

**MAYOR AND COMMISSIONERS MEETING
CITY OF REHOBOTH BEACH**

July 7, 2014

The Workshop Meeting of the Mayor and Commissioners of the City of Rehoboth Beach, was called to order at 9:01 a.m. by Mayor Samuel R. Cooper on Monday, July 7, 2014 in the Commissioners Room in City Hall, 229 Rehoboth Avenue, Rehoboth Beach, DE.

City Solicitor Glenn Mandalas gave the Invocation followed by the Pledge of Allegiance.

ROLL CALL

Present:	Commissioner	Toni Sharp
	Commissioner	Patrick Gossett
	Commissioner	Bill Sargent
	Mayor	Samuel R. Cooper
	Commissioner	Stan Mills
	Commissioner	Lorraine Zellers

Absent: Commissioner Mark Hunker

Also in attendance was: City Manager Sharon Lynn
City Solicitor Glenn Mandalas

CORRESPONDENCE

Email dated July 3, 2014 from Paul and JoAnn Hersh, 47 Oak Avenue, submitted in reference to the upcoming joint meeting between the Planning Commission and Board of Commissioners and voicing concern with extremely high levels of noise from renters at a pool area.

OLD BUSINESS

There was none.

NEW BUSINESS

Mayor Cooper called to discuss the plan document related to the establishment of an IRC 457(b) Deferred Compensation Plan for the City's full-time employees.

Copies of the draft Plan document were distributed to the Commissioners prior to the meeting.

Mayor Cooper noted that the draft document sets out all the terms of the IRC 457(b) Deferred Compensation Plan. The Plan will be available to all full-time employees of the City. Representatives of MassMutual will present the Plan to the employees. This is not a savings plan. It is tax deferred, and no money can be taken out of the Plan except in extreme emergencies until a person leaves the employment of the City. Borrowing from the Plan will not be allowed even for emergency purposes. The City is the plan sponsor, and it is responsible for the Plan. Massachusetts Mutual will do all the bookkeeping for the City. The employees will be able to elect to invest their money in mutual funds. It is incumbent upon the people who administer this Plan to have a process. The limit under the Federal government is \$16,000.00 per year. The employees will elect to have monies deducted from their wages or salary before taxes are taken out. Mayor Cooper inserted that the employer may at any time by affirmative vote of the Commissioners either prospectively or retrospectively amend the plan by notifying participants of such action. There are no fees associated for the City with this Plan. Every year, the mutual funds take a small percentage of what is invested and Mass Mutual gets a percentage of that percentage to compensate them for operating the Plan. The funds will be forwarded to Mass Mutual on a monthly basis through payroll deductions, and ADP will handle this. The funds are exempt from income taxes, but not exempt from Social Security and FICA. The effective date for this Plan is August 1, 2014.

Commissioner Patrick Gossett commented that this is an employee benefit which can be added with no cost to the City. Representatives will explain the Plan on an annual bases for people to participate in it. There is an administrative document that will go along with the Plan of the relationship between Mass Mutual and the City in getting things done.

Mayor Cooper called to discuss a draft resolution necessary to apply for a Delaware Water Advisory Council planning grant for a project titled "Preliminary Design Report" associated with the renewal of the City's biosolids

permit.

Mayor Cooper said that the sludge which is generated at the wastewater treatment plant is injected into a farm field. The permit for this process is up for renewal. As part of the renewal process, the City has to analyze the sludge, look at the farm field and the soils, what the limiting factor is in how much sludge can be applied, etc. The City has a contract with GHD which has a representative who will do that work. It was suggested by GHD that the City should apply for a grant from DNREC to do that work. This grant is designed to generate the data that the City needs to apply for the permit. The contract to GHD would be in the amount of \$23,800.00. The grant is a matching grant. The City will be applying for a \$11,000.00 grant. The Clean Water Infrastructure Advisory Council has approved the grant at its June 2014 meeting. The City Manager has promised the Council this resolution. The resolution is to assure that there is a governing body behind this project. Mayor Cooper read the resolution.

CITY MANAGER'S REPORT

City Manager Sharon Lynn reported that the City had a successful fireworks event on July 4th. Everything went as smoothly as possible. A debriefing will occur this week. Bike racks have been installed at Oak & Surf Avenues last week under the direction of DNREC. An additional bike rack was located Surf & Park Avenues. Some modifications were made to bike rack area at Surf & Pennsylvania Avenues to make that area more passable. The independent auditors from Barbacane & Thornton have completed their two week review of the fiscal year ending March 31, 2014. They will return in Fall 2014 to meet with the Audit Committee and prepare their documentation.

COMMITTEE REPORTS

There were no reports.

CITY SOLICITOR'S REPORT

City Solicitor Glenn Mandalas reported that House Bill No. 333 has passed and will clarify what taxing authority municipalities have regarding the general powers clause. The Bill basically says that any taxes that are currently in place can continue, and increases in those taxes are not stopped by this Bill. Any new taxes that are not specifically allowed for in the Charter must go before the General Assembly.

COMMISSIONER ANNOUNCEMENTS/COMMENTS

Commissioner Gossett has continued to work with the representative from PTA/DelVal on additional materials with regard to the city-wide reassessment and formal appeal hearings that were conducted. This information will be forwarded to the Commissioners today.

DISCUSS ITEMS TO INCLUDE ON FUTURE AGENDAS.

Items to be included on the next Regular Meeting agenda are: 1. Adoption of the IRC 457(b) Deferred Compensation Plan. 2. Adoption of the resolution to apply for a Delaware Water Advisory Council planning grant.

Items to be included on the agenda for the August Workshop Meeting are: 1. Electric vehicle charging stations. 2. Merge/unmerge topic.

CITIZEN COMMENT

Mr. Walter Brittingham, 123 Henlopen Avenue, commented the bicycle impact in North Rehoboth is huge, and there is no enforcement. People on bicycles are going down the street the wrong way. The same occurs for pedestrians. Signage is also needed. He suggested that solutions should be discussed at the next meeting.

The next Regular Meeting will be held on July 18, 2014 at 7:00 p.m.

There being no further business, Mayor Cooper adjourned the meeting at 9:29 a.m.

Respectfully submitted,

(Lorraine Zellers, Secretary)