

FORT DUPONT REDEVELOPMENT AND PRESERVATION CORPORATION
BOARD OF DIRECTORS MEETING

The Fort Dupont Redevelopment and Preservation Corporation Board of Directors meeting was held on July 10, 2024 at the Delaware City Fire Hall, 815 5th Street, Delaware City, with Chair John McMahon presiding.

CALL TO ORDER

Chair McMahon called the Fort DuPont Redevelopment and Preservation Corporation (FDRPC) Board of Directors meeting to order at 9:40 a.m.

BOARD MEMBERS PRESENT

Mr. David Edgell (Office of State Planning Coordination)
Secretary Shawn Garvin, Department of Natural Resources and Environmental Control (DNREC)
Mr. Michael Graci (Fort DuPont Resident)
Ms. Britney Loveland (Interim Delaware City Manager)
Ms. Ruth Ann Miller (Controller General of the State of Delaware)
Ms. Wendy Rogers (Fort DuPont Resident)
Dr. Courtney Stewart (Office of Management and Budget)

BOARD MEMBERS ABSENT

Mr. Rony Baltazar-Lopez (Secretary of State)
Mr. Doug Eriksen (Delaware City Resident)
Mr. Kurt Foreman (Delaware Prosperity Partnership)
Ms. Winvenia Graham (Delaware City Resident)
Senator Spiros Mantzavinos (Chair, Bond Bill Committee)
Representative Sean Matthews (Co-Chair, Bond Bill Committee)

STAFF MEMBERS PRESENT

Mr. Tim Slavin, FDRPC Executive Director
Mr. Bert Scoglietti (designee of Controller General of the State of Delaware)
Mr. Richard Forsten, Saul Ewing Arnstein and Lehr LLP.
Ms. Pam Scott, Saul Ewing Arnstein and Lehr LLP.
Ms. Crystal Pini-McDaniel, FDRPC Operations Manager

OTHERS PRESENT

Ms. Grace Mudrick, NAI Emory Hill
Mr. Bernhard Hansen

APPROVAL OF MINUTES – FORT DUPONT REDEVELOPMENT AND PRESERVATION CORPORATION (FDRPC) BOARD MEETING OF JUNE 12, 2024

Dr. Stewart moved for approval of the FDRPC Board meeting minutes of June 12, 2024. The motion was seconded by Mr. Graci and unanimously carried.

TREASURER'S REPORT

Mr. Bert Scoglietti, Treasurer, reviewed the Fort DuPont Redevelopment and Preservation Corporation Budget vs. Actuals: Budget FY 24 P&L Draft 1 – FY24 P&L for July 2023 - June 2024 as of May 2024 and noted the following:

- 4010 State Appropriation – The rest of the FY24 appropriation from the state was drawn down in May. That number is at \$2.25 million under actual, which is actually up \$775,000. That was their last draw for the year.
- 6500 Professional Fees – In total, professional fees for May were up about \$75,000 in May. This includes engineering fees, which were up about \$35,000 and Legal and Accounting, which were up a total of about \$30,000.
- 6711 Building 20–PX – This line items is up \$16,000 and the work continues on that building.
- 6700 Total Improvements are up a total of \$33,000 in the month of May.
- 6800 Total Site Utilities – This line item is up \$15,000, but a lot of that is back-billed to some of the rentals.
- 7000 Operating Expenses – This line item is up by \$9,000.
- 7100 Common Area Maintenance – This line item is up about \$33,000, of which, as you expect, going from the spring to the summer, lawn care is up \$11,000 and landscaping is up about \$22,000 as the grounds need to be maintained.
- 7740 Total Salaries and Wages – These expenses are up about \$54,000 for the month of May and are tracking within budget.

Mr. Scoglietti noted that total expenses were up about \$255,000 over the month of April and the net income bottom line is showing a small positive because of the drawdown of the state money in the month of May.

Dr. Stewart moved for acceptance of the Treasurer's Report, seconded by Secretary Garvin and unanimously carried.

EXECUTIVE DIRECTOR'S REPORT

Mr. Tim Slavin, Executive Director, reviewed the Executive Director's Monthly Report for the period June 1, 2024 to June 30, 2024 and noted the following:

Bio basin Project – The first of three bio basins is 90% complete. Work will soon begin on the second bio basin, with elevation staking expected next week. The same crew will continue working on bio basins along Cook Street.

Battery Lane Duplexes – A pre-construction meeting was held with DNREC, and A-DEL Construction is the contractor. Mobilization with erosion and sediment controls is set for the following week, with DNREC inspecting those controls before work starts. There is a supply chain issue with catch basins and manhole covers, which A-DEL is coordinating with the county to resolve. Once this is addressed, work can proceed.

Surplus Warehouse on Old Battery Lane – The surplus warehouse on Old Battery Lane will receive a new roof, with mobilization planned in the next day or two. The roof replacement is expected to take two to three days. The decision to proceed immediately, despite the heat, aims to quickly improve the property.

Roof work is frequent due to insurance coverage requirements. With a switch to a new insurance carrier, attention to roof conditions is necessary to avoid higher premiums.

Chapel and Theater Projects – The chapel needs work on the doors and entranceway to complete the exterior shell and the theater requires replacement of the failing porch and work on the exterior doors. Both projects will mobilize shortly.

Land Use Planning Committee – The work of the committee is making its way into the community. A presentation was made before the Planning Commission the previous week and was well received. A presentation will be made before the Mayor and Council on Monday, July 15, 2024 and then there will be a community information presentation on the land use planning sessions and updating residents of Delaware City on some of the capital projects.

Branch Canal Revetment – All necessary submissions for the Branch Canal Revetment project are under review by the Army Corps of Engineers. There is no estimated timeline for the review, but efforts are ongoing to expedite the process, including escalating if necessary.

Marina Village 6F Swapping of Protections Issue – Mr. Michael Tholstrup from DNREC has coordinated with the State Historic Preservation Office to set up a meeting to assess the cultural resources affected by the proposed land swap related to 6F protections. This assessment will detail the significance of the site, adverse effects of the removal, and future consequences on the National Register of Historic Districts, as part of the Section 106 consultation. Information on previous public involvement needs to be compiled, much of which is already available and needs repackaging. Additionally, consultation with federally recognized tribes under the National Historic Preservation Act is required and is in process.

Real Estate – 1311 Officers Row is still available for sale.

FY2025 Funding Update – For FY2025, the appropriation in the bond bill remained level at \$2.25 million, unchanged from last year. The request for a higher amount was not included in the Governor's recommended budget and did not change during the legislative process. Two proposals submitted to the Community Reinvestment Fund, totaling \$1.1 million for the theater and chapel, were not funded. Further details will be discussed when addressing the draft budget.

Yorkston Consulting - Friends of Fort DuPont – According to the strategic plan, this organization is now prepared to begin its activities. Initial board appointments will be made soon, starting with five members, to establish and adopt bylaws and key nonprofit policies.

The adopted set of bylaws only require amendments now. Additionally, Friends of Fort DuPont has its tax number and 501(c)(3) status, with its corporate status also in place, making them ready to proceed.

The goal is to have a total of nine to twelve board members by the end of the year, and staff is currently working on generating interest for these positions. The bylaws specify that one board member from the FDRPC board will serve as a liaison on the new board. Staff is are eager to move forward and support this initiative.

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

COMMITTEE REPORTS

FDRPC Executive Committee Meeting of February 26, 2024

Dr. Stewart moved for acceptance of the FDRPC Executive Committee Report of February 26, 2024. The motion was seconded by Mr. Edgell and unanimously carried.

FDRPC Finance and Audit Committee Meeting of May 13, 2024

Dr. Stewart moved for acceptance of the FDRPC Finance and Audit Committee Report of May 13, 2024. The motion was seconded by Mr. Edgell and unanimously carried.

FY 2025 DRAFT OPERATING AND CAPITAL BUDGET

Mr. Tim Slavin, Executive Director, reviewed the preliminary draft budget and noted that it would be revisited for final approval in August. He advised that the budget has been created with very conservative revenue projections, assuming level funding from our appropriation and minimal additional revenue. Potential revenue sources include property sales, federal grants, and financing existing properties. Any resulting additional revenue will lead to an amended budget.

Mr. Slavin explained that revenue projections are notably lower than in previous years, reflecting the anticipated challenging year. Expenses have also been conservatively estimated. Capital projects are projected at \$698 in the budget, with many more potential projects identified that are not yet funded. These projects will be authorized as revenue permits, with careful sequencing for cash flow management. Multi-year projects are budgeted across fiscal years, and some may be eligible for external funding.

Mr. Slavin noted, on the operational side, a 2% salary increase for five employees is projected, excluding himself and Ms. Moturi, whose salaries remain unchanged. New insurance benefits, including short-term and long-term disability and term life insurance, are being added, with costs shared following state guidelines.

Looking ahead to fiscal year 2025, they need to advocate more strongly for state support for deferred maintenance and infrastructure needs, and diversify revenue sources. This involves creating revenue-producing properties, potentially borrowing against assets, renegotiating existing agreements, and considering property sales. The goal is to make smart decisions to avoid being forced into asset sales due to revenue shortfalls.

DELAWARE CITY UPDATES

Ms. Britney Loveland, interim Delaware City Manager, provided the following Delaware City Updates:

- The town's ongoing camera upgrade project is nearing completion, particularly the Delmarva Tower portion.
- The HVAC project at the community center is in progress and will continue through September.
- A generator upgrade project for the community center is in the early stages, preparing for bids.
- Proposals are being gathered to improve the ADA ramp, stairs, and front doors at the library.

Mr. Tim Slavin, FDRPC Executive Director, introduced Mr. Dave Tarley, the newest member of Delaware City Council.

PUBLIC COMMENT

Mr. Tim Dilliplane, 118 Clinton Street, Delaware City, asked about the meadow they have let grow in the rustic area of the parade ground. Mr. Tim Slavin, FDRPC Executive Director, advised that they created a no-mow zone, turning it into a meadow in the parade ground. The grass will not grow much higher, and it will likely be mowed in the fall. He noted that it has been very popular.

RECESS INTO EXECUTIVE SESSION

Secretary Garvin moved to recess into Executive Session pursuant to 29 Del. C. §10004(b)(2) Preliminary discussions on site acquisitions for any publicly funded capital improvements, or sales or leases of real property and §10004(b)(9) Personnel matters in which the names, competency and abilities of individual employees or students are discussed, unless the employee or student requests that such a meeting be open. The motion was seconded by Dr. Stewart and unanimously carried.

The meeting recessed at 9:40 a.m.

RECONVENE

Mr. Edgell moved to reconvene the FDRPC Board meeting, seconded by Secretary Garvin and unanimously carried.

The meeting reconvened at 10:39 a.m.

ACTIONS TO BE VOTED UPON FROM EXECUTIVE SESSION

None.

NEXT MEETING DATE

The next meeting is scheduled for August 14, 2024, at 9:30 a.m.

ADJOURNMENT

Mr. Edgell moved for adjournment, seconded by Dr. Stewart and unanimously carried.

The meeting adjourned at 10:40 a.m.

APPROVED: August 14, 2024