

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

June 10, 2013

The Workshop Meeting of the Mayor and Commissioners of the City of Rehoboth Beach, was called to order at 9:17 a.m. by Mayor Samuel R. Cooper on Monday, June 10, 2013 in the Commissioners Room in City Hall, 229 Rehoboth Avenue, Rehoboth Beach, DE.

The Invocation followed by the Pledge of Allegiance was provided at the Special Meeting prior to the Workshop Meeting.

ROLL CALL

Present: Commissioner Patrick Gossett
 Commissioner Bill Sargent
 Commissioner Pat Coluzzi
 Mayor Samuel R. Cooper
 Commissioner Stan Mills
 Commissioner Lorraine Zellers

Absent: Commissioner Mark Hunker

Also in attendance was: City Solicitor Glenn Mandalas
 City Manager Gregory Ferrese (left the meeting at 11:00 a.m.)

CORRESPONDENCE

Letter dated May 14, 2013 from Tom McGlone, 318 Laurel Street, requesting a direct answer on how elected officials discussed and chose to prioritize a new City Hall over a parking garage and how it fits into the City's long range plan.

Commissioner Stan Mills said that parking garages today can be architecturally beautiful and fit into the landscape. The conversation regarding a parking garage came to a head during the last Comprehensive Development Plan (CDP). His recollection was that a parking garage was not a priority at that time. Commissioner Mills said that his priority remains a new City Hall facility over a parking garage. Part of a formula which has been agreed to by the City Hall Complex Master Plan Task Force allows the east parking lot open space to be reconfigured and also allows for a future parking garage if a future board decides to move in that direction. The Commissioners have addressed the priorities in the right order.

Commissioner Pat Coluzzi agreed that the Police Department and Administrative offices have set the priority. The Task Force has not entertained the idea of a hybrid type of building. To be fair, the Task Force should discuss that as an option. It was smart to leave the east parking lot space open for a future parking garage.

Commissioner Bill Sargent said that a major thrust of the letter is that the Commissioners are passing up on an opportunity for significant revenue for the City. The revenue has to be matched with the costs of a parking garage.

Commissioner Patrick Gossett said that the issue of the parking garage has been discussed many times. The finances would need to be looked at and what the City would get out of it. There is potential for a parking garage in the open space of the City Hall complex.

Mayor Cooper said that the letter comes across as a conclusion that there is a desire among the City to create a parking garage and/or more parking spaces. As long as there is a City government and people are employed in its office and the Police Department, it behooves the Commissioners to provide them adequate facilities. It is obvious and very apparent why a new City Hall would be built. On the side of the parking garage, that decision has never been made and it is even desirable to create that many more parking spaces in downtown Rehoboth, let alone actually construct them at a huge cost.

Commissioner Lorraine Zellers agreed with the other comments. She did not think the citizenry has ever said that a parking garage was high in their list of priorities. The City Hall complex is something that the Commissioners should move forward on. There is space for a parking garage at some point in the future, but it has not been shown to be a priority from the citizenry.

OLD BUSINESS

Mayor Cooper called to discuss the report made on behalf of the City Hall Complex Master Plan Task Force at the Commissioners May 17, 2013 meeting and the next step going forward.

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

Commissioner Mills said that questions from the last meeting are what the disposition of the 306 Rehoboth Avenue building is, what the disposition is of a new building to house the Parking Meter Department, Tech Services and Main Street, consideration of a third story for the proposed City Hall building.

Commissioner Coluzzi said that Tech Services has a garage; but its function is different from the Parking Department where its function is administrative. She did not feel either way that Tech Services would need to be in the same building as the Parking Department.

Commissioner Mills said that in the Task Force minutes, Alderman Court and Main Street do not need to be under the City Hall roof, and they may be candidates for the 306 Rehoboth Avenue building.

Commissioner Sargent gave his presentation. Currently, City Hall has 9,093 square feet of program space which does not include corridors, elevators, stairways, etc. Plan A has 20,736 square feet of program space. Administration, Alderman Court, Building & Licensing, IT and public space would have 10,407 square feet, and the Police Department and Communications would have 10,329 square feet. Design problems with Plan A are that the Command Center is too vulnerable, the vestibule at the front entrance will have a 110 foot long corridor, the second floor will be totally isolated from the first floor, an architecturally attractive lobby is missing, the Sally Port will be an architectural "bump-out", and the lack of green space. It would be awkward for the new building to be right in front of the current building, access problems for construction and for the current building, to build a new building right behind the first new building, more access problems for construction and for the Police Department, and the Command Center stays put but the Police Department will have a second move. Plan A would also be subject to significant cost overruns. There would be access problems for construction and for the current building. Another alternative would be to consider the area that now contains the Parking Department and Main Street. The area is 8,000 square feet, and 60% of the lot coverage would mean 4,800 square feet. The program area for Public Safety in Plan A is 2,446 square feet for the basement, 4,860 square feet for the first floor and 2,833 square feet for the second floor. The alternative would provide for no loss of current parking spaces. An option to consider would be to move the Parking Department and Main Street to the 306 Rehoboth Avenue building. The current program for the 306 Rehoboth Avenue building for Building & Licensing is 2,786 square feet and 1,020 square feet for the IT Department. The Plan A program area for Parking & Tech Services is 3,516 square feet minus 800 square feet for the work bay for paint, etc. and 1,000 square feet for Main Street. The possible advantages to be considered for the alternative is that the Command Center will be more secure, it will be more attractive architecturally, it would be more convenient during construction, complicated construction phasing would be avoided, it would probably be less expensive, and there would be more green space. This alternative could be examined in 30 to 60 days. At worst, the additional cost would be minimal; and at best, there would be a better City Hall complex. The Police Department and the Command Center would be relocated to the same space where the Parking Department and Main Street are currently located. Administration would be located in a temporary building, and then City Hall would be demolished. The costs of phasing will be fairly significant. Commissioner Sargent would like to look at the alternative and see what the costs are.

Commissioner Mills said that a detached police building will help with phasing. It may be a little optimistic to think that the Police Department and the Command Center can be condensed to fit into the footprint where the Parking Department and Main Street are located. He did not think that the Task Force did the formal analysis of detached buildings in the parking lot, other than doing that would displace additional parking spaces. Mr. Mike Wigley said that he, City Manager Gregory Ferrese, Mayor Cooper, Mr. DiSabatino and Commissioner Sargent had looked at a stand-alone Police Department in the west parking lot. The challenges with that idea are the fire lane, Sally Port access, the amount of square footage on a single floor of the Police Department, etc. Commissioner Mills thought that this would have been helpful to come back to the Task Force. That conversation may be worthwhile to come back to the Commissioners at the next Workshop Meeting and discuss Commissioner Sargent's ideas.

Mayor Cooper voiced concern that there need to be guiding principles. He thought it was wrong for the architecture of the buildings to drive the functions of the City.

Commissioner Gossett clarified that the Parking Department including Tech Services but minus the paint

shop and Main Street are being proposed for possible relocation to the 306 Rehoboth Avenue building. Mayor Cooper did not agree with the Parking Department being located at the 306 Rehoboth Avenue building.

Commissioner Coluzzi said that the Commissioners need to decide quickly what should be done with the 306 Rehoboth Avenue building. This will guide how the Commissioners end up with trying to configure spaces.

Mayor Cooper said that the 306 Rehoboth Avenue building is hemmed in with parking and location constraints because of using the footprint of the old building. It would be more functional to buy land around the City Hall parcel. Mayor Cooper was not one to sell land, and he thought that the City in some way needs to recoup most of the value out of the property at 306 Rehoboth Avenue, even if it means leasing it so the revenue could be put towards the mortgage on a new building.

Commissioner Sargent pleaded with the Commissioners to allow him and Mr. Wigley to develop a concept to compare to Plan A. Discussion ensued as to the viability and flexibility of the alternative vs. Plan A.

Mr. Walter Brittingham, 123 Henlopen Avenue, noted that the Sally Port only needs to be big enough to hold a police car with enough clearance on both sides. He asked why Main Street is so important, and why discussion of that building could not be done as an afterthought. The Parking Meter Division and Tech Services should be located at the 306 Rehoboth Avenue building. It would be conducive to locate the paint shop in the basement of the building at 306 Rehoboth Avenue.

Commissioner Mills said that there is something good about having access to the Police Department directly off of Rehoboth Avenue for people twenty-fours a day and the direct access to City Hall. The easiest, most level way to get into the Convention Center would be through the front entrance of City Hall. Commissioner Mills was leaning towards having an entrance off of Rehoboth Avenue. He would like more green space.

Commissioner Gossett said that there are issues that need to be addressed: 1. A decision to make on the 306 Rehoboth Avenue building. 2. An appraisal and market analysis to be done to be presented to the Commissioners. 3. Goals for the philosophy, guiding principles, etc. have become meandering. He would like to see if those could be extracted from the minutes of the early Task Force meetings. 4. A new proposal which he was not sure if it would meet the guiding principles. Commissioner Gossett suggested going back to the foundation of where they started from and then bring forward, at the next Regular Meeting, motions or agenda items specifically addressing those issues and facts to deal with.

Commissioner Mills said that an appraisal was never done. He did not disagree with going back and trying to see what the Task Force came up with in terms of parameters. Commissioner Mills did not find anything in the minutes, and he did not recall it. Commissioner Coluzzi said that the Commissioners should have a formal appraisal done for the 306 Rehoboth Avenue property.

Mayor Cooper's recollection was that the City Manager was adamant that the functions at 306 Rehoboth Avenue should be integral to City Hall. Commissioner Coluzzi said that the foremost guiding principle is for all employees to be under one roof. City Manager Ferrese agreed. The Parking Department and Tech Services have to be in close proximity to City Hall because all the functions have to tie together. The core of the functions should be under one roof which includes the IT Department, Police Department, Administration, Building & Licensing and Alderman Court (away from the Police Department). Main Street does not need to be located in the City Hall complex.

Commissioner Coluzzi said that if the decision has been made that the Commissioners want all the functions under one roof or in one geographical area, then they should not violate this guiding principle.

Commissioner Zellers agreed with Commissioner Gossett. She read her notes from the last meeting that the guiding principles are: 1. All in one place. 2. Maximum use of the site. 3. Police Department upgrades. 4. ADA compliance. 5. Improved workspace. She added that they allow for a parking garage and more access from Second and Third Streets. The pros far exceed the cons with Plan A. She like the idea of possibly having a third story to City Hall.

Mr. Wigley said that the guiding philosophy of having everything on one site can work. Putting functions on a third floor can open things up and can introduce more landscaping.

Mayor Cooper favored all functions on one campus. The Parking Department functions well in its own building.

Commissioner Mills agreed that certain functions such as Building & Licensing, IT, Police and Administrative offices should be under one roof. The Parking Division, Tech Services, etc. should be within the same campus. He likes the connectivity of the Police Department and the Administrative offices to Rehoboth Avenue. Commissioner Mills would buy into deferring some time in doing an initial analysis of a detached building, but it may not be worth the exercise.

Commissioner Coluzzi suggested leaving the Parking Department and Main Street in their current buildings, and build a third floor to the City Hall building. Mayor Cooper thought that they should have more modern facilities.

Commissioner Mills suggested that if the Parking Department and Main Street buildings are left as is, then the Commissioners could consider a small building in the corner where the impound lot is for Tech Services.

The consensus of the Commissioners was to move forward with the campus concept, a market analysis and for Commissioner Sargent to work with Mr. Wigley for 30 days with regard to his alternative. A presentation will be made by Commissioner Sargent at the next Workshop Meeting.

Mr. Wigley presented a drawing to illustrate to the Commissioners what the next step would be in working with the parameters of Concept A.

NEW BUSINESS

Mayor Cooper called to report on the American Shore & Beach Preservation Association (ASBPA) activities and beach nourishment.

Commissioner Mills gave his presentation. This Association is dedicated to preserving, protecting and enhancing the beaches, shores and other coastal resources of America. It is the oldest organization to do so by promoting science-based policies for the protection of beaches and shores. ASBPA supports increased funding of at least \$6 billion for the Army Corps of Engineers (ACOE) which has a current budget of \$4.7 billion. It also supports and promotes beach nourishment projects for wider, healthier beaches with protective dune systems. Over half of the American population lives within 50 miles of the coast, and tourism is reliant on the beaches. More than twice as many people visit America's coasts as visit state and national parks – all of them combined. About 85% of all tourism-related revenue in the US is generated in coastal states where beaches are the leading tourist attraction. Each year government takes in \$320 in taxes from beach tourists for every dollar it spends on beach nourishment. With the sea level slowly rising, experts say regular beach nourishment and wider and higher beaches will be the answer for as far into the future as planners can plan. Wider and higher beaches mean more abundant habitat for birds, turtles and other lovers of the beach. One estimate puts the overall contribution of beaches to the American economy at more than \$320 billion a year. The contribution of the coastal economy to the State of Delaware is almost \$7 billion. Photographs were provided of Bethany Beach and Rehoboth Beach. Mr. Joe Healy, Councilman from Bethany Beach, hosted a gathering of local representatives in mid-February 2013. In attendance were Mr. Tony Pratt of DNREC and Maura Boswell, incoming president of the new local central states chapter of ASBPA. Eighteen other representatives of local beach and near-the-beach municipalities were present. Mr. Pratt wants the successes of wide beaches and healthy protective dune systems to be touted, including periodic nourishment; and tell how Rehoboth's restored beach survived a storm and how it provided protections from Sandy or other storms. Anyone can tout the successes such as elected officials, visitors, business persons, etc. Mr. Pratt also says in talking with the media, what it might have been without protections in place. The message is to spend millions on beach nourishment rather than billions on storm reparations. There is a two-part process for realizing federally funded projects: 1. Project has to be authorized. 2. Project has to be funded. Money or lack of is a common thread in discussions on beach nourishment and how to work better with less. In Delaware, none of the local municipalities have to make a local contribution. Currently, beach nourishment is 65% Federal funded and 35% State funded. In Delaware, there is an 8% accommodations tax with 1% going to beach nourishment. The accommodations tax currently only applies to hotels/motels which yields \$2 million. Mr. Pratt had said that the State is already contemplating how to raise more funds if the Federal money dries up by possibly implementing a short term tax on condos, houses and apartments not currently captured in the accommodations tax. In February 2013, the national conference was held with ASBPA. There were three days of workshops with approximately 20 presenters from different private groups as well as Federal groups. Ms. Jo-Ellen Darcy, Assistant Secretary of the Army for Civil Works mentioned that each nourishment falls under the Civil Works Division, and its budget is \$4.731 billion. Mr. Theodore Brown, Chief of Planning & Policy, Headquarters, USACE mentioned that there is not enough money to go around, and smart choices need to be made. Some projects will get funded, and others may not. Aging infrastructure needs attention. Mr. Cliff Jones, Deputy Chief of Planning & Policy of the Corps North Atlantic Division mentioned that there is report it makes to Congress in May 2015 to

analyze its projects. Mr. Doug Bellomo, Director of FEMA Risk Analysis Division mentioned that its risk management entails a review of flood defenses, land use, building codes, emergency management, etc., and also the effects of beach replenishment and social and environmental issues. His agency is currently engaged in re-doing the Flood Insurance Maps. Mr. John McNarma, FEMA Chief of Staff, gave a report and stated that FEMA had \$11 billion in Disaster Relief Funds but the Flood Insurance Program is \$30 billion in debt. Mr. Walter Cruickshank, Deputy Director, Bureau of Ocean Energy Management (BOEM) spoke of his agency having responsibility for the sands out in the ocean for the Outer Continental Shelf from three to 200 miles. States are generally responsible for the sand up to three miles. There are so many beach nourishment projects going on that there are challenges of permitting the borrow sites. NOAA has been and continues to make pre-storm flights and after-storm flights that it uses for producing maps as well as analyses of storm damage. Photographs were provided by Coastal Engineering of beach nourishment projects. The study done by the National Research Council in 1995 says that well-designed, constructed and maintained projects provide the storm damage reduction and erosion protection for which they were intended. Superstorm Sandy boosted everyone's validity for doing wider beaches and healthy dune systems. Reports were provided from papers that carefully maintained dunes helped prevent damage. Every place where there was an engineered beach project, the community fared fairly well. All the analyses of Sandy are that beach nourishment projects reduced storm damage, and damage increased where dunes were lowered for view or segments were not built because easements would not be signed. All future projects should include a wide beach, high dune and elevated homes on the front row. The Coastal Engineering Research Board also analyzed along with all agencies that they recognize the value of the dune systems. Damage increased where there were no or minimum protective dunes. Unless the beach systems are strengthened and greater storm reduction is invested in, then more damage will occur. There is a desire to quantify the value of protection due to good dune systems. Photographs were provided of some attendees at the conference.

Mayor Cooper called to discuss having the Planning Commission study and develop a recommendation to the Mayor and Commissioners for possible actions related to side yard setbacks on residential lots with frontages greater than 50 feet.

Commissioner Gossett said that this is an issue brought to his attention from concerned neighbors and members of the Planning Commission about the issue of individuals that are developing homes and building structures on lots that are 100 feet x 100 feet. Currently the Code reads that the applicable setbacks on either side apply with an aggregate of 16 feet. There is more bulk to the buildings. There has been discussion by neighbors and the Planning Commission to take a look at adjusting those setbacks proportioned to the building size or the size of the lot. Commissioner Gossett would like to get consensus from the Commissioners to bring this item forward at the next Regular Meeting to charge the Planning Commission with investigating this and trying to turn it around in 30 days. This will be formalized in a resolution to be voted on.

Commissioner Mills thought that this is worthwhile and worth pursuing. There are scenarios that the Planning Commission would have to address: 1. Irregular shaped lots. 2. Lots wider than 50 feet but do not have frontage on a street. 3. Lots with rear yards abutting adjacent side yards. 4. With regard to frontages greater than 50 feet, there are lots that are marginally over 50 feet that abut lots with 47 feet or 48 feet. 5. Residential and commercial lots. It would be interesting to know how many properties there are in the widths of 10 foot increments, 50 to 60, 60, 70, 80, etc.

Commissioner Coluzzi said that with the setbacks for properties bordering the lake, she was disappointed that there was only a 10 foot setback. The reason why it was done this way was because the Planning Commission wanted the ability to do a site plan review for those properties. What she did not want to see happen with something like this is that the Planning Commission does not put something in place that says it will have to go through a site plan review where the Planning Commission will make a decision about what property owners can or cannot do. Commissioner Coluzzi would prefer to see a hard and fast rule; and if there is to be a challenge to it, then it would go to the Board of Adjustment, not that these properties would always have to go through a site plan review process. Commissioner Mills agreed.

Commissioner Gossett said that the unique lots and ownership questions all come into play with this issue.

Mayor Cooper called to discuss the proposed lease with the State of Delaware for 21.56 acres of land known as Deauville Beach, drafted by the State's Department of Natural Resources and Environmental Control.

Mayor Cooper forwarded a copy of the proposed lease to the Commissioners prior to the meeting. The lease sets out the history of a lease with the State. The area known as Deauville Beach east of Surf Avenue and north of Lake, is located in the City limits but it is owned by the State of Delaware. According to the outline, the City and the State entered into an agreement of lease beginning on June 23, 1975 for ten years. It extended

for an additional ten years to 1995 at which time a five year agreement was entered into which expired in 2000. Since April 2000, there has not been a valid lease on the area, although both parties have been operating under the terms of the old lease. The proposed lease would be for ten years commencing on July 1, 2013 and terminating June 30, 2023. The State is requesting an administrative fee of \$2,500.00 on execution of the lease which would be \$250.00 per year. Mayor Cooper did not think that the lease will either help or hurt the ocean outfall through that land. This would be an issue that would need to be dealt with separately.

Mr. Walter Brittingham, 123 Henlopen Avenue, said that the lease would include the Deauville Beach parking lot.

This item will be placed on the agenda for the next Regular Meeting.

CITY MANAGER'S REPORT

(Copy attached.)

Mayor Cooper read the City Manager's Report. The Field Study and Laboratory Testing portions of the Geotechnical Study pertaining to the retaining wall stability analysis are complete. The analysis indicates that the conceptual retaining wall system proposed in the report prepared by LAS and RK&K is feasible. The GeoTech Report will be presented to Mr. Ferrese by the end of next week. The ADA Ramping Project will be completed by June 20, 2013 if not sooner. The Surf Avenue Bike Lane Survey has been completed and the engineer is working on the construction plans and specifications. It is hoped to advertise this project in late July 2013 and award the bid soon after Labor Day 2013. The Scarborough Avenue Bump-out Project will begin by June 12, 2013. The Brooklyn Avenue Inlets Project will be bid in late July 2013 with award after Labor Day 2013. The Fire Hydrant Project will be bid in August 2013 with award in September 2013.

COMMITTEE REPORTS

Commissioner Mills of Communications Committee discussed the recommendation to amend the policy on "Recording & Audio Records of Public Meetings" by extending online availability of audio recordings for all commissions, committees and boards to six months. A copy of the adopted resolution setting an audio policy was distributed to the Commissioners prior to the meeting. The current policy says that audio recordings shall be put online for six months for the Board of Commissioners, Planning Commission and Board of Adjustment. What the Committee found out for itself and by people contacting them was that in having the audios of the lesser committees, commissions and boards on the website for one month was not sufficient in light of the fact that these committees often meet later than one month. People wanted to go back and listen to the audios before the next meeting and found that they had been taken offline. Ms. Ann Womack, City Secretary, had indicated that to change the duration from one month to six months would not be a problem. Mr. Max Hamby, IT Director, said that the audios will not be kept on the website indefinitely because it would create a problem with storage; but changing from one month to six months would not be a problem. The Committee is making a recommendation that audios of all the commissions, boards, committees and other public bodies will be retained online for a period of at least six months.

The consensus of the Commissioners was to change the policy and make an amendment that the audios will be retained online for a period of six months.

Commissioner Mills also reported on agenda formatting. Two of the four recommendations were: 1. Language that identifies when the public discussion is allowed be added to the agenda. 2. Add citizen comment to workshop agendas as for regular meetings. At the end of the presentation that had been made to the Commissioners at a previous meeting, there was only one respondent to these matters. Rather than put these issues on an agenda, the Committee is reminding the Commissioners of these recommendations. The Committee may send a reminder note to the Commissioners that these two recommendations are doable. If there is any interest, the Committee will put them back on the agenda for discussion. The Committee is still awaiting Mr. Hamby to start on the website. He has met with another company and looking into different vendors to make his decision on how to go forward.

CITY SOLICITOR'S REPORT

City Solicitor Mandalas reported that a new case has been filed on the scooter ordinance. He has gotten word from the insurance carrier that it is covering that defense.

COMMISSIONER ANNOUNCEMENTS/COMMENTS

Mayor Cooper announced that City Manager Gregory Ferrese will be retiring in December 2013. He would like

to see the Personnel Committee, with agreement from the Commissioners, come back with a procedure on how to go about advertising, etc. for his replacement. The timeframe would be as soon as practicable.

Commissioner Mills said that the Board of Commissioners should be part of the process, in interviewing and going forward.

Commissioner Sargent commented that on June 8, 2013 he went on a police ride-along. Mr. Scott O'Bier of the Police Department thanked him for riding along, and said that the other Commissioners are welcome to ride-along.

Commissioner Gossett commented that on June 8, 2013, he had attended and made a presentation at the annual workshop of SOLA3. He would like to provide an update of accomplishments and recommendations for the lakes at a future workshop meeting of the Commissioners. Updates will also be provided from the State level.

DISCUSS ITEMS TO INCLUDE ON FUTURE AGENDAS.

There were none.

The next Regular Meeting will be held on July 19, 2013 at 7:00 p.m.

There being no further business, Mayor Cooper adjourned the meeting at 11:54 a.m.

Respectfully submitted,

(Patricia Coluzzi, Secretary)