

TOWN OF BETHANY BEACH
TOWN COUNCIL MEETING
August 20, 2021 at 2:00PM

The meeting could be viewed on two internet platforms:

The Town's Website at: www.townofbethanybeach.com- click on the Government Tab, then go to the left side of the page and click on Live Video Broadcast
or

Go to our YouTube page at: www.YouTube.com/BethanyBeachGov

Members present for the meeting were: Rosemary Hardiman, Mayor; who presided; Lew Killmer, Jerry Morris, Faith Denault, Bruce Frye, Joseph Healy and Patrick Sheplee.

Also present was: Cliff Graviet, Town Manager; John Apple, Assistant Town Manager; Molly Daisey, Town Clerk and Jim Liguori, Town Solicitor

Mayor Hardiman called the meeting to order at 2:00.

Approval of the Agenda

Mr. Killmer moved approval of the agenda. Mr. Morris seconded the motion. The motion was unanimously approved.

Approval of minutes of Public Hearing held on July 16, 2021

Mr. Killmer so moved. Mr. Morris seconded the motion and it was unanimously approved.

Approval of minutes of Special Meeting held on July 16, 2021

Mr. Sheplee so moved. Mr. Morris seconded the motion and it was unanimously approved.

Approval of minutes of Executive Session held on July 16, 2021

Mr. Sheplee so moved. Mr. Morris seconded the motion and it was unanimously approved.

Approval of minutes of Regular Meeting held on July 16, 2021

Mr. Killmer so moved. Mr. Morris seconded the motion and it was unanimously approved.

Approval of the Financial Report

Mr. Morris advised that this report covers the budget thru July 31, 2021. The Town is 33% thru Fiscal Year 2022.

Operating Budget Revenue

Summer income from Rental Taxes and Parking Fees continue to be above budgeted estimates. As a result of that, the Town has collected 66.4% of the budget revenue compared to 48.7% at this time last year.

Operating Budget Expenses

Except for the July 4th parade, all summer activities have resumed, as a result, the Town has expended 32.5% of its budget expenses, compared to 29.2% at this time last year.

Recognizing that the report is subject to audit, Mr. Morris respectfully moved that the Council accept and approve the unaudited report. Mr. Sheplee seconded the motion and it was unanimously approved.

Announcements

Ms. Denault gave the following report, "Two Bicycle Safety Checkpoint events were sponsored by the Bethany Beach Police Department and held on July 20th and August 5th at the grass median of Pennsylvania Avenue and Wellington Parkway. The BBPD was represented by Sgt. Patrick Foley and the Office of Highway Safety was led by Bicycle Coordinator John Fiori. Several members of Bethany's Bicycle and Pedestrian Safety Committee also participated. The purpose of these events is to politely flag down cyclists traveling toward the group to ask them if they have bike lights. If not, lights will be installed at their request and they will be educated on bicycle laws, safety practices and riding routes and trails in the Bethany area. Reports were that the events were very successful and fun. Chief Redmon reported that over the summer more than 500 bike lights have been installed or handed out to those in need. "

Ms. Hardiman asked Mr. Healy to join her at the podium. Mr. Healy has served on the Council since 2007 and has made the decision to retire from the Town Council. Ms. Hardiman stated that he has been an inspiration to her over the years, especially when she first came on Town Council in 2014. Prior to joining the Council she attended the Town Council Meetings, and it always struck her how Mr. Healy would go thru the audience and ask them what they thought about an item on the agenda. People appreciated that their opinion was valued and he was concerned about their thought, and they reelected him year after year. It served her well, because it showed her how a Council Member should be, to solicit the opinions of the people that they represent. His commitment to and love for Bethany Beach is evident in the time that he gives in explaining to everyone about what the true financial condition of the Town is. He used his expertise as a CPA, and was never shy about sharing his thoughts in that area.

Even though he is retiring from Council, he will continue to serve on the Budget and Finance Committee, which the Town is grateful for. Ms. Hardiman presented Mr. Healy with a framed cartoon stating, "Your heart won't tolerate anymore Town Hall Meetings". Mr. Healy wished to thank everyone for the support he has received over the years. "When you stand for election, you ask people to vote for you, he thanked those for their consideration over the years. "

Report from the Planning and Zoning Commission Meeting

Mr. Killmer gave a report on behalf of Mr. Boswell. The update of the 10-year Comprehensive Plan continues which is a big job. Work will continue on this until it has been completed.

Report from the Non-Residential Design Review Committee

Mr. Killmer reported that this past month the Committee approved two sign applications for businesses in Town. Next month work is schedule to begin to update the WaWa on Rt. 26. WaWa will be submitting new signage request for this project next month.

Report from the Audit Committee

Mr. Peterson stated that the Committee met on Friday, July 23, 2021 to close out with TGM Group who is the Town's external auditor. Herb Carey with TGM Group gave the report and everything was positive, no significant findings. Mr. Carey noted how well the Town responded to Covid last summer, in light of cutting expenses due to reduced income and the Town came out basically even. This is something he hasn't seen in other Towns in this area. One issue he brought up was the post employment health benefits. New requirements are very complicated. The final report is available on the website. Th committee also spoke with the new internal auditor who has been doing a very nice job.

Report from the Budget and Finance Committee

Mr. Morris stated that the Committee met on July 29 for the final review of fiscal year 2021 and discussed the current results of the first quarter of the current fiscal year. Fiscal Year 2021 ended in March with the Town Revenues 2% over budget. Transfer taxes were very high, making up for revenue losses and parking and rental taxes that were very low. Town wide operating costs were 12% under budget as Mr. Peterson said. This was mainly due to the Town's actions to control costs during the pandemic. The Town also received money from the CARES Act. The committee also reviewed results of the first quarter of the current fiscal year. Revenues are 19% higher than 2 years ago (pre pandemic), transfer taxes started out very high this year, because of the sale of the Marriott Hotel, parking and rental revenues are also higher than 2 summers ago, as the summer population has returned. Also the 5 year Capital Replacement and Improvement Plan was discussed and future rate increases. The Committee will consider recommending an increase in sanitary fees next year and water fees the following year. This will put them both at their 5 year recycle program. Mr. Morris thanked Mr. Healy for all the work he has done and will continue to do on the Committee.

Report from the Town Manager

Mr. Graviet gave the following report:

Comcast

We have all waited for a very long time for an alternative internet cable service in Bethany Beach. I'm pleased to be able to tell you that in the next two weeks Comcast will begin to install the base infrastructure to provide residential service to Bethany Beach. The first install will see almost two miles of cable on Halfmoon Drive and four cul-de-sacs in Bethany West!

Cell Antennas

Delaware's beach communities are all wrestling with the installation of cell antennas in our towns. The FCC has given cell providers incredible latitude with these installations and given local government very little control. We have had Verizon install antennas at the eastern edge of beach streets and they are now talking to us about some kind of install on Garfield Parkway. Verizon has now been joined by AT&T with their request for an installation as close as possible to Garfield and Atlantic. We can ask in this instance for a pole that is camouflaged, but camouflage is a real misnomer. This is the pole they are proposing. We hope to find a different design that is not obtrusive as this and to date they have been willing to work with us. But these are coming and we will see more and more of these as time goes by.

Walcek/Dematitis

As you all know we are looking at the feasibility of creating a connector pathway from Second St. to Central Boulevard. In doing preliminary work on the Walcek/Dematitis property we have determined that a large portion of the property has been overrun with the invasive marsh grass phragmites. Phragmites drives native fauna out of an area and overpowers native flora. Regardless of what happens with the pathway we will ask the Council to consider eradicating the phragmites and reestablishing the marsh on the property with native species.

YouTube

The Town is trying to develop its own fledging You Tube Channel. One of the things we would like to do is live stream our bandstand shows and other functions on our YouTube Channel. In order for YouTube to allow us to do this we need to 1000 subscribers. To date we have a little over 250. So we would like to ask you to go to the homepage of the Town's website click on the YouTube icon at the very top of the page and subscribe to our channel. There are already a number of informational videos on the channel and the more subscribers and hits we see the more will try to use it as another way to communicate.

Parking

This year we implemented a change in parking in our ocean front lots allowing Residential Parking Permits holders to park for free. We advised this would be done on a trial basis and said we would monitor and report on the impact of this change on

meter revenue throughout the summer. Meter revenue, as we know, is critical in supporting the huge expense that summer brings with it. As of August 1, we are seeing a drop in meter revenue of .6%. So again, year to date a very minor impact.

After 38 years of service to the Town, Public Works director Brett Warner has taken some time off and done some traveling. Unforeseen was the lack of seasonal staff which has really hurt the Town. Assistant Public Works Director Sean Ely has stepped up to the plate in trying to make things work and bring seasonal employees onboard.

Discussion, Consideration, and Possible Vote on Filling the Vacant Seat on the Town Council

Ms. Hardiman stated that this past Monday night, August 16, 2021, the Town Council held a Special Meeting. At that meeting 5 of the 7 candidates were present who had applied to fill a vacant two-year term for Town Council. The 7 candidates who applied by the August 13, 2021 deadline are, Mark Bauernhuber, Ron Calef, Scott Edmonston, Russell Evans, Diane Boyle Fogash, Mark Levin and Dan Rosenblatt.

Mr. Bauernhuber and Mr. Evans were not able to attend, but Council Members did receive copies of their submission, as well as the other five who attended. In their presentations, each candidate discussed their backgrounds and why they were qualified for the position, and their vision for Bethany Beach's future. They also responded to questions from council members. If you were not able to watch the meeting, it is available to view on the Town's website, it was very impressive presentations. While only one candidate will be elected today, she encouraged all candidates to continue serving on Town Committees and consider running for Council seats in the future. The Town Government needs qualified individuals to serve. The procedure's that were agreed to are as follows: Voting will be conducted as Council has filled vacancies in circumstances such as this in the past. Each Council member will write down their choice of a candidate to fill the vacancy and pass the ballot to the Town Manager. The Town Manager will read aloud the candidate's name on each ballot. In addition, since voting will take place at an open meeting, the name and vote of each Council person must be made public. Therefore, the Town Manager will also read the name and vote of each Council member. Second, Regarding the number of votes needed for election, under Section 6.8.4 of the Town Charter, a majority of the Council, that is, four votes, is needed. Therefore, if no candidate receives four votes on the first ballot, balloting will continue until a candidate receives four votes. Mr. Gravier read the votes: Mr. Healy, Mr. Sheplee, Mr. Morris, Mr. Frye and Ms. Deanult voted for Scott Edmonston. Ms. Hardiman and Mr. Killmer voted for Ms. Fogash. With the majority of votes, Scott Edmonston was selected to fill the vacant Town Council term. The swearing in of Council Members will take place on Monday, September 20, 2021 at 10:00 AM at Town Hall.

Discussion, Consideration and Possible Vote to update the Town's Purchasing Policy

Mr. Morris stated that the Town's purchasing policy was last revised in May of 2014. The policy specifies that when the State of Delaware modifies their purchasing thresholds that the Town will adjust to match. This is recommended so that Town contracts meet the state's requirements, avoiding conflicts when grant funding is

available. Delaware is revising purchasing thresholds as of September 1, 2021 increasing the amount that requires formal bidding. This draft policy update includes adjustments to two additional thresholds, which has not been adjusted since prior to 2014. Increasing the amount that a manager can authorize without prior approval by the Town Manager from \$1,000 to \$2,500. And increasing the amount where Town Council approval is required from \$25,000 to \$40,000. As far as the State goes regarding Material and non-professional Services, as of September 1, 2021, material and non professional services changes. Open market purchases for less than \$10,000. Three written quotes will be required for \$10,000 - \$49,999.99 as opposed to \$10,000-\$24,999. Formal bid will be required for amounts \$50,000 as opposed to \$25,000. In the case of material and non professional services, the dollar amount identified by the Purchasing and Advisory Council is a yearly cumulative limit. The dollar amount identified for Public Works and Professional Services are on a contract by contract basis, for which contracts shall not be fragmented to avoid reaching the dollar amount, and annual thresholds do not apply. Under public works, open market purchase amount purchases will stay the same (less than \$50,000), 3 letter bids will increase from \$50,000 - \$99,999 to \$50,000 - \$149,999.99 and formal bids will increase from \$100,000 and over to \$150,000 and over. Professional services will increase from \$50,000 to \$100,000 for open market, and from \$50,000 and over to \$100,00 and over for the formal RFP process. Mr. Morris made a motion that the policy be updated to agree with what the State has recommended. Ms. Denault seconded the motion and it was unanimously approved.

Discussion, Consideration, and Possible Vote on Contract From Hertrich Fleet Services Inc. for the purchase of a New 2021 Chevrolet Tahoe with Police Package for the Amount of \$34,389

Mr. Gravier stated this contract is for the purchase of two police vehicles, which would give each police officer their own vehicle. Mr. Killmer made a motion to approve the contract from Hertrich Fleet Services Inc.. Seconded by Ms. Denault it was unanimously approved.

Discussion, Consideration, and Possible Vote on a Contract from A-Del Construction in the amount of \$189,900.00 for the Central Boulevard Drainage Project

Mr. Apple stated that this proposed project on Central Boulevard is proposed to fix an ongoing old issue, which was present prior to Central Park, a problem with standing water at the intersection of Maryland Avenue & Central Boulevard. Once the park was completed with parking spaces installed, there was more standing water on the park side. The drainage plan was not within the design of the park. Working with Kercher Engineering, the Town was able to create several small retainage areas. Mr. Apple showed several photos of the standing water near the park and how the proposed project would correct this issue. Also with this project will be a repaving of Central Boulevard that will include a slight widening of about one-two feet. Mr. Apple stated this this project will not affect the current parking spots. If approved, the project will begin as soon as October and take about one to two months to complete. Mr. Killmer made a motion to approve the contract from A-Del Construction in the amount of \$189,900.00 for the Central Boulevard Drainage Project. Mr. Healy seconded the motion and it was unanimously approved.

Mr. Bill Birdfield, 414 Gibson Ave. was recognized. He asked if the catch basin at the park, will they be graded. Mr. Apple responded that right now the area is sodded.

Discussion, Consideration, and Possible Vote on Cancelling the September 2021 Town Council Meeting

Ms. Hardiman explained that the Council does not normally meet in September when there is a newly elected Council Person. There will be a reorganizational meeting on Monday, September 20, 2021. She made a motion to cancel the September regular meeting. Ms. Denault seconded the motion and it was unanimously approved.

There being no further business, Mayor Hardiman asked for a motion to adjourn. Moved by Mr. Killmer and seconded by Mr. Morris, the motion was unanimously approved. The meeting adjourned at 2:50 pm.

Respectfully submitted:

Molly Daisey,
Administrative Assistant