

TOWN OF BETHANY BEACH

PUBLIC HEARING

The Bethany Beach Town Council and Budget and Finance Committee jointly held a public hearing on **Monday, March 13, 2023 at 10:00 AM**

The meeting was available on two internet platforms:

The Town's Website at: www.townofbethanybeach.com , click on the Government Tab, then go to the left side of the page and click on Live Video Broadcast

or

Or on the Town's YouTube page at: www.YouTube.com/BethanyBeachGov

Members present for the meeting were: Rosemary Hardiman, Mayor, who presided, Lew Killmer, Jerry Morris, Patrick Sheplee, and Ron Calef. Mickey Hinman and Scott Edmonston were excused.

Mayor Hardiman read the public notice for the hearing into the record as follows:

The purpose of this hearing is to receive comments on the proposed Town budget for FY 2024 (Fiscal year beginning April 1, 2023 and ending March 31, 2024).

The proposed budget is available for inspection in Town Hall, Monday through Friday, from 8:00 a.m. – 4:00 p.m., (except on scheduled holidays), and is also available on the Town's website www.townofbethanybeach.com

All interested persons are welcome to attend this hearing and to make comment.

Mayor Hardiman advised that the budget has been discussed at several meetings of the Budget & Finance Committee and has been available for inspection at the town hall and on the Town's website.

Mayor Hardiman noted that two letters were sent to the Town regarding the proposed increase in shuttle bus fees. One letter was from Edward Miller and the second was sent via email from Mike Davis, King Limousine. Mr. Miller asked that his letter be read into the record. She advised that this is not routinely done. However, each letter will be made part of the record. (Mr. Miller's letter – Attachment #1 and the email from Mr. Davis- Attachment #2).

Mr. Morris explained that the shuttle fees are being increased to correspond with parking rate increases that have been made over the past few years. Parking fees increased 20 % over the years and this increase in shuttle bus fees brings them in-line.

Asking for and hearing no comments from those members of the public who were present, Mayor Hardiman called for a motion to adjourn. Mr. Killmer so moved. Mr. Morris seconded the motion and it was unanimously approved.

Attachment #1

Edward J. Miller
38538 Goldfinch Lane
Ocean View, DE 19970EJMILLERZX@GMAIL.COM

Cell: 443-527-7394
Home: 302-289-8393

March 9, 2023
Town of Bethany Beach
214 Garfield Parkway
Bethany Beach, DE 19930

Mr. Jerry Morris
Chairman, Finance Committee
Town of Bethany Beach
214 Garfield Parkway
Bethany Beach, DE 19930

Gentlemen:

My name is Ed Miller and I am a resident of the Bay Forest Community in Ocean View. I am writing to express my opinion regarding a budget line in your 2023-24 budget. I am not representing my community, nor its Board of Directors. Kindly accept this letter as a personal communication.

It has come to my attention that the finance committee will have an open meeting next Monday, March 13, 2023 to consider and recommend to your town council a budget which will include a proposed increase (of 20%) for the shuttle bus services that communities like mine provide to carry its residents both to and from the beach.

Along the way I learned that the proposal on the table will raise the cost of this service for buses that carry eleven or more people to \$9,600.00, up from \$8,000.00 the last couple of years. I also understand that the town has held the fee in the past three or four years at the \$8,000.00 level.

I should like to suggest a slightly different method for distributing this cost to the local communities. If your total cost per bus is \$9,600.00, I recommend that it be pro-rated by the number of days per week that any particular bus is in service. For example, our community has voted to only provide the shuttle service four days per week, or 57.1% as often as a community that provides the service seven days per week. Our community should only be charged \$5,481.60 (57.1% times 9600), not the full \$9,600.00. I do not understand why a community that uses your bus stop facility just 57.1% as often as one that uses it seven days a week should pay the same amount as the community that uses it much more often.

I would appreciate it if you would read my letter during both your finance committee meeting and your Town Hall meeting on Tuesday, to get it into the record. Unfortunately, I will be out of town on Monday but I will do my best to attend Tuesday's meeting.

Respectfully submitted,
Ed Miller
Ocean View, DE

Attachment #2

From: Mike Davis <mdavis@kinglimoinc.com>
Sent: Wednesday, March 1, 2023 10:17 AM
To: 'Kevin Olsewski' <kolsewski@townofbethanybeach.com>
Cc: Donald Ramaley <dramaley75@gmail.com>; Terry Gordon <tgordon@townofbethanybeach.com>; Teresa Tieman <ttieman@townofbethanybeach.com>; Nicholas Imperial <nimperial@townofbethanybeach.com>
Subject: RE: Shuttle drop off / pick up
Importance: High

Wow! That's a 20% increase. I take it that the Town of Bethany is looking to stop this type of transportation in to Town which occupies no parking spaces and frees up a lot of parking spaces for others? I know it gets quite congested in town and providing this type of shuttle service, particularly the larger shuttles, keeps less vehicles coming in to town. I would think that would be a plus for the Town. If this is the case, let me know what the intentions are from the Town of Bethany and I'll pass it on to the Properties.

Thanks,

Mike Davis

Executive Vice President

King Limousine & Transportation Service, Inc

370 Crooked Lane

King of Prussia, PA 19406

Main - 610-265-3050 x 7111

Direct – 610-233-1013

Fax - 610-275-4677

mdavis@kinglimoinc.com

Attachment #3

Bay Forest at Bethany Beach

March 13,2023

Mr. Cliff Graviet Town Manager

Town of Bethany Beach

214 Garfield Parkway

Bethany Beach, DE 19930

Mr. Jerry Morris

Chairman, Finance Committee

Town of Bethany Beach

214 Garfield Parkway

Bethany Beach, DE 19930

RE: Bethany Beach Shuttle Permit

To Whom It May Concern,

We are writing to voice concerns regarding the increase to the parking permit fee for the shuttle bus operations that are being proposed for the 2023 FY. While we understand the need of the Town to collect income in order to have the Town operate smoothly, we feel that the 20% proposed increase in the shuttle bus permit fee is a bit high. Community Associations in the area will pay \$9,600 a year, an increase of \$1,600 over last year, for ONE shuttle permit, that we are required to purchase because of planning and zoning approvals, to help reduce the car traffic into the beach area. Several Community Associations are impacted by this decision and this will have a large impact on our already tightened and approved budgets.

Like several Community Associations in the area, our community only uses the shuttle bus from Memorial Day through Labor Day due to our reduced winter population and costs of operating the shuttle bus. Bay Forest Community will use the bus 80 days this upcoming year, for eight hours a day during the busy daytime summer hours, during the busiest traffic days which will help reduce parking issues in Bethany Beach and increase visits to the beach and local stores boosting the local economy. In terms of parking fees, the \$9,600 permit would equate to \$15.00 per hour of paid parking should we be able to drop off every hour just to allow the shuttle to drop people off and pick them up which takes approx 5-10 minutes. So we are paying \$15.00 per hour for essentially 5-10 minutes of idling, more than a single car would pay for 5 hours or 5 cars for one hour of parking in a parking lot.

Last summer, there was a proposed change to only allow shuttle drop offs every 90 minutes instead of every hour. While this change was dropped shortly after Memorial Day last year for further consideration, if this change is carried forward this year that would increase our parking fees to \$24.00 for 5-10 minutes of drop off/pick up. And this does not even include the fee we need to pay to run the shuttle. We pay out of our pockets an additional \$31,000 a season to keep beach traffic to a minimum in the summer. We will be paying approximately \$40,000 to run a shuttle bus for 80 days to reduce car traffic to the beach to do "our part".

Since our community began in 2008, we have been purchasing a shuttle permit each summer season. The cost of the shuttle permit has risen from the original cost of \$3,000 per permit to more than triple over the course of the last 15 years with no change in services provided. The Community Associations with shuttle busses are providing the Town and local economy a service by reducing the need for parking spaces and increasing the amount of people purchasing from local restaurants and businesses. The only way the permit cost would be affordable would be to run the shuttle year round and most Community Associations cannot afford to run the shuttle all year as the costs of drivers, gas, and maintenance have risen dramatically.

We ask that the Committee and Council look at ways to restructure the shuttle bus permit fees to make them more equitable for the use and service they are providing the Town. Perhaps a pro-rated rate for permits that are used during the summer season compared to the permits that are used year round could be considered. However, we strongly feel that increasing the shuttle permit to close to \$10,000 is extreme. Lowering the cost of the permits would not have a great overall effect on the Town budget but it would on the Communities that are required to have them. Thank you for considering our comments.

Sincerely,

On Behalf of the Bay Forest Community Association

Stefanie Minemier, AMS

Bay Forest Community Manager

Attachment #4

From: Timothy Ketcham <TKetcham@legumnorman.com>
Sent: Wednesday, March 1, 2023 10:53 AM
To: kolsewski@townofbethanybeach.com
Subject: Bishop's Landing Shuttle Bus Permit Fee

Good morning,

Please accept this email as an official complaint regarding the 20% increase the Town of Bethany approved for the 2023 Shuttle Bus Permits.

I understand you are only the messenger and passing on what the Town of Bethany Board has voted on. But wanted to let you know many of the surrounding HOA's will be lobbying for a more reasonable increase.

Tim Ketcham, CMCA®, AMS®, PCAM®

General Manager – Bishop's Landing Community Association

Legum & Norman – An Associa® Company

32472 Bishop Landing Drive, Millville, DE 19967

Office: 302-565-2964

Attachment #5

Mr. Ketcham,

Mr. Oslewski forwarded your March 1 email to my office, and I wanted to respond to your concerns.

By way of explanation, the purpose of the proposed increase in the shuttle bus fee is definitely not to stop shuttles from neighboring communities from coming to Bethany Beach. Rather, it is to ensure that the cost to the Town of the additional operating expenses of summer—lifeguards; seasonal police; parking and code enforcement; and public works, among others—are shared equally among those who use and enjoy the beach and other services.

Our Town would not be solvent if we did not work to match summer expenses to summer revenue. This past year the Town's seasonal expenses were greater than seasonal revenue. Summer expenses are projected to be even higher this coming year, and the Town is now forced to deal with these shortfalls by increasing summer revenue.

Since Bethany Beach first allowed out-of-town shuttles to pick up and discharge passengers on its streets, the Town has worked to have some correlation between the fees that shuttles pay to bring thousands of out-of-town passengers to Bethany Beach and the fees out-of-town visitors and residents pay to park in our metered parking spaces. The Town uses summer revenue (most specifically parking revenue) to offset the cost of these summer expenses, and you may be surprised to know the Town's summer expenses are double the Town's offseason expenses!

To help offset this deficit, the Town plans (pending Town Council budget approval on March 17th) to raise its hourly parking rate by 20% in the coming fiscal year to \$3.00 per hour. That 20% increase brings the total increase in hourly parking rates in Bethany Beach since 2009 to 100%

In comparison, since 2009, the fees charged for shuttles have only increased by 40%. To keep some parity between what out-of-Town visitors and residents pay to park in Bethany Beach and the cost to out-of-Town passengers visiting Bethany Beach via shuttle, the Town Council will also consider increasing shuttle fees 20%. This will represent a 60% increase in shuttle fees since 2009. (Please see the attached chart.)

Even with the proposed increase in shuttle fees, the shuttle is still a value-added mode of transportation for those who use it. By way of illustration, and for comparison purposes, let's look at a shuttle that carries 11 people. We're proposing to raise the fee to \$9600 for that shuttle this summer. Our proposed new hourly parking rate for vehicles is \$3.00. Divide \$3.00 into \$9600; that comes to 3200 hours worth of pay-to-park for an individual vehicle. There are 124 days between May 15 and September 15 that pay-to-park is in effect. Dividing 124 into 3200 comes to 25.80 hours of parking a day. 25.80 hours of pay to park at \$3.00 per hour would cost \$85.50 per day. In contrast, the cost per day for the shuttle under the proposed new fee (\$9600 divided by 124 days) is \$77.40.

Consider two additional examples. Suppose that over the course of one summer day an 11-passenger shuttle brings 60 people into Bethany Beach. And now assume that if they traveled by car, those 60 might drive 20 cars and park an average of 5 hours in Town. Those 20 drivers would pay a total of \$300.00 to park.

Now let's say that an 11-person shuttle only makes **one** trip a day into Bethany Beach and it is **only** carrying 11 passengers. Let's also assume that if those 11 people were to travel independently they

might come to Bethany Beach in 5 cars and stay a total of 6 hours each for their visit. Those 5 cars would pay a total of \$90.00 to park.

Consider that shuttles make **repeated** trips throughout the day and move hundreds+ of people during the day.

These examples clearly demonstrate that shuttle passengers will continue to benefit financially even with an increase in the shuttle fee. In addition, the difference between what a person pays to park in Bethany Beach and the much lower cost to the passengers in shuttles is significant. Let's also remember that shuttles ensure that passengers will be able to enjoy the beach and the Town without the uncertainty and stress over whether they will find a parking spot and, if so, how far they will have to walk. That convenience and peace of mind are priceless.

Bethany Beach has always been a welcoming community for visitors. However, we have a fiscal obligation to ensure that summer revenue continues to pay for necessary summer expenses. As explained above, shuttle fees are part of that, and I believe that the proposed increase is more than fair. The proposal will be considered by the Town Council as it considers the FY 2024 Budget at its meeting on March 17.

I hope this is helpful.

Cliff Gravier