



July 15, 2008

**WORK SESSION  
MAYOR AND CITY COUNCIL  
TOWN OF OCEAN CITY**

---

---

In attendance: Mayor Rick Meehan, Council President Joe Mitrecic, Council Secretary Nancy Howard, Council Members Jim Hall, Jay Hancock, Mary Knight, Lloyd Martin and Margaret Pillas, City Manager Dennis Dare, City Solicitor Guy Ayres, Assistant to City Manager Kathy Mathias, Public Works Maintenance Superintendent Bruce Gibbs, Public Works Director Hal Adkins, City Engineer Terry McGean, Tourism/Convention Center Director Mike Noah, Public Works Wastewater Superintendent Charlie Felin, Deputy City Clerk Kelly Allmond, Members of the Press and Interested Parties.

Council President Joe Mitrecic called this work session to order at 12:08 p.m.; then, **Council Member Mary Knight moved to convene into closed session to discuss legal, personnel and contractual matters; seconded by Council Secretary Nancy Howard. The vote was 6-0 with Council Member Jay Hancock absent.**

The Open Session reconvened at 1:12 p.m..

1. Council President Joe Mitrecic reported on the closed session held just prior to this open session at 12:00 p.m.. Topics of discussion were: (1) to discuss the appointment, employment, assignment, removal or resignation of appointees, employees or officials over whom it has jurisdiction; or any other personnel matter that affects one or more specific individuals; (2) to consult with counsel to obtain legal advice; (3) to consult with Staff, Consultants or other individuals about pending or potential litigations; (4) comply with a specific constitutional, statutory or judicially imposed requirement that prevents public disclosures about a particular proceeding or matter; (5) to discuss a matter directly related to a negotiation strategy or the contents of a bid or proposal if public discussion or disclosure adversely impacts the public body's ability to competitively bid or make proposals. Persons present were Mayor Rick Meehan, Council President Joe Mitrecic, Council Secretary Nancy Howard, Council Members Jim Hall, Jay Hancock, Mary Knight, Lloyd Martin and Margaret Pillas, City Manager Dennis Dare, City Solicitor Guy Ayres, Assistant to City Manager Kathy Mathias, Risk Management Director Eric Lagstrom, Jeff Thaler, Susan Davis, John Rozankowski, Alfred Harrison and Hank Westfall. **Council Member Jim Hall moved to grant Beach Equipment Operator Emily Jackson's request for an extension on the July 15<sup>th</sup> Franchise payment to July 31, 2008, as long as partial payment is received by the close of business on July 15, 2008; seconded by Council Member Lloyd Martin. The vote was unanimous.**
2. In accordance with the Town's Employee Recognition Program, Water Department Superintendent Perry Linz introduced Water Department Employees Leabelle Chilcoate and Rick Slumski.

Inserted  
Item

Mayor Meehan advised that he and Council Member Pillas, attended a public hearing held by the U.S. Navy regarding the Virginia Capes Range Environmental Impact Statement. He asked the presenters to reiterate this Hearing in this Work Session.

David Noble of the United States Navy Fleet Forces Command in Norfolk, and Paul Beckley, Commander of the Fleet Area Control and Surveillance Facility presented a summary of the Draft Environmental Impact Statement for offshore, inshore and onshore naval combat training

Mayor Meehan and Mr. Nobel emphasized that public hearing remains open for public comment (see Attachment A).

3. Dave Blazer, Maryland Project Manager and Jim Lanard, Strategic Planning Director for Bluewater Wind gave a presentation on their proposed offshore wind park in Maryland (see Attachment B). Several Council Members and the Mayor expressed concern for the visual impact of the wind turbines.
4. Public Works Director Hal Adkins requested permission to purchase a **Tri-Axle Dump Truck**, from Barr International Inc., under the Delaware State Contract, for \$141,226.00 (FY09 Equipment Trust Fund Allocation = \$142,000.00). **Council Member Jim Hall moved to approve; seconded by Council Member Mary Knight. The vote was 6-0 with Council Member Lloyd Martin absent.**
5. Director Adkins requested permission to purchase a **Backhoe Loader** from Alban Tractor Company, Inc., under the Commonwealth of Pennsylvania Contract, for the amount of \$90,366.00 (FY09 Equipment Trust Fund Allocation = \$92,500.00). **Council Member Jim Hall moved to approve; seconded by Council Member Mary Knight. The vote was unanimous.**
6. Public Works Maintenance Superintendent Bruce Gibbs requested permission to sole source purchase a **Barber Surf Rake** from H. Barber & Sons, Inc., for the amount of \$50,020.00 (FY09 Budget Allocation = \$56,000.00). **Council Member Jim Hall moved to approve; seconded by Council Secretary Nancy Howard. The vote was unanimous.**
7. Public Works Wastewater Superintendent Charlie Felin requested permission to purchase one (1) **secondary clarifier drive unit**, in the amount of \$28,407.50 (FY09 Budget Allocation = \$30,000.00); and, one (1) **primary clarifier drive unit**, in the amount of \$38,000.00 from Sherwood Logan. Mr. Felin explained that the existing primary clarifier is failing and that the FY09 Budget included funding for such contingency items **Council Member Jim Hall moved to approve; seconded by Council Secretary Nancy Howard. The vote was unanimous.**
8. Public Works Director Hal Adkins requested approval to contract with Verizon and Delmarva Power to bury utility wires on 36<sup>th</sup>, 37<sup>th</sup>, 38<sup>th</sup>, 41<sup>st</sup>, 50<sup>th</sup>, 59<sup>th</sup>, 10<sup>th</sup> Streets and miscellaneous poles on Wight Street, for the sum of \$339,061.00 (funded by the FY09 Capital Project budget for "Undergrounding" utility wires). **Council Secretary Nancy Howard moved to approve; seconded by Council Member Jay Hancock. The vote was unanimous.**
9. City Engineer Terry McGean requested permission to sole source purchase **Information Kiosks for the Convention Center** from Adler Display, for the amount of \$68,982.00 (FY09 Budget Allocation = \$69,500.00). **Council Member Mary Knight moved to approve; seconded by Council Secretary Nancy Howard. The vote was unanimous.**

Inserted  
Items

- o **Council Member Jim Hall moved to approve Special Events Director John Sullivan's request to raise the 12oz beer prices (for municipal events) to \$3.00, and, to increase the Town's per keg vendor fee to \$60.00 per keg; seconded by Council Member Lloyd Martin. The vote was unanimous.**
  
- o City Manager Dennis Dare requested permission to exclude St. Louis Avenue from the Trolley route due to moderate to low patronage. He said the trolley will continue to travel from South Division to the Convention Center via Baltimore and Philadelphia Avenue.  
  
Further, Public Works Director Hal Adkins advised that the Maryland Transit Authority awarded a grant to fund 100% of the trolley's operating costs (projected as \$131,000.00).  
**Council Secretary Nancy Howard moved to approve streamlining the trolley service; seconded by Council Member Jim Hall. The vote was unanimous.**
  
- o **Council Secretary Nancy Howard moved to ask the Mayor to compose a letter to United States Senators Barbara Milkulski and Ben Cardin, Maryland Representative Wayne Gilchrest, Republican Congressional Candidate Andy Harris and Democratic Congressional Candidate Frank Kratovil opposing President Bush's proposal to lift the ban on off-shore drilling; seconded by Council Member Jim Hall. The vote was 5-2 with Council Member Mary Knight and Council Member Lloyd Martin in opposition.**

**Council Member Jim Hall moved to adjourn at 3:20 p.m.; seconded by Council Member Mary Knight. The vote was 6-0 with Council Secretary Nancy Howard absent.**

### Written Comments

- Submit written comments tonight
- Submit written comments online at [www.vacapessrangecomplexeis.com](http://www.vacapessrangecomplexeis.com)
- Mail or fax written comments for receipt by August 11, 2008 to:  
Naval Facilities Engineering Command, Atlantic  
6506 Hampton Blvd.  
Attn: Code EV22ES (VACPES EIS/OEIS PM)  
Norfolk, VA 23508-1278  
Fax: (757) 322-4894

## Virginia Capes (VACPES) Range Complex

### Draft Environmental Impact Statement / Overseas Environmental Impact Statement (EIS/OEIS)

July 2008

### Public Hearing Agenda

- Environmental Regulations and Laws
- Purpose and Need
- Results from the Draft EIS/OEIS Analysis
- Mitigation and Monitoring
- Public Comment Information

### Environmental Laws and Regulations

- National Environmental Policy Act (NEPA)/Executive Order 12114
- Marine Mammal Protection Act (MMPA)
- Endangered Species Act (ESA)
- Magnuson-Stevens Fisheries Conservation and Management Act (MSFCMA)
- Coastal Zone Management Act (CZMA)



### Purpose

- Train U.S. Navy & Marine Corps Sailors, Airmen & Marines
- Support Fleet training & readiness requirements
- Develop & maintain tactical proficiency & skills
- Prepare U.S. Naval forces for overseas theater deployment

Two images: the top one shows a person in a cockpit wearing a headset, and the bottom one shows an aircraft carrier at sea with a helicopter nearby.

### Need

- Title 10 of the United States Code, Section 5062
- Requires Navy to be "organized, trained, and equipped primarily for prompt and sustained combat incident to operations at sea"

A photograph of a person in a cockpit wearing a headset, looking upwards.

### Proposed Action

To conduct current and emerging training in the VACAPES Range Complex

- mine warfare exercises
- gunnery exercises
- bombing exercises
- missile exercises
- air combat maneuvers
- vessel movement

### No Action Alternative

-Training in the VACAPES Range Complex would continue at current numbers and locations

### Alternative 1

- Increase and modify training  
Needed to accommodate national security contingencies and provide the flexibility needed for training exercises.
- Expand Warfare Missions  
Reconfiguring ships and forces for rapid short-term events (Maritime Security Surge Surface Strike Group Training)
- Force Structure Changes  
Conduct training for MH-60S helicopters and establishing Mine Neutralization Training Area

### Alternative 2 (Preferred Alternative)

Includes implementation of Alternative 1 plus:

- Designation of instrumented mine warfare training areas
- Additional increases in operations (associated with mine warfare training)
- Reduction of live bombing exercises.

### Effects Analysis

Of the potential environmental stressors considered for the analysis of environmental consequences, these stressors were carried forward for detailed analyses:

- Vessel movements
- Aircraft Overflights
- Towed Mine Warfare Devices
- Temporary mineshape deployment/recovery
- Non-explosive practice munitions
- Underwater detonations and high explosive ordnance
- Military expended materials

### Acoustic Effects Analysis

**Marine Mammals**

- Stress
- Temporarily leave area or change behavior
- Permanent or temporary reduction in hearing sensitivity
- Mortality

**Sea Turtles**

- Possible altered behavior
- Permanent or temporary hearing loss
- Mortality

**Fish**

- Possible short-term, behavioral responses

### Effects Analysis

**National Environmental Policy Act (NEPA)**

- No significant impacts

**Magnuson-Steves Fishery Conservation and Management Act (MSFCMA)**

- The Navy completed an Essential Fish Habitat Assessment and concluded no adverse impact

**Marine Mammal Protection Act (MMPA)**

- The Navy is consulting with the National Marine Fisheries Service to obtain a Letter of Authorization for anticipated harassment to marine mammals

**Endangered Species Act (ESA)**

- The Navy is consulting with the National Marine Fisheries Service and U.S. Fish and Wildlife Service for federally listed species

### Marine Species Mitigation

- Lookout training to observe marine species
- Specific mitigations for training activities

- Lookouts on all ships, aircraft, and submarines
- Passive acoustic detection
- Safety zones
- Protective measures during vessel transits for migrating North Atlantic right whales



### Marine Species Monitoring

- Integrated Comprehensive Monitoring Program
- Utilization of various monitoring tools

- Visual observations
- Acoustic monitoring
- Photo identification and tagging
- Oceanographic and environmental data collection

### Marine Mammal Research

- Navy has funded \$26 million in 2008
- Funds 70% of all U.S. research on human-generated sound
- Funds 50% of worldwide research on human-generated sound
- Major topics include
  - Distribution and habitat
  - Mitigation
  - Effects of sound
  - Sound Field Characteristics

### Schedule

- Draft EIS/OEIS Available June 27, 2008
- Public Hearings July 14-17, 2008
- Comment Period Ends August 11, 2008
- Final EIS/OEIS Available March 2009
- Record of Decision April 2009

### Written Comments

- Submit written comments tonight
- Submit written comments online at:  
[www.vacapesrangecomplexeis.com](http://www.vacapesrangecomplexeis.com)
- Mail or fax written comments for receipt by August 11, 2008 to:  
Naval Facilities Engineering Command, Atlantic  
6506 Hampton Blvd.  
Attn: Code EV22ES (VACAPES EIS/OEIS PM)  
Norfolk, VA 23508-1278  
Fax: (757) 322-4894



July 11, 2008

Mayor Rick Meehan and the Ocean City Town Council  
Ocean City City Hall  
301 Baltimore Avenue  
Ocean City, Maryland 21842

Dear Mayor Meehan and Council Members:

Bluewater Wind is proud to report that we have entered into a long-term contract in Delaware with Delmarva Power for the sale of electricity from the offshore wind park we will build 11 miles east of Rehoboth Beach. Legislative changes were needed to support key contract terms and the Delaware General Assembly unanimously passed that legislation. Governor Ruth Ann Miner signed the bill into law on the same day the two chambers of the legislature voted on it.

We believe this contract may lead to the first offshore wind park in the United States, which will be supported by our development partners who have participated in 22 of the 28 offshore wind parks that have been developed in Europe. Our contract with Delmarva Power provides that they will purchase the energy generated from 200 MWs of the facility that could be as large as 600 MW, depending on agreements that we reach with other offtakers. Highlights of the agreement include:

- ✓ Delmarva Power will buy enough energy to power all the electric needs of 50,000 households each year.
- ✓ Bluewater Wind expects to begin generating electricity from the wind park in 2012, after a two-year permitting process and construction of the facility.
- ✓ The actual size of the wind park will be determined in two years, after Bluewater Wind has had an opportunity to explore potential sales to other purchasers.
- ✓ To help encourage the development of this important renewable energy source – and the offshore wind industry – Delmarva Power will receive a 350% credit for each Renewable Energy Credit it purchases from the wind park.
- ✓ Delmarva Power has agreed not to initiate any litigation related to our contract with them; this reduces the risk of delay caused by litigation.

The next step in the process will take place when there will be a public hearing by the four state agencies (including the Public Service Commission). This hearing is for the public to comment on

Headquarters | 22 Hudson Place, 3rd Floor | Hoboken, NJ 07030 | p: 201.420.1195 f: 201-420-1077  
Project Offices | Delaware | Maryland | New Jersey | New York | Rhode Island

[bluewaterwind.com](http://bluewaterwind.com)



the contract. Following the hearing, it is expected that the four state agencies, which are required to vote unanimously on the contract, will meet late in July for final action. We will keep you informed about our progress.

In addition, Bluewater Wind is continuing with our development efforts. These include studying the feasibility of deploying wave buoys (to help with turbine foundation design), installation of a meteorological tower (to obtain critical hub-height wind data), design of our fall avian study, site borings (for foundation design), seabed floor analysis (for turbine, substation, and cable layout), and port development (for staging and for operations and maintenance).

We look forward meeting with you to discuss the details of this precedent-setting agreement. We can also give you an update on our thoughts regarding the potential development of a Maryland Offshore Wind Park, which Bluewater Wind is still actively considering (for 12 miles off the coast of Ocean City). There are great wind resources off of the Mid-Atlantic States that can produce stable-priced energy for Maryland's citizens.

From the many ground-breaking environmental actions passed in Maryland's most recent Legislative session, it is clear that Maryland's State officials recognize the need to encourage production of more clean, emission-free renewable energy generation. The state is acutely vulnerable to sea level rise caused by global warming. Furthermore, transmission congestion and penalty payments from electricity imports can be reduced by the development of in-state power sources. Providing more in-state renewable generation also reduces local pollution and creates well-paying jobs.

In short, in-state renewable energy gives Maryland control over its energy destiny, helps to protect the state's environment, enhances our public health, creates economic development opportunities, and directly supports initiatives to combat the devastating effects of sea level rise caused by global warming, while achieving local energy independence.

Please feel free to contact Dave Blazer, Bluewater Wind's Maryland Project Director at 410-726-2235 or [david@bluewaterwind.com](mailto:david@bluewaterwind.com), if you have any questions or would like to schedule a meeting to discuss this in greater detail.

Thank you for your consideration.

Sincerely,  
*Peter Mandelstam*

Peter Mandelstam, President  
Bluewater Wind

Headquarters | 22 Hudson Place, 3rd Floor | Hoboken, NJ 07030 | p: 201.420.1195 f: 201.420.1077  
Project Offices | Delaware | Maryland | New Jersey | New York | Rhode Island



[bluewaterwind.com](http://bluewaterwind.com)