

**FORT DUPONT REDEVELOPMENT AND PRESERVATION CORPORATION
BOARD OF DIRECTORS MEETING**

**LOCATION: The Sanders Room at the Grassdale Center
108 Old Reedy Point Bridge Road
Delaware City, DE 19706**

January 20, 2016 – 8:30 a.m.

Meeting Minutes

Council Members:

David Small
Rick Geisenberger
Bert Scoglietti
Herb Inden
Richard Cathcart
Laura Lee
Dale Slotter
Herb Netsch

Advisory Council Members:

Paul Parets
David Curran

Staff:

Jeff Randol, Executive Director
Max Walton, Counsel
John Taylor, DOJ
Andrew Donnelly, Governor's Office

Members of the Public:

Stan Green, Mayor
Billie Travalini
Rachel Phillos, Park Superintendent
William Cost, National Guard
Jim Brady, Long & Foster
Frank Brady
Tim Konkus

I. Call to Order/Introductions/Announcements

Mr. Cathcart, Vice Chair, called the Fort DuPont Redevelopment and Preservation Corporation Board of Directors meeting to order at approximately 8:36 a.m. and welcomed everyone for attending.

II. Minutes

Mr. Cathcart asked if there were any changes or comments on the December 16, 2015 minutes. With no comments, a motion was made by Mr. Netsch and seconded by Mr. Geisenberger to approve minutes from the December 16, 2015 Board meeting. Motion carried.

III. Treasurer's Report

The Treasurer's Report was presented by Mr. Scoglietti, a copy of which is attached hereto as Exhibit A. The net balance of unencumbered funds totaled \$1,295,375.13. Mr. Scoglietti reviewed the expenses and balances in both Operating and Capital accounts. Mr. Geisenberger made a motion to accept the Treasurer's report. The motion was seconded by Mr. Inden. Motion carried.

Mr. Scoglietti also noted that the Governor's 2017 budget, which will include a recommendation for funding the Corporation, will be released next Thursday, the 27th.

IV. Legal

A. MOU with State Agencies. Mr. Walton reviewed the MOU that has been approved by the agencies and is being circulated for signature. Some of the points highlighted include the status quo provisions, requirement to enter into leases within 1 year, vacancy and termination provision language, notification prior to any testing or demolition by the Corporation, and indemnification (limited to the acts of the corporation).

Mr. Scoglietti asked about vacating of the property by a state agency at any time within the first year and how that could financially impact the Corporation. Mr. Walton stated that the Agencies are required to maintain their property for the first year, even if they have vacated part or all of the premises.

With no further discussion, a motion to approve the MOU with the State Agencies as submitted was made by Mr. Geisenberger and seconded by Mr. Netsch. Motion carried.

B. MOU with National Guard. Mr. Walton reviewed the MOU that has been approved by the National Guard and that in addition to the provision set forth in the MOU with State Agencies, the Corporation has agreed to provide a deed restriction that entitles the National Guard to an ongoing right to use the property. This deed restriction is required to preserve the National Guard's funding. The Corporation has agreed to provide a metes and bounds survey and to seek approval for a minor subdivision. Once the National Guard parcel has been subdivided, ownership of the parcel will be re-transferred to the State of Delaware, at which point the deed restriction will be removed. It was noted that the indemnification provisions are the same as for other State agencies.

Mr. Geisenberger asked if the National Guard discharged ammunition during training and if so, what potential environmental issues might exist. Col. Cost of the National Guard responded that the National Guard does not discharge ammunition at this site.

With no further discussion, a motion to approve the MOU with the National Guard as submitted was made by Mr. Scoglietti and seconded by Mr. Inden. Motion carried.

C. Transfer Resolution. Mr. Walton reviewed the Resolution from the Corporation that would request OMB to transfer the property pursuant to provisions set forth in the Bond

Bill. The Resolution also authorizes Mr. Randol to sign on behalf of the Corporation documents related to the transfer.

Motion to accept and approve (with a typographical correction) the Transfer Resolution was made by Mr. Geisenberger and seconded by Mr. Netsch. Motion carried with Mr. Scoglietti abstaining from the vote.

Mr. Walton thanked Mr. Randol, the Attorney General's office (specifically John Taylor and the deputy AGs), the Governor's office, Governor's counsel Meredith Tweedie, DHSS, DNREC, OMB, and the National Guard for all of their work in completing the MOU process.

V. Executive Director Report

A. Project Plan Review and Update. Mr. Randol distributed and discussed the Project Plan. Highlights included a) an update of the Verizon demarc location and associated costs, b) completion of the flood plain mapping, c) status of the surface water management planning grant, and decision to reverse the condition that had previously imposed a 25% premium to the design standards, d) restructuring of the Brownfield funding, which will provide \$625,000 directly from DNREC for testing and remediation of the proposed marina site, e) Master Planning and engineering update, f) abatement report and status of remediation and demolition, and g) roof estimates for the painter building.

i. The Verizon Demarc relocation design and pricing is close to being finalized. Mr. Randol expects to have pricing shortly and able to present to the Board for action at the February Board meeting.

ii. With regard to the Surface Water Planning Grant for \$49,800, Mr. Small gave an update on the 25% condition that had been imposed and that the condition has since been waived. Mr. Randol requested that the Board approve spending \$49,800 in matching funds for the grant. Motion to approve was made by Mr. Inden and seconded by Mr. Scoglietti. Motion passed with Mr. Small abstaining.

iii. With regard to the ongoing master planning and engineering, Mr. Randol presented a proposal from Becker Morgan to continue engineering and master planning services. The proposal consisted of a) Zoning and Code Analysis for \$7,500, b) Land Planning for both the Canal District and Officer's Row District in the amount of \$21,500, c) metes and bounds survey of the National Guard parcel for \$5,500, d) subdivision plans and application of the National Guard parcel for \$6,500, and e) \$7,000 subdivision plans and application for 5 lots in phase 1, which is necessary for the financing.

Mr. Randol explained that the zoning and code analysis was to review Delaware City's guidelines and compare with the current design standards of the Master Plan as they relate to the Canal District and Officer's Row District. Recommendations will be provided for consideration. The Land Planning will be to use the information

gathered in the zoning and code analysis along with the current master plan to refine and prepare a plan for subdivision approval. The services related to the National Guard site provide the Corporation with what is needed for both the deed restriction outlined in the MOU and for application to the City for a minor subdivision. Motion was made by Mr. Geisenberger and seconded by Mr. Scoglietti to contract with Becker Morgan in the amount of \$48,000 for the services as outlined. Motion carried.

iv. Subdivision of the National Guard site was discussed and approved as part of the National Guard MOU.

VI. Committee Reports

A. Economic Development Committee

i. Mr. Randol presented a proposal from the New Castle County Chamber of Commerce that the Economic Development Committee had structured. The proposal offers the NCCC's services for a) the feasibility analysis and conceptual design of a proposed Cultural Arts Center, and b) the promotion and management of events at Fort DuPont. The Chamber is proposing to create a committee of experts in the industry to help analyze the market and build out the concept over a 6-month period for a fee of \$18,000. The fee would be used to help cover the architectural expenses associated with the design. The Cultural Arts Center would include the existing Theater, Post Exchange and a connector building. Mr. Geisenberger mentioned that we should talk with the Delaware Division of the Arts to explore their resources. He offered to arrange a meeting with Paul Weagraff, Director.

Mr. Randol stated that the NCCC has also offered to promote Fort DuPont for events and that they would also assist in the management of events. Their compensation would be paid by the event and incorporated into the event fees. Mr. Slotter asked if the Chamber had the experience. He also raised question about the Corporation's promotional efforts in light of Main Street's efforts to promote events and that once Fort DuPont was annexed into Delaware City why wouldn't the Corporation rely upon Main Street. Mr. Randol stated that building out of Fort DuPont was more than simply restoring and developing real estate. Community development and programming was also key and as such we needed to make sure we have a strong promotional effort. Mr. Randol suggested holding off a month on the NCCC proposal so that members could meet with Mark Kleinschmidt to discuss the NCCC's proposal. Mr. Slotter, Ms. Lee and Mr. Geisenberger agreed to participate along with the Economic Development Committee.

B. Project Funding Committee

Mr. Randol updated the Board on the Committee's work to obtain additional financing for Phase 1 and as a result, M&T Bank has provided a term sheet. Ms.

Kirby and Mr. Randol are meeting with M&T on the 28th to work through details and will report back to the Board in February.

C. Historic Preservation Committee

Mr. Randol provided the Board with an overview of two proposals from Widell Consulting. The first would be to assist the Committee with refinement of the Guidelines and Standards. The second with the Part 1, Part 2 and certification process related to the Historic Tax Credits. Ms. Lee mentioned that the Committee had reviewed the proposals but had not yet interviewed Ms. Widell. Mr. Randol asked that, subject to the committee's approval, the Board consider allocating \$17,500 for the engagement of consulting services to help with refinement of the Site and Building Guidelines. Motion was made by Mr. Geisenberger and seconded by Mr. Scoglietti. Motion passed.

Motion was also made to allocate \$32,850 for the Executive Director's use in contracting services to assist with the Historic Tax Credits in Phases 1 and more specifically with the Part 1 Evaluation of Significance, Part 2 Description of Rehabilitation and Part 3 Certification of Completed Work. Motion made by Mr. Geisenberger and seconded by Mr. Scoglietti. Motion passed.

VII. New Business

- A. Directors and Officers Insurance Coverage. Mr. Randol stated that he had engaged the services of Lockton to assist with the Corporation's insurance requirements. Directors and Officers coverage has been sent to the market for quotes and that he expected to have the coverage in place by the next Board meeting.
- B. DiSabatino has received 5 quotes ranging from \$270,000 to \$421,933 for demolition of the cottages, school and library. Mr. Randol will have DiSabatino present the bids for the Board's consideration at the February meeting.

VIII. Public Comment

None

IX. Adjourn

Mr. Cathcart asked for a motion to adjourn. The meeting was adjourned at 9:50 am.