

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

LOCATION: Grass Dale Center

Delaware City DE 19706

February 8, 2017

8:30 a.m.

Meeting Minutes

Board Members:

Susan Frank
David Small
Michael Morton
Bert Scoglietti
Courtney Stewart
Richard Cathcart
Herb Netsch
Dale Slotter
Laura Lee
Connie Holland

Staff:

Jeff Randol, Executive Director
Peggy Thomas, Site Manager
Max Walton, Counsel

Advisory Council Members:

Members of the Public:

Rachael Phillos
Andrew Roy
Tim Konkus
Billie Travolini
Tim Slavin

1) Call to Order

Ms. Frank called the Fort DuPont Redevelopment and Preservation Corporation Board of Directors meeting to order at approximately 8:30 a.m.

2) Minutes

Ms. Frank asked if there were any changes, questions or comments regarding the January 4, 2017 meeting minutes. Mr. Morton noted that he was in attendance and that the minutes should be amended to reflect accordingly. A motion was made by Mr. Netsch and seconded by Mr. Scoglietti to approve the minutes as amended. Motion carried.

3) Treasurer's Report

The treasurer's report (Exhibit A) was presented by Mr. Scoglietti as follows:

The Treasurer's Report shows income and expenses to February 3, 2017. Mr. Scoglietti noted that the January report contained unnecessary line items for commitments from May 2016 that had already been completed, so those items were consolidated under Liquidated Commitments. Also noted were small increases in the Duffield expenditures to account for incidental expenses.

The February report shows an unencumbered, uncommitted balance of \$419,141.48. Motion to accept the treasurer's report was made by Mr. Morton and seconded by Mr. Netsch. Motion carried.

Mr. Randol presented a Capital Budget Adjustment Report (Exhibit B) which showed \$213,246.48 available for additional expenditures after accounting for both capital and operating reserves and receivables.

Mr. Randol also presented a P&L for the Administrative account (Exhibit C). The report detailed income from contributions, rentals and expenses by category. Net expenses for the period to date was \$88,332.26.. The balance available for Administration of \$161,668 was reflected as a reserve item in the Capital Adjustment Report.

Mr. Scoglietti noted that the state budget, submitted in January, included \$2 million in funding for the Corporation. The request submitted to the state was and remains at \$2.5 million.

Legal

Mr. Walton commented as follows:

- A. Artesian Water Agreement: The sale agreement from Artesian was received on 2/1/17 and subsequently returned to them with changes. Mr. Randol has been reviewing the agreement and changes with Artesian and said that all changes had been accepted. The final agreement will be circulated shortly for signature. The agreement, per PSC, requires a 90-day Due Diligence period once signed. Mr. Walton also noted that the Waste Agreement and Stormwater Agreement had yet to be received from Artesian. Mr. Randol said that the focus has been on the Water Agreement and that during the PSC period that the remaining agreements would be prepared.
- B. The Agreement with Rockwell Development Group has been received. Mr. Walton noted that the Agreement is very long and detailed and is being reviewed. A conference call with RDC is scheduled for Friday, February 10 at 2:30 p.m. RDC is requesting First Right of Refusal for future parcels within the complex, which will be discussed during Friday's conference call.
- C. Homeowner's Association: Exhibit E, an email from Mr. Walton to Mr. Randol, outlines the HOA requirement as outlined under the Delaware Uniform Common Interest Ownership Act, which the Mr. Walton and Mr. Randol believes will relinquish control of

the design guidelines and has the potential to erode or conflict with the Corporation's mission for historic preservation. Discussion followed, and a motion was made to authorize the Corporation's Executive Director to seek exemption from DUCIOA (25 Del. C. §§81-101 to 421) through Bond Bill epilogue language. Motion made by Mr. Cathcart, second by Laura Lee. Motion carried.

- D. Mr. Walton distributed draft copies of Deed Restrictions for review by the board. Under Delaware law, deed restrictions are necessary to enable Design Guidelines to serve as a uniform, specific overlay for the community. The language in the Design Guidelines will need to be detailed and specific to make the Design Guidelines enforceable.
- E. The transfer of the National Guard parcel to the State of Delaware is in process and no further update at this time.
- F. The Quiet Title Action complaint is expected to be filed within the next week. This will transfer official ownership of the approximately 5500 sq. ft. parcel to the Corporation.
- G. MOU/Leases: Draft leases for state agencies were sent in May 2016 and are "in process" with OMB. Comment was made that the process is taking much longer than anticipated and feels as though it is not being processed with any sense of urgency, or perhaps there is some confusion with transition of new administration. MR. Randol mentioned that he and OMB facilities director are working on the template and he expects a draft from OMB within the next two weeks.

5) **Executive Director Report**

Exhibits E - H

Mr. Randol provided the Board with an update that included:

- A. A Status Report with updates noted in red. A copy of the report is attached as Exhibit D.
- B. An Engineering Scope and Timeline relating to permitting and design for the Canal District subdivision, marina, levy and state revolving loan fund. The list outlines what steps must be completed and milestones for design, permitting and funding. Notice of Intent for the state revolving loan fund was submitted to the state at the end of January.
- C. An RFP for Section 106 Review for the site, specifically the Bunkers and dike locations to discover anything of historic value. Mr. Slavin suggested that a programmatic agreement with DNREC be considered and that the 106 review encompass the entire historic district so that future 106 reviews could be avoided. The Board consensus was to seek one oversight agency, versus multiple consultations and reviews with multiple levels within multiple agencies, thus streamlining the process. Mr. Slavin and Mr. Small agreed to review the strategy and work with the Corporation's Executive Director to move the process forward.

- D. Status with the M&T loan. After putting FDRPC loans through preliminary approval process, M&T transferred loan applications from its Commercial Lending department to its Real Estate Lending department, then decided they no longer wanted to continue with the loan due in part to the Corporation not being able to provide a guarantee and the risk that historic tax credits might be revoked. Mr. Randol has moved the loan request to WSFS. The expectation is that there will be a term sheet for the Board to review at the March meeting. Until a loan is in place, Mr. Randol is slowing the pace of renovation.
- E. Mr. Randol suggested that proceeds from the sale of the water system to Artesian be used to create an internal line of credit.
- F. Estimated remediation of the Bunker is approximately \$100k.
- G. Marina RFP and marketing collateral is in progress. John McMahon has agreed, on a volunteer basis, to take the lead in promoting the Marina development to prospective developers.

6) Committee Reports

- A. Economic Development Committee – No official report was submitted. EDC will hold its next meeting on Wednesday, March 1, 2017.
- B. Project Funding Committee – See updates in Executive Director Overview, above.
- C. Historic Preservation Committee – Met on January 11, 2017 and worked on design element details. The HPC hopes to have a draft completed prior to March BOD meeting. Kevin Wilson, from Architectural Alliance, is assisting with the Design Guidelines and specific graphics for various design elements such as roof pitch, windows, etc. Street sign presentation was made to group and street sign design was selected and supported by the group. This will be addressed under New Business.
- D. Personnel Committee – No report

7) New Business

- A. Street Sign drawing and project estimate (Exhibit I) was reviewed by Peggy Thomas. Mr. Randol requested approval from the Board authorizing up to \$25k for purchase and installation of street signs. Motion was made for approval by Mr. Scoglietti, seconded by Mr. Small. Motion carried.
- B. Two companies are preparing proposals for windows in renovation of buildings (39, 25, 43 & 45). Preference is for restored windows, using new windows where no current or viable windows exist.
- C. Brightfields is currently conducting abatement studies of eight buildings so that we can

determine how much remediation will be needed, and to help guide decision as to how overall project will proceed. Abatement studies began today, 2/8/17.

- D. Mr. Randol commented, for informational purposes, that the abatement study of Payntor building (#53) was completed and the estimated cost of remediation is approximately \$300k.
- E. There are three scheduled events, with one more to be added tomorrow, 2/9/17. Signed agreements have been received from Diamond State Baseball Club, JRRWA (Whippets) and MAD Dogs, Inc. (Canine Frisbee). Hockessin Athletic Club will also be signing an agreement for a cycling fundraiser in the fall.
- F. Two new members have been added to the Board of Directors: Courtney Stewart, Secretary of State designee and Connie Holland, from the Office of State Planning.
- G. A rendering of the Chapel has been included in handouts (Exhibit J) to give an idea of what the proposed grading and wall will look like. New steps at front of building and ADA ramp will be added.

8) Public Comment

Billie Travolini expressed her desire for the children of Governor Bacon Health Center, who resided there between 1949-1984, to be honored in some manner, as part of the history of the complex.

9) Adjourn

There being no additional business to discuss, Mr. Cathcart made a motion to adjourn the meeting. Mr. Netsch seconded. Motion carried.