

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

The Fort Dupont Redevelopment and Preservation Corporation Board of Directors meeting was held on June 14, 2023 at the Delaware City Fire Hall, 815 5th Street, Delaware City, with Chair John McMahon presiding. Board members present were Mr. Bert Scoglietti (designee of Ruth Ann Jones, Controller General of the State of Delaware), Dr. Courtney Stewart (Office of Management and Budget), Mr. David Edgell (Office of State Planning Coordination), Mr. Kurt Foreman (Delaware Prosperity Partnership), Mr. David Baylor (Delaware City Manager) (departed at 9:11 a.m.), Mr. Kevin Whittaker (Resident of Delaware City), Mr. Michael Graci (Resident of Fort DuPont), Mr. Douglas Eriksen (Resident of Delaware City), Ms. Wendy Rogers (Resident of Fort DuPont), and Secretary Shawn Garvin (Department of Natural Resources and Environmental Control (DNREC) (arrived at 9:03 a.m.). Board members absent were Mr. Rony Baltazar-Lopez (Department of State), Senator Spiros Mantzavinos (Capital Improvements Committee), and Representative Sean Matthews (Capital Improvements Committee).

Staff members present were Mr. Tim Slavin – Executive Director, Ms. Janice Moturi – Deputy Director/Controller, and Ms. Pam Scott of Saul Ewing Arnstein and Lehr LLP.

**CALL TO ORDER**

Chair McMahon called the Fort DuPont Redevelopment and Preservation Corporation (FDRPC) Board of Directors meeting to order at 8:30 a.m.

**APPROVAL OF MINUTES – FORT DUPONT REDEVELOPMENT AND PRESERVATION CORPORATION (FDRPC) BOARD MEETING OF MAY 10, 2023**

**Mr. Baylor moved for approval of the FDRPC Board meeting minutes of May 10, 2023. The motion was seconded by Dr. Stewart and unanimously carried.**

**TREASURER’S REPORT**

Mr. Bert Scoglietti, Treasurer, reviewed the Fort DuPont Redevelopment and Preservation Corporation Budget vs. Actuals: FY2022-2023 - FY23 P&L for July 2022 – April 2023 and noted the following:

- **4202 Officers Row Ph1A** – The increase of \$206,899.16 reflects the sale of two lots on Officers Row, as mentioned at the previous meeting.
- **Total 6505 Prof Fees – Engineering** – This line item is up \$5,000 from the previous month.
- **6520R Prof Fees - Legal** – This line item is up approximately \$20,000 and is still within budget.
- **6721 Roundabout** – This line item is up approximately \$185,000 from the previous month and reflects the continued close-out of payments for the roundabout.
- **6738 Duplexes on OBL (6738-01 Building and 6738-02 Building)** – No change.
- **6748 Building 52-Tilton** – This line item is up approximately \$2,000 from the prior month and will have to be budgeted.
- **Total 6800 Site Utilities** – This line item is up approximately \$22,000 since last month and reflects ongoing activity.
- **Total 7000 Operating Expenses** – This line item is up \$2,700 for the month and is significantly under budget for the year.

- **7140 Landscaping Maintenance** – This line item is up approximately \$13,000 and is still within budget.
- **7145 Equipment Expense** – This line item is up approximately \$11,000 and is still within budget.
- **Total 7700 Payroll Expenditures** – This line item is up approximately \$37,000 and is tracking within budget.
- **Total Expenses** – This line item is up \$340,000 over the previous month with approximately half that amount being attributed to payments for the roundabout.

**Mr. Foreman moved for acceptance of the Treasurer’s Report, seconded by Mr. Graci and unanimously carried.**

### **EXECUTIVE DIRECTOR’S REPORT**

Mr. Tim Slavin, Executive Director, reviewed the Executive Director’s Monthly Report For the period May 1, 2023 to May 31, 2023 and noted the following:

#### **Capital Projects**

- **Marina Village**
  - **Plan of Record** – FDRPC is now proceeding with the Plan of Record for the second phase of development for Marina Village. The preliminary plan has been submitted to Delaware City for consideration by the Planning Commission and the Board of Adjustment. A hearing is scheduled with the Board of Adjustment on June 27, 2023 at 6:30 p.m. The path forward is through the City’s Planning Commission and City Council. Additional approvals from DNREC, DelDOT, the Nation Park Service, and the Office of State Fire Marshal are underway. The plan is to have all approvals, or as many as possible, in place for final consideration. Once the approvals are obtained, there will be a period where they have to test the surcharge area to see how much soil has to be brought in. Once that is done, it will sit for about a year while they measure the compaction rate and then the engineers will do the calculations of how much soil has to be brought in and how long that has to compact. There will probably be a period of approximately two years to get the approval, compaction, and surcharge completed and then it will be ready for Lennar to begin construction on that project.
  - **Remediation Plan Pending** – The remediation plan to address a small hot-spot of naturally-occurring arsenic is currently under review by DNREC.

There is a proposed plan for remedial action for Operating Unit 7, which is one of the brownfield sites in the Marina District. It is currently in public comment, which closes on July 3, 2023. There will be a period of time to ingest the public comments and receive feedback back from DNREC.

There is also a proposed plan of remedial action for Operating Unit 6, which is Old Battery Lane where they have two beautiful duplexes ready to go. They are waiting for permitting so that they can connect water and sewer. It is currently in public comment, which closes June 20, 2023.

- Revised Sediment and Stormwater Management Plan – The revised plan was submitted June 9, 2023.

Mr. Slavin advised that these are three of probably 14 or 15 different issues that they intersect with DNREC on and he wanted to cite the work of Morgan McGee Solomon from DNREC. All too often you hear complaints about public employees and Morgan has probably one of the more difficult tasks as she convenes working meeting of all these points of contact within DNREC, Fort Dupont, and with our contractors on a monthly basis. She keeps track of all this and keeps it moving along and she has really been very, very good at it.

## Operations

- **Real Estate Update**

- Two of the lots on Officers Row have closed.
- Three additional lots are under contract and scheduled to close in July.
- Lots 1305 and 1307 are under contract with a closing scheduled for July 21, 2023.
- Lot 1311 is under contract with the closing scheduled for July 31, 2023.
- Lot 1301, which is a buildable lot on the corner immediately diagonally across from the FDRPC offices, remains unsold. The lot has been held back because they were uncertain if they wanted to have that as a buildable lot, have it as open space, or sell it as a bordering lot with 1303 Officers Row, which is the house that is for sale.
- 1303 Officers Row continues to be listed at the original asking price of \$795,000. There has been a lot of activity, including an open house which brought 10 interested parties in.
- There are now two resale properties listed in the community and they are causing additional activity so they are beginning to see an uptick in the movement.

- **Audit** - The Fiscal Year 2022 (FY 22) financial audit that is being completed by Belfink, Lyons & Shuman, P.A. continues. Mr. Slavin thanked Janice Moturi and Crystal Pini McDaniel for their work and support. He noted that the record keeping that they inherited was really a challenge to deal with. They have provided a really strong response to the auditor and are ensuring that, not only are they answering the questions for FY 22, they are also establishing infrastructure for the Fiscal Year 2023 (FY 23) audit which will begin probably right after the FY 2022 audit is done. Mr. Slavin advised that, in some cases, they had to rebuild documentation by going back to the other party and asking for copies of the documentation.

- **Financial Policies** - Two draft financial policies were provided with the Executive Director's Report for informational purposes—the Purchasing and Procurement Thresholds and the Financial Reserves Policy. These policies will be brought before the Board for enactment with the proposed FY 24 operating and capital budget.

- Purchasing and Procurement Thresholds

The Purchasing and Procurement Policy sets out when they go to open market, when they need three letter bids, and when they need a full RFP for materiel, professional services, and public works.

- Financial Reserves Policy  
The Financial Reserves Policy, which may require a multi-year implementation, will get the FDRPC in a better financial position so that it has reserves for unbudgeted expenses. Mr. Slavin noted that they have deferred maintenance and a lot of structures that are eligible for storm damage or things like that and they do not have the readiness financially that they should have. The policy is part of a bigger effort to align their business practices with what the best practices should be for a non-profit organization.
- Method of Accounting  
The Corporation is transitioning from a cash basis to an accrual basis of accounting. Future expenses will be booked as future expenses rather than worrying about them later. It is anticipated that Fiscal Year 2024 could be financially challenging due to a limited revenue stream and contractual timed payments.
- Community Meeting  
A community meeting was held on Monday, June 5, 2023 to discuss policing and public safety issues relative to the Fort DuPont streets being dedicated to Delaware City and the Declaration of Covenants.
- Strategic Plan  
The strategic plan has been progressing in the information gathering phase and is coming to a close at the end of the week. Delaware Alliance for Nonprofit Advancement (DANA) has used a mix of one-on-one interviews, focus groups, a town hall meeting, and an online survey which will close Saturday. DANA will provide their assessment of what they heard and how that distills down into some of the values they were hearing and help to shape the mission and the vision. The Strategic Planning Committee will then work with DANA on a draft strategic plan for presentation to the full FDRPC Board, possibly at the end of the next Board meeting.

Mr. Bert Scoglietti (designee of Ruth Ann Jones, Controller General of the State of Delaware/FDRPC Treasurer) stated that he was encouraged to see that the Financial Reserves Policy included a reserve for ongoing maintenance to address maintaining some of the rental units, including plumbers, painting, and appliance repairs/replacement. He noted that forward financial thinking was required to accommodate some of those charges.

Mr. David Baylor (Delaware City Manager) noted that they should start planning for the possibility that they will not get some of the revenues from the State and figure out how they are going to address it, such as economic development with the existing buildings. He noted that Delaware City does not have the financial wherewithal to take over the operation so they are in this together with Fort DuPont.

Mr. Slavin provided a timeline for the remaining approvals necessary and the work to be done to have the two duplexes ready.

**Mr. Baylor moved for acceptance of the Executive Director's Report, seconded by Mr. Graci and unanimously carried.**

## **COMMITTEE REPORTS**

### Design and Historic Preservation Committee Meeting of April 24, 2023

Mr. Doug Eriksen, Chair of the Design and Historic Preservation Committee reviewed the committee's report of April 24, 2023.

**Mr. Foreman moved for acceptance of the report, seconded by Mr. Scoglietti and unanimously carried.**

### Design and Historic Preservation Committee Meeting of May 22, 2023

Mr. Doug Eriksen, Chair of the Design and Historic Preservation Committee reviewed the committee's report of May 22, 2023.

**Mr. Foreman moved for acceptance of the report, seconded by Mr. Scoglietti and unanimously carried.**

## **REQUEST OF MARK DONALDSON, 815 CRAWFORD LANE, TO PURCHASE PARCEL 20-009.00-205**

Chairman McMahon advised that this item would be considered in Executive Session.

## **UPDATE ON THE BRANCH CANAL OWNERSHIP ISSUE**

Ms. Pam Scott of Saul Ewing Arnstein and Lehr LLP, FDRPC legal counsel, advised that the attorney for DNREC is responsible for contacting the attorney for the U.S. Army Corp of Engineers (USACE) and he has reached out to them. The attorneys will meet again to further the conversation.

Mr. David Baylor, City Manager – Delaware City, expressed his frustration that this issue has been discussed for years with no resolution and requested the Board Members to stand with him in saying that it is unacceptable. He suggested contacting the congressional delegation to make them aware that there has been no movement on the issue. Mr. Baylor noted that it was not fair to the Corporation or to Delaware City. Chair McMahon concurred with Mr. Baylor's comments.

Secretary Garvin advised that they were still trying to determine who at the USACE headquarters was handling this matter. He noted that it was fair at this point for Delaware City to reach out to the congressional delegation if they felt they needed to. Mr. Baylor stated that he saw Senator Coons at a state police function and he asked about it and asked to be updated. Mr. Baylor asked Secretary Garvin to update him on the status and if by the end of the month he has not heard anything, he will recommend that Delaware City Council reaches out to the congressional delegation.

## **DELAWARE CITY UPDATES**

Mr. David Baylor, City Manager – Delaware City, provided the following updates:

### Community Meeting

A community meeting was held to discuss policing and public safety issues relative to the Fort DuPont streets being dedicated to Delaware City. Mr. Baylor noted that the plan that was developed was driven by public safety and stated that they would reconvene with the residents in October to assess how things were going.

Adoption of Ordinances

Delaware City Council recently adopted ordinances that govern special use permits and mobile vendors. Mr. Baylor advised that the ordinances would take effect July 1<sup>st</sup> and that they are working with Fort DuPont on how it impacts them.

Blue Water Property Concern

Mr. Baylor advised that he is concerned with how the Blue Water property looks and he has not been able to contact them. He also noted that Delaware City would like a project timeline for the development of the property.

**PUBLIC COMMENT**

None.

**RECESS INTO EXECUTIVE SESSION - POTENTIAL SALE OF PROPERTY**

**Mr. Edgell moved to recess into executive session, seconded by Mr. Foreman and unanimously carried.**

Meeting recessed at 9:11 a.m.

Meeting reconvened at 9:21 a.m.

**POTENTIAL ACTION ON POTENTIAL SALE OF PROPERTY**

Mr. Tim Slavin, Executive Director, advised that no action was taken and that the Board would be seeking additional information from legal counsel.

**NEXT MEETING DATE**

Mr. Slavin advised that he had a conflict with the next meeting date, July 12, 2023 at 8:30 a.m. He suggested either holding the meeting that evening if the space was available or cancelling the July meeting.

**ADJOURNMENT**

**Mr. Eriksen moved for adjournment, seconded by Mr. Whittaker and unanimously carried.**

Meeting Adjourned at 9:23 a.m.

APPROVED: August 9, 2023