from Mr. Eugene Lawson, Esq., requesting that he be recognized during this portion of the meeting to present the petition for reconsideration of Ordinance No. 0715-01, adopted on July 17, 2015, or in the alternative, sending this ordinance to a referendum.

Attorney Lawson presented the petition to the Board of Commissioners. The petition has 467 signatures of Rehoboth Beach property owners.

**APPROVAL OF MINUTES**

Minutes of the January 16, 2015 Special Workshop Meeting, July 17 Regular Meeting, August 10, 2015 Workshop Meeting and August 10, 2015 Special Meeting were distributed prior to the meeting. Minutes of the February 9, 2015 Workshop Meeting, February 20, 2015 Special Workshop Meeting, March 20, 2015 Special Workshop Meeting, April 6, 2015 Workshop Meeting, April 13, 2015 Special Workshop Meeting, May 4, 2015 Workshop Meeting, May 15, 2015 Special Workshop Meeting and May 29, 2015 Special Workshop Meeting were not available for approval.

Commissioner Mills made a motion, seconded by Commissioner Patrick Gossett, to approve the Minutes of the January 16, 2015 Mayor & Commissioners Special Workshop Meeting. Motion carried unanimously.

Commissioner Mills made a motion, seconded by Commissioner Toni Sharp, to approve the Minutes of the July 17, 2015 Mayor & Commissioners Regular Meeting. Motion carried unanimously.

Commissioner Mills made a motion, seconded by Commissioner Lorraine Zellers, to approve the Minutes of the August 10, 2015 Mayor & Commissioners Workshop Meeting. Motion carried unanimously.

Commissioner Mills made a motion, seconded by Commissioner Zellers, to approve the Minutes of the August 10, 2015 Mayor & Commissioners Special Meeting. Motion carried unanimously.

**REPORT OF POLICE DEPARTMENT**

(See attached report.)

Police Chief Keith Banks presented the report of the Police Department for the month of July 2015. There were 121 criminal, 378 traffic and 96 civil charges made during the month. Twenty-four traffic crashes were investigated. The Prescription Drug Takeback Day has been scheduled on September 12, 2015 from 10:00 a.m. to

2:00 p.m. in the lobby of the Police Department. As of Labor Day Weekend, 15 of the 24 summer officers will be working. After that, five remaining seasonal officers will be working on weekends only until Sea Witch Weekend. The Dispatch Center handled 788 police incidents, 375 ambulance incidents, 615 traffic stops and assisted other agencies eight times during the month.

### **REPORT OF REHOBOTH BEACH VOLUNTEER COMPANY**

Mr. John Meng of the Fire Company reported that there were 81 crew calls, 11 alarms and assisted other fire departments four times for the month of June 2015. There were no fires in the City and none in the district. The Fire Company was pleased that the fireworks event was held on July 5, 2015. It was able to get assistance from other departments and agencies.

### **REPORT OF BUILDING & LICENSING DEPARTMENT**

(See attached report.)

Chief Building Inspector Damalier Molina presented the report of the Building & Licensing Department for July 2015. During the month, 73 permits were issued for a value of work totaling \$3,520,332.20. Fees collected totaled \$78,828.37 for the month. Fifty-nine permit processing fees were received in the amount of \$1,180.00. The Board of Adjustment heard no cases in July. One restaurant application was received in July. Seven notices of violation were issued during the month. One notice of violation was issued for a freestanding sign. One notice of violation was issued for tall grass. One notice of violation was issued for a temporary banner. Four notices of violation were issued for damaged sidewalks. There were 65 building inspections, 18 plumbing inspections, five rental inspections, five meetings regarding trees, 55 meetings regarding new projects and nine meetings regarding City business.

Mr. Walter Brittingham, 123 Henlopen Avenue, voiced concern about the delay in processing building permits. He suggested that new rules should apply to get permits in as short a time as a week.

Mr. Molina said that he would like to save that discussion for a later date. He will prepare an assessment for the Commissioners with regard to the department. There are some items Mr. Molina would like to streamline such as normal permits as opposed to new housing construction and commercial construction which he would like to reduce the permitting process to less than 30 days. Some of the difficulties in processing permits with regard to residential is due to compliance with all the additional requirements the applicant has to comply with, such as reviewing for FAR, a tree protection plan, etc. In the interim, Mr. Molina has developed a checklist of the review process for meetings with individuals who have submitted applications. In the future, the checklist will be tied to a link through the website in order to process a permit.

### **PERMIT OF COMPLIANCE HEARING**

Mayor Cooper opened the Permit of Compliance hearing requested by Nicholas Benz of Dogfish Head Inc., to replace the existing "Dogfish Head Brewings & Eats" restaurant with a new building and patio pursuant to the City of Rehoboth Beach Municipal Code, Chapter 215 – Restaurants and Section 270-19(A) – Use Restrictions; Patios. The restaurant is located at 320 Rehoboth Avenue. Mayor Cooper noted the Public Hearing procedures for this hearing.

City Solicitor Mandalas noted the purpose for the hearing, and he read from Section 215-5 of the Code that in reaching their decision, the Commissioners shall consider the following factors including but not limited to:

1. Whether the Applicant has demonstrated that the establishment's primary purpose will be that of a restaurant or dinner theater as defined in this chapter.
2. Whether the establishment meets all the City's applicable zoning and licensing provisions.
3. Whether the establishment would be a detriment to the peace, order and quiet of the neighborhood and the City.
4. Whether the establishment will have an adverse impact on neighboring properties or on the City of Rehoboth Beach considering the impact on traffic, parking and noise.
5. Whether the Applicant has made any false representation or statements to the City's employees or the Commissioners in order to induce or prevent action by the City, not only in regard to the pertinent pending Application under the statute, but also with regard to the issuance of a building permit or business license for the subject establishment.

City Solicitor Mandalas identified the exhibits: 1. Notice of Public Hearing posted at City Hall and Building & Licensing by the City Secretary on July 29, 2015. Notice of Public Hearing was published in the

Cape Gazette on August 4, 2015, Coast Press on August 5, 2015 and Delaware State News on August 6, 2015. 2. Building Inspector's Report dated August 11, 2015. 3. Application for a Restaurant Permit of Compliance signed and notarized on April 16, 2015 and received on April 16, 2015. 5. Application for a Restaurant Permit of Compliance signed and notarized on July 17, 2015 and received on July 17, 2015. 6. Menu. 6. Existing Conditions and Site Plan Sheet No. 1 of 1, dated March 19, 2015 and received on April 16, 2015. 7. Area Exhibit Sheet No. A002, dated July 13, 2015 and received on August 6, 2015. 8. Aerial Perspective Sheet No. A003, dated March 24, 2015 and received on April 16, 2015. 9. Existing Floor Plans Sheet No. A120, dated April 2, 2015 and received on April 16, 2015. 10. Floor Plans Sheet No. A210, dated February 25, 2015 and received on April 16, 2015. 11. Presentation Elevations Sheet No. A410, dated April 14, 2015 and received on April 16, 2015. 12. Property record. 13. Illustration of the properties within 200 feet that were notified for this hearing. 14. Binder received August 12, 2015. 14(A). Cover letter dated and received August 12, 2015 from Mr. Mark Dunkle, Esq. of Parkowski, Guerke & Swayze. 14(B). Copy of Application for a Restaurant Permit of Compliance signed and notarized on July 17, 2015 and received on July 17, 2015, copy of menu, letter dated June 4, 2015 from G. Michael Glick, Vice President of Lighthouse Construction to Nicholas Benz, CEO of Dogfish Head Craft Brewery, and two pages of photographs. 14(C). Copy of Table of Use Regulations from the Zoning Code. 14(D). Copy of excerpt from 2010 Comprehensive Development Plan. 14(E). Letter dated June 16, 2015 from John Erdner, President of Scarborough Village Association of Owners to Board of Adjustment and letter dated June 17, 2015 from Thomas J. Goff of Paragon Engineering Corporation to Michael Glick of Lighthouse Construction. 14(F). Reduced copy of Area Exhibit, dated July 13, 2015 and reduced copy of Aerial Perspective Sheet No. A003 dated March 24, 2015.

Building Inspector Molina presented a complete report, and the findings were based on the application and knowledge of the Code. (See attached report.) The Applicant has stated that the approximate percentage of revenue between the sale of alcohol and food is 35% alcohol and 65% food. The Application is for a 9,451 square foot restaurant. The proposed bar area will be 760 square feet with a proposed ratio of bar permanent seated dining of .21. In summary, this is an Application to build a new restaurant on the parking lot of the existing restaurant and build a separate merchandise building which then creates a courtyard for the entrance to the building. The courtyard area houses the patio. There is a brew house and distillery in the restaurant. The stage is being included in the square footage of the bar area. Because only 18% of the liquor produced by the distillery is consumed on the premises, only 18% of the square footage of the distillery area which is 56 square feet to be used by the restaurant was included in the 5,087 square foot calculation of service area, consisting of kitchen facilities, storage, restrooms, employee stations, brew house, hallways, utilities and distillery. The remaining 258 square feet is part of the distillery itself.

Mr. Mark Dunkle, Esq. of the law firm Parkowski, Guerke & Swayze represented the Applicant. With regard to the notebooks submitted to each Commissioner, the Applicant has tried to provide a summary response to each of the requirements. An illustration of the proposed restaurant and distillery was presented. Attorney Dunkle and the Applicants have had discussions the Building Inspector at the time and City Solicitor Mandalas about what the 5,000 square foot limitation language actually means. They referred to the square footage devoted to the primary purpose of the service for food and alcohol for a restaurant. Based upon that discussion, he and the Applicant believe there is a lot of square footage they had to be excluded such as storage, HVAC rooms, an office and many parts of the building which did not fall under that definition. An agreement was reached with the Building Inspector at the time that the distillery, primarily because its products are sold almost entirely offsite, was not part of the restaurant service operation, except to the extent of 18%. By removing the 18%, it helped the Applicant to get a variance for 9,451 square feet which is 4,451 square feet over the 5,000 square foot limitation for a restaurant. The square footage of the existing building is 8,280 square feet. The variance is the 9,451 square feet, and the Board of Adjustment felt that this was a reasonable difference. Attorney Dunkle briefly reviewed the contents of the notebook which was provided to each Commissioner. The contents were provided above by City Solicitor Mandalas. The application itself satisfies many of the requirements, one of which is that the primary purpose of Dogfish Head Brewings & Eats is that of a restaurant. In the letter dated June 4, 2013 from Lighthouse Construction, Mr. Glick identifies the reasons why the building needs to be demolished. The brew pub exists on the same property and fits in with the C-1 Central Zoning District. The Applicant thinks they are well within the anticipated uses that people would expect on Rehoboth Avenue, and this would not be a detriment to the City. This project is predicted in the Comprehensive Development Plan relating to the ground work with improvements on Rehoboth Avenue. Improving this corridor brings private capital to spruce up or renovate or improve the businesses on Rehoboth Avenue. This application is following the CDP. The CDP also mentions that the City is the restaurant capital of Delaware. That flagship statement is something that Dogfish Head is fulfilling and is trying to fulfill with this application. The Applicant has met with residential neighbors. Mr. Erdner of Scarborough Village Association of Owners had voiced four concerns to the Board of Adjustment which are being addressed by the

Applicant and the new plan with regard to drainage, odor and noise. Paragon Engineering is addressing the fourth concern which is exhaust smoke from the restaurant.

Mr. Jeff Goldstein, Architect of DIGSAU, noted that the assignment and challenge is to create an experience for visitors that taps into the unique culture of Dogfish Head; and at the same time, make a connection and contribute to the urban, social and commercial aspects of Rehoboth Avenue, and acknowledge the neighbors on all sides. The solution is to form a courtyard so the building height is kept relatively low, more or less in line with the adjacent structure. There is a separate retail store that has a lot of frontage and visibility to the sidewalk, and then a connection to the courtyard, followed by the public space of the restaurant itself. The tallest part of the building is the stage area in the restaurant. The main service components are located along the wester face. Along the south side is the eight foot tall fence, which is currently in place. The idea of the courtyard is for guests to be taken off of the sidewalk to avoid congestion. The courtyard will have trees and plantings and will provide shade and will contain some of the noise from the crowd. The music will be contained inside the restaurant. The location of the kitchen will be toward the back of the building. There will be new exhaust hoods which will perform better. The exterior building materials will be provocative of coastal communities.

Mr. Bob MacLeish, Construction Manager for Dogfish Head Companies. The building has been grandfathered in on a number of different occasions. Renovating more than 50% of structure has presented a challenge to bring the building into compliance. That is what lead to the idea of a new building. It will allow the structure to have sustainable features which will create green construction to offset a carbon footprint. New technology will be incorporated into the building. There will be a better use of the space, both for the restaurant itself as well as eliminating congestion on the sidewalk.

Mr. Nick Benz, CEO of Dogfish Head, encouraged the Commissioners to check on the other municipalities where Dogfish has done business. There will be a decrease in seating, and \$4,000,000.00 will be put into this project, and \$1,000,000.00 will be put into the building next to it formerly known as Finbar which will be an additional compliment to Dogfish Head Brewings & Eats.

Commissioner Mills commented that the outdoor trash will need to be screened from public view, and the kitchen needs to have drains. He was pleased that the Applicant talked with neighbors to address their concerns. At the first hearing of the Board of Adjustment, all the square footage was married together with the distillery and the restaurant itself. The City Solicitor had noted that the distillery was not a permitted use in this zone. At the second hearing of the Board of Adjustment, the distillery was split out in order to get a variance for a smaller restaurant. Commissioner Mills did not recall that the distillery part was ever addressed and resolved. At the second hearing, the distillery was split out, which is 82% of a secondary business on the premises with 18% of the distillery going to the restaurant property. The distillery could be grandfathered if the same building is retained, but if the building is torn down, he was not sure why a variance was not requested to allow the distillery. Commissioner Zellers agreed.

Attorney Dunkle noted that at present, there is a brew pub which includes the distillery, so that is the use which is being continued. The operation is currently in operation which has been permitted, and it will be the same operation with no change. No determination has been received from the City that it is not permitted. It is part of the restaurant service which is food and alcohol. Because the alcohol is made on the premises, it is part of the production.

City Solicitor Mandalas said that the Board of Adjustment did not specifically address whether the distillery is a permitted use or not a permitted use in the Central Commercial District. The distillery was the subject of discussion with regard to Section 270-28 – Limitation on Size of Restaurants. The argument that was made at the Board of Adjustment level was that because only 18% of the product is consumed onsite, the distillery is not a portion of the restaurant devoted to restaurant purposes. The Applicant made the argument that they should not be penalized for the entire square footage of the distillery when only 18% is really devoted to the restaurant purposes in this location. Building Inspector Molina did not view the distillery issue as problematic from a zoning perspective in going forward with the Permit of Compliance.

Attorney Dunkle noted that the distillery is an accessory to the primary business. It is not a stand-alone distillery or stand-alone manufacturer. Products are produced at the brew pub, sold and consumed on the premises and sold off the premises.

Mayor Cooper assumed that the product of the distillery which goes off the premises is not sold at retail. Mr. Benz noted that brew pubs are subject to all the regulations at the State level. Even though it does not, Dogfish Head legally, at the State level, has the right to bottle beer on the premise and sell it at retail. The

product of the distillery is sold in bottles to go. A small quantity is shipped to retailers in the State of Delaware. No product leaves the premises in a bulk quantity.

Commissioner Zellers suggested that an ordinance should be developed to define brew pubs and lay out the criteria.

Mr. MacLeish noted that with regard to water runoff from the property, he has been working to receive approval from Sussex Conservation District. The intent is that runoff will not be any greater than currently it is, and the Applicant may make a maximum effort to infiltrate water in the courtyard area.

Attorney Dunkle said that parking will be on the street, and the parking demand will probably be the about same as it currently is. Mr. Benz said that deliveries will be made from the street. No alcohol will be served or permitted in the courtyard. Attorney Dunkle noted that there will be a barrier around the patio.

Mr. Goldstein said that the patio is designed to feel like an outside room a low wall and a trellis to define the space. There will be a path from the servers station inside the restaurant directly to the patio for service staff. At the main entrance, there will be a sliding gate to close off the courtyard. There will be a gated service access to the back five foot setback. The maximum height of the structure is approximately 35 feet. Currently, the height is not known. The new dogfish restaurant will be taller than Finbar.

Correspondence:

1. Email dated August 21, 2015 from Jerome & Marlene Dettore, 74 Sussex Street – in support of.

Public Comment:

1. Mr. Frank Cooper, 96 East Lake Drive – in support of.
2. Ms. Frances Kelleher, 318 Stockley Street, noted that this business is a brew pub, and the Applicant is not increasing the restaurant. The distillery should be addressed.
3. Ms. Susanne Goldstein, 111 St. Lawrence Street – in support of.
4. Ms. Sue Early, address unknown, - in support of.
5. Mr. Eugene Lawson, 12 Hickman Street, voiced concern about the inconsistency with the Building Inspector's Report and deferring to the Commissioners. There was no mention of any violations, only inconsistencies in zoning. The Building Inspector, by silence, said it is compliant. The Commissioners should accept that or have the Building Inspector come up with another opinion.
6. Ms. Sharon Palmer Stauffer of Coldwell Banker – in support of.
7. Mr. Kevin Downing, Executive Chef at Dogfish Head, said that the building needs to be addressed. Dogfish Head has earned the need to have a new facility.
8. Mr. Walter Brittingham, 123 Henlopen Avenue was in support of a new building, but the distilling question needs to be answered.
9. Mr. Keith Allen, 504 Newcastle Street – in support of.
10. Mr. Richard Perry, 46 Pennsylvania Avenue – in support of.
11. Mr. John Gillespie, 52 Maryland Avenue – in support of.
12. Ms. Mary Bruna, 14 Cookman Street – in support of.
13. Mr. Ryan Schwamberger, employee of Dogfish Head, said that it is time for a new establishment.

Mayor Cooper closed the public portion of the hearing and called for discussion among the Commissioners.

Commissioner Kathy McGuinness said that Dogfish Head has been functioning for over two decades. The Applicant has come before the Commissioners again for a permit. If there was an issue of a distillery, then perhaps it is the Commissioners' fault for not doing a Code change; and they should probably look at it in the future. The City is lucky to have such good neighbors. Commissioner McGuinness believed the Applicant getting people off of the sidewalk with the courtyard and making a more efficient building are all positives for the community.

Commissioner Sargent said that there is a little problem here, but it is not sufficient to stop this. Looking at the fact that Dogfish Head has been in existence for 20 years, that a brew pub itself includes the idea of brewing, the benefit that the City gets and putting everything together, he cannot possibly deny the Certificate of Compliance. An ordinance should be drawn up, but the lack of an ordinance should not prevent the Commissioners from approving this application tonight.

Mayor Cooper said that the Commissioners are here to enforce the law. The distillery has been excluded, so the Applicant could then take some of the courtyard and enlarge the distillery later on. They would not have to get a Certificate of Compliance for that since it is not part of the restaurant. Mayor

Cooper did not think what is wanted in the City are manufacturing facilities which create truck traffic that load and unload off of Rehoboth Avenue and the bulk of the product goes elsewhere.

Commissioner Gossett said that based on the facts which were presented and the history of Dogfish Head and how they have expanded, that is a feather in Rehoboth Beach's cap. The plans and the concept are an aspect of commercial revitalization in the community. It has been called for in the CDP. It will benefit future projects along the way. The Commissioners may need to address manufacturing issues, etc. The Commissioners should move forward with this Permit of Compliance.

Commissioner Bill Sargent made a motion, seconded by Commissioner Mills, to approve the Permit of Compliance requested by Nicholas Benz of Dogfish Head to replace the existing Dogfish Brewings & Eats restaurant at 320 Rehoboth Avenue with a new building and patio pursuant to Chapter 215 – Restaurants and Section 270-19(A) – Use Restrictions; Patios and that the distillery not be expanded without coming back to the Board of Commissioners for a Certificate of Compliance.

Commissioner Sargent found the following to be true:

1. The proper Application and supporting documents have been filed.
2. The proper fee has been paid.
3. The proper notifications have been made.
4. All parties wishing to be heard have been heard.
5. The primary purpose is that of a restaurant.
6. The Application meets the City's applicable zoning and licensing provisions.
7. The restaurant would not be a detriment to the peace, order and quiet of the neighborhood and the City.
8. The restaurant will not have an adverse impact on neighboring properties or on the City of Rehoboth Beach considering the impact of traffic, parking and noise.
9. The Applicant has made no false statements to the City employees or Commissioners.

(Sharp – aye, for the reasons stated previously based on the information in front of her tonight. Gossett – aye. He thought that this is a good point to begin a review of the process of the permitted use charts of the Code and also to ask for in staff reports being presented that there be a call to action of an actual recommendation of action. Sargent – aye. Cooper – aye. Mills – aye. He is on the fence with certain portions of this. He believed that the Applicant is sincere in addressing neighbor concerns. The property would become more Code compliant. He had severe concerns about size and size increases; and yet he recognizes that the Board of Adjustment approved the size increase. He also recognized that the Board of Adjustment has been asking for quite some time of the clarifications. He was hoping that this case can be a quick motivator for the Commissioners to look at size to give the Board of Adjustment better guidance in going forward, clarity of the restaurant code because there is ambiguity that the Board of Adjustment has expressed concern over, consider additional permitted uses to look at brew pubs or other entities and review the process and the report coming from the Building & Licensing Department on this that maybe they need to include whether the application is zoning compliant or not. Zellers – aye. She appreciates the challenges, and she does think that a new building is needed. She appreciated addressing the concerns of their neighbors. She was concerned about the distilling portion because it was separated out, but the point has been made that Dogfish Head has been operating this way, and it came before the Building Inspector two years ago for an upgrade and nothing was mentioned. With the addition of the caveat, she voted aye. She wants to keep Dogfish Head here; they do a great job and they are an asset to the community. McGuinness – aye.) Motion carried unanimously.

## **REPORT OF PLANNING COMMISSION**

There was no report.

## **OLD BUSINESS**

Mayor Cooper called to Consider adoption of an ordinance amending Chapter 270 of the City Code, Section 270-35, related to the requirements for off-street parking for residential units, which ordinance was the subject of a public hearing held on July 17, 2015.

Mayor Cooper noted that a public hearing was held on July 17, 2015 on two zoning issues. The Commissioners voted on one that evening and deferred the other one to the Workshop Meeting on August 10, 2015 for discussion and ultimately for a vote this evening.

City Solicitor Mandalas noted that there were two options the Commissioners were looking at, at one point. One of them was “two off-street parking spaces per four toilets plus one additional space per addition toilet”

which was taken out before the public hearing. Line Nos. 87-89 are not part of the consideration this evening. In error, he had sent the wrong version to Ms. Ann Womack, City Secretary, for distribution in the Commissioners' packets.

Commissioner Mills said that the June 6<sup>th</sup> version that City Solicitor Mandalas sent to the Commissioners was put out as a handout for the public. The June 6<sup>th</sup> version of the off-street parking is not the final product. The final product is basically the same thing except that it uses the formula for occupancy, three toilets for two parking spaces, etc. The Commissioners are considering the version that was noticed in the newspaper and presented at the public hearing on July 17, 2015.

Commissioner Mills made a motion, seconded by Commissioner Sargent, to adopt the ordinance that would amend Section 270-35 related to requirements for off-street parking for residential units.

Commissioner Mills said that a task force should be created to have further discussion on this and look at other occupancy formulas on how to deal with off-street parking.

Commissioner Zellers agreed. People with larger homes that have five and six bedrooms have a responsibility to provide some additional off-street parking.

(Sharp – no. She was glad that the Commissioners will be taking additional time and hopefully working with a wide cross section of individuals to try to come up with the right kind of solution. Gossett – no, based on information heard and presented at the public hearing; but he believes the Commissioners need to address the issue of density in going forward. Sargent – no. He believed that putting more than the two parking places runs the danger of cutting into space that really should be left for trees and green space. He believed that there needs to be an alternate solution to the parking problem. Cooper – no. While he believed that with density, two parking spaces is not adequate for any size house, the toilets are not the way to calculate that. Mills – no. While he thought that the Commissioners need to have a discussion on off-street parking it is still up in the air what the best formula is to determine how many cars have to park off-street; and he is not convinced right now that this format and counting the toilets is the way to go. Zellers – no, for the reasons stated that the Commissioners will go further and look at a task force and look at other options for determining the triggers for additional off-street parking spaces. McGuinness – no. She did not believe in this ordinance, but also from listening to input at the public hearing.) Motion carried unanimously.

## **NEW BUSINESS**

Mayor Cooper called to consider authorizing the execution of a contract with EDiS Company for management services related to the construction of the new City Hall, Parking Meter Building and other related work.

City Manager Sharon Lynn noted that the City has received a contract from EDiS Company for project management service in the amount of \$481,985.00 plus the reimbursable expenses for labor costs. The contract has been reviewed by City Solicitor Mandalas and is still being reviewed by USDA. There is no maximum for the labor rates for 2016 within the agreement itself.

Mayor Cooper said that EDiS Company will not be hiring all the subcontractors and working with the designers. EDiS Company will prepare the bids for the City, but the contracts will be held by the City.

Commissioner Sargent made a motion, seconded by Commissioner Mills, to authorize the execution of the contract with EDiS Company for management services related to the construction of the new City Hall, Parking Meter Building and other related work in the amount of \$481,095.00 plus the reimbursable expenses for labor costs. (Sharp – aye, Gossett – aye, Sargent – aye, Cooper – aye, Mills – aye, Zellers – aye, McGuinness – aye.) Motion carried unanimously.

Mayor Cooper called to consider adoption of a resolution authorizing and directing the Mayor to execute all documents necessary to proceed with the issuance of debt obligations of up to \$18,000,000 to finance the City Hall Complex Project.

City Solicitor Mandalas noted that the borrowing has been authorized by the voting public at the referendum. There are two resolutions to consider. He read the resolution authorizing and directing the Mayor to execute all documents to proceed with the issuance of debt obligations of up to \$18,000,000.00 to finance the City Hall Complex Project.

Commissioner Mills made a motion, seconded by Commissioner McGuinness, to adopt the resolution authorizing the issuance of debt obligations of up to \$18,000,000.00 to finance the City Hall Complex Project. (Sharp – aye, Gossett – aye, Sargent – aye, Cooper – aye, Mills – aye, Zellers – aye, McGuinness - aye.) Motion

carried unanimously.

Mayor Cooper called to Consider adoption of a resolution authorizing and directing the Mayor to execute all documents necessary to proceed with the issuance of debt obligations of up to \$52,500,000 to finance the Ocean Outfall Project and related wastewater improvements.

City Solicitor Mandalas read the resolution authorizing and directing the Mayor to execute all documents to proceed with the issuance of debt obligations of up to \$52,500,000.00 to finance the Ocean Outfall Project and related wastewater improvements.

Commissioner Mills made a motion, seconded by Commissioner Sharp, to adopt the resolution authorizing the issuance of debt obligations of up to \$52,500,000.00 to finance the Ocean Outfall Project and related wastewater improvements. (Sharp – aye, Gossett – aye, Sargent – aye, Cooper – aye, Mills – aye, Zellers – aye, McGuinness - aye.) Motion carried unanimously.

### **CITY MANAGER’S REPORT**

City Manager Sharon Lynn reported that Delmarva has increased the wattage to some of the street lights on Stockley Street adjacent to the Tot Lot at the park and to Turtle Bridge. Two additional light poles will be placed on the path from the park area to Turtle Bridge to add extra lighting in that area. Work on this project should be done in the next two weeks. Axiom Engineering, a surveying company doing work pertaining to the ocean outfall project, is continuing to mark utility locations from the wastewater treatment plant to Deauville Beach in the area where the ocean outfall will be placed. Axiom’s work is almost complete on the City streets, and it will be working on the State roads once permission from DelDOT is received. Bids for this fiscal year’s street paving and repair program are due and will be opened on September 3, 2015. A mandatory pre-bid meeting is scheduled on August 27, 2015 at 1:00 p.m. in City Hall. The project includes milling, drainage improvements, patching, curb ramp construction and paving on Oak Avenue from First Street to Second Street and Hickman Street. Bids for the temporary trailers to house City Hall staff, Police Department, Alderman Court and Main Street have been advertised. A pre-bid meeting will be held on August 26, 2015 at 10:00 a.m. in City Hall. Bids will be awarded on September 21, 2015 with fabrication, delivery and installation occurring through the date of award until approximately November 23, 2015. Parkmobile revenue has increased this summer 33% in the number of users and 26% in the revenue generated from last summer. Gross revenue for this fiscal year at this point in time is on budget.

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

08/19/2015	566	Delmarva Power	\$8,307.26 (Street Lights)
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Commissioner Mills made a motion, seconded by Commissioner Sargent, to approve the Street Aid expenditures as presented. Motion carried unanimously.

### **COMMITTEE REPORT**

There were none.

### **CITY SOLICITOR’S REPORT**

There was nothing to report.

### **COMMISSIONER ANNOUNCEMENTS/COMMENTS**

Commissioner Mills announced that the next Workshop Meeting will be held on September 9, 2015 at 9:00 a.m.

Mayor Cooper was very pleased to announce that Ms. Ann Womack, City Secretary, has been selected by the Delaware League of Local Governments and the Delaware Municipal Clerks Association as Clerk of the Year. She will be honored at the DLLG meeting on September 24, 2015.

Commissioner Sharp commented that is Commissioner Sargent’s last regular meeting. It is important that the Commissioners need to continue to appreciate his service

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

Items to include on the agenda for the September Workshop Meeting are: 1. Trash topic. 2. 5,000 square foot rule and possibly the topic of distilleries. 3. Future Charter changes.

### **CITIZEN COMMENT**

Ms. Francis Kellerher, 318 Stockley Street, thanked the Mayor, Commissioners, City Manager and everyone for



their efforts to maintain the character of the residential neighborhoods and their efforts to address the size of houses and the parking proposal for off-street parking. She noted that in her letter, there is another issue caused by mega houses which is their elimination of street parking. This is a serious matter that should be addressed.

The next Workshop Meeting will be held on September 9, 2015 at 9:00 a.m.

There being no further business, Mayor Cooper adjourned the meeting at 9:39 p.m.

**Respectfully submitted,**

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**(Lorraine Zellers Secretary)**