

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

August 5, 2013

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, August 5, 2013 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 Patrick Gossett
 Commissioner Bill Sargent
 Commissioner Pat Coluzzi
 Mayor Samuel R. Cooper
 Commissioner Stan Mills
 Commissioner Mark Hunker

Absent: Commissioner Lorraine Zellers

Also in attendance was: City Solicitor Glenn Mandalas
 City Manager Gregory Ferrese

CORRESPONDENCE

There was none.

OLD BUSINESS

Mayor Cooper called to discuss making additional appointments to the City Hall Complex Master Plan Task Force.

Mayor Cooper noted that at the last Regular Meeting, the Commissioners discussed the possibility of making the full Board of Commissioners part of the Task Force. There was also mention of adding Mr. Wayne Neale of 46 Sussex Street who is an architect. He had submitted an application for the boards, commissions and committees for consideration. In short order, the Task Force will have to decide on a day and time of the week for its meetings.

Commissioner Bill Sargent said that the Board of Commissioners' interest with the City Hall complex is high so it would be foolish not to have all of them on the Task Force. Mr. Wayne Neale would be a great addition to the Task Force.

Commissioner Pat Coluzzi was opposed to the idea of the full Board of Commissioners being part of the Task Force because she thought the new City Hall complex would be designed by committee. Mr. Wayne Neale would be a great addition to the Task Force.

Commissioner Mark Hunker said that managing the Task Force is key. There is a potential for design by committee. Mayor Cooper said that everything discussed at the Task Force meeting will need to come back to the Board of Commissioners for a final decision.

Commissioner Stan Mills said that proposed membership of the Task Force would be Mayor Cooper as Chairman, Commissioners (6), Jim Ellison, Jim Horty, Ken Simpler, Greg Ferrese, Keith Banks and Dawn Lynch. He said that the Task Force will not likely vote on certain things so someone does not have to be a member of the Task Force to voice their opinion.

Commissioner Patrick Gossett said that when the decision was made to expand the Task Force, he was assured by the architect that he will come to the meeting with specific tasks or goals to be accomplished at that meeting and would act as a facilitator of that meeting so design by committee is not experienced. The meeting needs to be facilitated in such a way that it is productive, decisions are made and the Task Force keeps moving forward. Commissioner Gossett will continue to push to make the meeting active and productive so the goals are accomplished.

Commissioner Mills noted that it appeared the Commissioners were comfortable with the proposed list that

was previously sent out by Mayor Cooper with the addition of Mr. Neale.

NEW BUSINESS

Mayor Cooper called for the presentation by the Lewes Rehoboth Canal Improvement Association (LRCIA) concerning the next steps regarding the dock project on the bank of the canal adjacent to the Rehoboth Beach Museum.

Commissioner Coluzzi noted that the GeoTech Study was forwarded to the Commissioners prior to meeting. The Study was funded 50% by the State, 25% by the City and 25% by Lewes Rehoboth Canal Improvement Association. The GeoTech Study showed that the canal bank would be stable for what is being envisioned.

Mr. Ted Becker, Deputy Mayor of the City of Lewes gave his presentation. Eight members of the LRCIA board were in attendance at the meeting. The GeoTech Study found that the project is feasible. The museum project is appropriate to develop on the site that was proposed for the water taxi docking facility. The next step is to begin the design phase which will require the City's continue support in both administrative and funding. The support will come jointly from the City and Lewes at this time. In July 2013, Commissioner Coluzzi had made a presentation to Lewes City Council; and at that point, the Council endorsed the project, recognizing that it would bring a new means of public transportation for residents and visitors to travel between Lewes and Rehoboth. At this point in time, LRCIA is asking for the same endorsement from the Rehoboth's Mayor and Commissioners to move this project together and join the two communities as the development/design phase is begun on this project. While the endorsement from Lewes and Rehoboth is critical, LRCIA does not intend to come back to either city to ask for money. It is envisioned that the monies will come from State legislators who represent the two communities and/or private donations as required. It is expected that the design phase will be a revenue neutral project for both cities. As the design phase gets underway, LRCIA will begin to initiate the community fundraising effort to be used for actual construction of the project that would be required for the complete docking facility in Rehoboth and the complete refurbishment of the docking facility in Lewes. On July 30, 2013, two representative of LRCIA were at the Farmers' Market in Rehoboth to listen to concerns and generate signatures for a petition supporting the concept. One hundred seventy individuals of which 111 were residents mostly from Rehoboth, 58 visitors and one business owner, have expressed support for this project. A copy of the petition was distributed to the Commissioners. The project has been significantly helped by Mr. Scott Ream who has developed the water taxi which has turned into a water excursion service over the last two years. Mr. Becker hoped that the Commissioners would provide the letter of endorsement which would come with no funding attached. LRCIA has heard areas of concern with regard to parking and maintenance. It is believed that many people will choose to walk to the dock and some will ride bicycles. With regard the State guidelines for parking required for commercial docking facilities, the State's recommendation for sightseeing and excursion boats is one parking space for every five passengers. By using those guidelines, there would be adequate parking close to the docks in Rehoboth and Lewes. The maintenance concern is real, but it would not be a major expense on new construction. Anticipated revenue would be generated as a result of leasing to the water taxi purveyor. The income generated from the lease would be more than adequate to cover the maintenance of the project facilities.

Mayor Cooper asked how, without knowing the source of the funds that would be used to build the facility, it would be known that there is any revenue, in the sense if State or Federal funds are going to build the facility in part at least, whether there are strings attached to those funds. Mr. Becker said that this would have to be investigated and worked out as the project moves forward. The purveyor of the water taxi is currently docking at private facilities. Lewes is anticipating that the purveyor will be paying a lease/rent or lease/expenses. The City of Rehoboth Beach would own the facility once it would be constructed and be responsible for its maintenance, control, etc.

Commissioner Hunker has surveyed people and interviewed businesses on Rehoboth Avenue. They welcome a new way to use the western part of the City. After 5:00 p.m., the parking lot at the museum is empty. Henlopen and Grove Avenues, Sixth Street and all along the canal are empty at that time. He did not feel that parking will be an issue. If the funding comes in, this will be a nice eco-friendly addition to the City. Mr. Becker said that with the terminus for the existing water taxi in Lewes is across the canal, there has been limited parking but there has been no major problems. In Lewes, people are more inclined to walk or rent a bike and park their car for the weekend.

Mr. Becker said that the change in service, hours of operation, etc. would have to be worked out with the purveyor, but both municipalities would have some say in that. The generally scheduled demand may be from 10 a.m. – 9:00 p.m. with departures every two to three hours. The ultimate goal would be for the taxi service to

become more of a routine service on a regular basis. The shoulder season would be much lighter. Demand would dictate the schedule.

Commissioner Hunker said that the municipalities should set the schedule.

Commissioner Sargent thought that this facility would be a nice addition to the community, and it would be great if the State would want to support this as contributing to Sussex County tourism, etc. Commissioner Sargent would temper his acceptance of this if the City was called on to have a substantial financial contribution. It would be wonderful to get outside financing.

Mr. Becker said that currently there are no docking facilities available in Dewey Beach.

Commissioner Mills said that funding would be done in three stages: 1. Design. 2. Construction. 3. Maintenance. The City is not being asked to help with funding for the design phase, but the City is being asked to help with finding for the maintenance phase. It is unknown about the construction phase whether the City would be helping with funding. At some point, the Commissioners need to determine what financial involvement they want and to further analyze what the maintenance costs would be.

Mr. Becker said that at some point, the LRCIA will sign contracts with the designer which will require City Solicitor Mandalas to review. This may be a shared expense between Lewes and Rehoboth. The cost for the GeoTech Study was \$44,000.00 of which the City paid \$11,000.00. LRCIA is expecting the City to be the applicant in order to obtain grants for the design phase. Mayor Cooper insisted that any application before it is filed is brought before the Board of Commissioners.

Commissioner Mills said that before buying into the design concept, he needs to look at the potential costs, cost benefit and engaging the citizenry. Mr. Becker noted that Lewes has provided a letter of endorsement in moving ahead with the design phase. It is anticipated that the cost to build the Rehoboth end of the project will be \$850,000.00.

Commissioner Hunker said that the letter of endorsement does not require the City to pay any money or do anything. The letter is just a commitment from the City which will allow LRCIA to pursue funding with the State, etc., and then come back to the Commissioners to see if they will sign off on it. Mr. Becker said that LRCIA is looking for an endorsement of the efforts to get the project moving forward. It is an endorsement of the project with the idea that LRCIA needs something to demonstrate to all the legislatures the support of both communities. He will provide Lewes' letter of endorsement to the Commissioners when it becomes available. Mr. Becker also noted that the LRCIA board will be involved with the fundraising but it is looking to a professional association to help with it. Discussion ensued.

Commissioner Mills thought that more discussion and citizen input is needed to endorse the design phase and to do the broad endorsement letter. The language of the endorsement letter has to be very specific.

A representative of Dogfish Head who is a member of LRCIA was present at the meeting. There has been significant public outreach, the most recent was at the Rehoboth Farmers' Market. An online survey was also done. In the Cape Gazette, there was a poll that was run online for a week. All of those people were 85%-90% in support of the project. Meetings have been held with Mr. Colin O'Meara, Deputy Secretary of DNREC, who has oversight of the funding. Many areas of funding opportunities have been researched. This is physical space coming into Rehoboth Beach that people will see when they are driving past the bridge and will look beautiful. The City's endorsement will allow LRCIA to request funds from most of the different funding opportunities within the State. A presentation of the project was held in a meeting with DNREC; and there has been discussion, but no red flags came up from that end.

City Solicitor Mandalas said that the Commissioners are looking for a letter that would strike a balance between something more than a letter of no objection, but not so far as a letter of strong endorsement. The City of Lewes was less analytical and did not view the letter of endorsement as a huge undertaking.

Commissioner Hunker said that this particular project will not be able to get off the ground without the two communities giving LRCIA letters of endorsement. Mr. Becker agreed.

Mr. Howard Menaker, 16 Dover Street, asked if the ACOE was asked for a similar letter of endorsement and if there were conversations with ACOE. Mr. Becker noted that there have been discussion with ACOE. There is no letter of endorsement from ACOE currently on file.

Mr. Becker provided copies of the petition which was circulated at the Farmers' Market. The vast majority of them are Rehoboth citizens.

Mayor Cooper was disappointed in this because he did not know what organizations were offered to make presentations and have petitions at the Farmers' Market which was not an appropriate thing unless everyone is given the same opportunity. There should be an opportunity for any organization or group that wants to have a petition there to do it. Commissioner Coluzzi noted that everyone is given an opportunity at the Farmers' Market, except for political organizations.

Commissioner Sargent suggested that LRCIA should give the Commissioners the language that it thinks will specifically fit for Rehoboth.

CITY MANAGER'S REPORT

City Manager Gregory Ferrese reported that the parking meter revenue from Friday before Memorial Day through July 31, 2013 is \$30,000.00 less than last year. He anticipates that the revenue will be close to budget which is in the amount of \$2,715,000.00. To date, there have been 94,944 Parkmobile transactions. Mr. Ferrese anticipates close to 160,000 for the season. Last season there was 115,000. The transfer tax budget is in the amount of \$1,080,000.00. Through July 31, 2013, \$604,545.00 has been collected. The budget amount will be exceeded. Six hundred two scooter permits have been sold through July 31, 2013. Sealed bids were opened for the State Road Lift Station Generator, and the low bid is under budget. The award of this bid will be on the August 16, 2013 agenda. The following projects are on schedule to begin this fall: 1. Widening of Surf Avenue near Oak Avenue. 2. Brooklyn Avenue (ocean block inlets). 3. Repair and paint all fire hydrants at all locations.

COMMITTEE REPORT

There was nothing to report.

CITY SOLICITOR'S REPORT

There was nothing to report.

COMMISSIONER ANNOUNCEMENTS/COMMENTS

There were none.

DISCUSS ITEMS TO INCLUDE ON FUTURE AGENDAS.

There were none.

A Special Meeting will be held immediately after this Workshop Meeting. The next Regular Meeting will be held on August 16, 2013 at 7:00 p.m.

There being no further business, Mayor Cooper adjourned the meeting at 10:10 am.

Respectfully submitted,

(Patricia Coluzzi, Secretary)