

**CITY OF NEWARK  
DELAWARE**

**COUNCIL MEETING MINUTES**

**July 12, 2010**

Those present at 7:00 pm:

Presiding: Mayor Vance A. Funk, III  
District 1, Paul J. Pomeroy  
District 2, Jerry Clifton  
District 3, Doug Tuttle  
District 4, David J. Athey  
District 5, Ezra J. Temko  
District 6, A. Stuart Markham

Staff Members: City Manager Kyle Sonnenberg  
Deputy City Secretary Alice Van Veen  
City Solicitor Roger A. Akin  
Finance Director Dennis McFarland  
Planning & Development Director Roy H. Lopata  
Parks & Recreation Director Charlie Emerson  
Recreation Superintendent Joe Spadafino

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1. The meeting began with a moment of silent meditation and pledge to the flag.

2. **1. ITEMS NOT ON PUBLISHED AGENDA**

A. Public

There were no comments forthcoming.

3. **1-B. UNIVERSITY**

1. Administration

**00:40**

Mr. Armitage reported on two projects underway this summer. The sidewalk crosswalk consolidation project had begun on Delaware Avenue at the Green. It was hoped this project would improve safety and traffic congestion and would be completed before the start of the school year. The other project involved Frazer Field behind the Wilmington Trust Bank where the tennis courts were removed and excavation and the lay down for stormwater management had begun in addition to lighting for the turf fields. A six foot wide biking and walking path was also planned along the outskirts of the site.

4. **1-B-2. STUDENT BODY REPRESENTATIVE**

There were no comments forthcoming.

5. **1-C. COUNCIL MEMBERS**

**02:20**

**Mr. Markham**

- noted there would be a root beer tasting stand for children at the Food & Brew Fest on 7/24 on the Academy Lawn
- suggested publicizing final numbers for "U Don't Need It" since this was a major recycling project

6. **Mr. Tuttle**

- announced a new course offered through the Institute for Public Administration, "Strengthening Local Economies," which might interest

the Planning and Development Department – session will be held on 8/5 from 9:00 a.m. to noon in Dover

7. **Mr. Clifton**

- announced his intention to retire from the National Guard on 9/30/10
- attended the July 4<sup>th</sup> celebration which he said was a great event but suggested Council consider a temporary suspension until the City's financial situation improved

8. **Mr. Athey**

- agreed with Mr. Clifton that suspending the fireworks was something to think about but felt the event accentuated Newark as a destination
- gave kudos to Chief Tiernan for securing grant funding for three years for the position of Victim Services Coordinator – this would now become a full-time position
- requested that Chief Tiernan discuss the issue of feral cats with Officer Vickers to find out the severity of the problem
- reported the James Hall Trail was tagged with graffiti on the South College Avenue overpass and hoped the mural planned at the location would be a long-term solution

9. **Mr. Pomeroy**

- thanked staff for continued efforts on the solar initiative and hoped information would be available soon for Council's consideration
- asked whether individual communities could deed restrict neighborhood-wide solicitation – Mr. Akin indicated no legal prohibition for an entire subdivision to be posted as closed to solicitation and would notify Council of developments from further research

10. **Mr. Temko**

- remarked the Resident Survey results were prominently posted on the City's website and were easy to access
- learned that time stamping was accessible for the audio version of the Council minutes once the file had downloaded
- recommended future Council discussion of the downtown recycling pilot program – Mr. Sonnenberg reported trash contamination with the current arrangement – consideration was being given to resizing container tops and relocating recycling containers next to trash containers
- suggested Council members recycle their City mail envelopes for reuse by the City Secretary's office and was advised this was the current practice

11. **2. APPROVAL OF CONSENT AGENDA**

**20:02**

- A. Approval of Regular Council Meeting Minutes – June 28, 2010
- B. Receipt of Alderman's Report – July 2, 2010

Ms. Van Veen read the Consent Agenda in its entirety.

MOTION BY MR. TUTTLE, SECONDED BY MR. CLIFTON: THAT THE CONSENT AGENDA BE APPROVED AS SUBMITTED.

MOTION PASSED UNANIMOUSLY: VOTE: 7 to 0.

Aye – Athey, Clifton, Funk, Markham, Pomeroy, Temko, Tuttle.  
Nay – 0.

12. **3. ITEMS NOT FINISHED AT PREVIOUS MEETING:** None

**13. 4. FINANCIAL STATEMENT**

**20:38**

Mr. McFarland explained the Financial Report from the five months ended May 31, 2010. Overall for the entire City, results were \$2.3 million under budget, and remedial action was taken in the Electric Utility.

Revenues for the Governmental Funds were about \$500,000 below budget due to lower transfer taxes and delayed receipt of grant revenues. Expenses were \$174,000 under budget for the Governmental Funds with improvement expected through the year based on contractual payments being paid out in the beginning of the year and the notification that the City would be reimbursed \$90,000-\$100,000 for overtime incurred during the winter storms. Thus, expenses in the fund should be right on budget. Transfer taxes were about \$108,000 under, still trailing budget significantly. Mr. Funk added May and June revenues would be good. Fines and permits were under budget by \$115,000-\$130,000 which should get closer to budget now that the appropriate police personnel were assigned to traffic enforcement. The largest shortfall on Revenues was in miscellaneous grants and donations which was primarily a timing issue.

Overall, Utility margins were about \$1.7 million under budget, and almost all of that was attributable to the Electric Fund. The substantial increase in the PPCA in mid-May only started to affect the margin, so there was a slight trend to come back towards budget on the Electric revenues. Results should be on track by year end. June was hotter than normal, particularly compared to last year, which would benefit the City in terms of gross revenues. However, it was not yet known whether the extreme heat caused the cost of purchased power to increase. Expenses in the Utility Funds were right on budget.

The cash balance at the end of May was about \$12 million, with a decrease of about \$1.6 million from the beginning of the year. In June there will be a better indication of whether the City will be able to get back fully to budget.

Mr. Markham observed that June was not only a hot month, but it was also a dry month, so he assumed there would be a change in the Water and Sewer funds as well. He noted from the Alderman's Report that fines appeared to be running considerably below budget. Mr. McFarland said the shortfall was expected in the first part of the year based on police staffing, but the department was now up to full staff, and there was some confidence of hitting budget by year end. Mr. Markham asked whether DEMEC fired up their peak generator, and Mr. McFarland replied they did.

MOTION BY MR. MARKHAM, SECONDED BY MR. CLIFTON: THAT THE MAY 2010 FINANCIAL REPORT BE RECEIVED.

MOTION PASSED UNANIMOUSLY: VOTE: 7 to 0.

Aye – Athey, Clifton, Funk, Markham, Pomeroy, Temko, Tuttle.  
Nay – 0.

**14. 5. RECOMMENDATIONS ON CONTRACTS & BIDS**

None

**15. 6. ORDINANCES FOR SECOND READING & PUBLIC HEARING**

None

**16. 7. PLANNING COMMISSION/DEPARTMENT RECOMMENDATIONS**

A. Request of Newark Seasons Pizza, Inc. for a Special Use Permit for the Sale of Alcoholic Beverages, Limited to Beer and Wine, at Their Restaurant Located at 203 E. Main Street, Newark, Delaware

**29:54**

MOTION BY MR. CLIFTON, SECONDED BY MR. TEMKO: THAT THE SPECIAL USE PERMIT BE GRANTED AS REQUESTED.

John Tracey, Esq. represented the applicant, Seasons Pizza, who had a number of locations throughout Delaware and in bordering states. A pizza restaurant was housed for a number of years at the Chapel/Main Street location and converted to Seasons Pizza around 2000. The franchises typically offered beer and wine at their restaurants, and they wanted to make this location consistent with the others. The economic realities were such that they could not afford to lose any customers to other area restaurants having this option. They were aware of the standards for the Special Use Permit and had no problem complying with any of the City's requirements. The restaurant currently closed at 11:00 p.m. weeknights and at midnight on Friday and Saturday, so time limitations were not an issue. The applicant was requesting permission for beer and wine only; there was no request for spirits.

Mr. Tracey believed Seasons Pizza satisfied the requirements for a Special Use Permit. The operations of the restaurant would not change in any other significant fashion, and Seasons Pizza had liquor licenses at many locations for over 20 years and was well versed in their responsibilities.

The Chair opened the discussion to the public. There being no comments forthcoming, the discussion was returned to the table.

Mr. Markham asked if any comments were received from neighbors. No objections were received.

Question on the Motion was called.

MOTION PASSED UNANIMOUSLY: VOTE: 7 to 0.

Aye – Athey, Clifton, Funk, Markham, Pomeroy, Temko, Tuttle.  
Nay – 0.

**17. 8. ITEMS SUBMITTED FOR PUBLISHED AGENDA**

**A. Council Members:**

**1. Parks and Recreation Fees Discussion**

**33:50**

Mr. Temko asked for this item to be on the agenda since next year's fees had to be in place by August 1. Last year Council voted to increase fees over a four to five year period. In the past year, there was a decline in enrollment and program cancellations due to a number of factors including cost. Mr. Temko felt programs offered by Parks and Recreation were very important to the community from quality of life to economic development. In light of the impact of the fee increase, he was pleased the City recommended no increase in the current fees for the upcoming year. He supported leaving the current fees in place and reserving the right for Council to revisit the fees at any time as opposed to continuing with the four to five year planned increases.

Mr. Pomeroy said one of his primary reasons for voting against the increase was that it was set for a certain number of years (if not in perpetuity), and he wanted to insure it would be reviewed on an annual basis. Mr. Sonnenberg said that would not be a problem, and he was agreeable to maintaining fees at the same level for the upcoming year.

Mr. Athey said a decision to maintain current costs obviously had financial implications and drifted slightly away from the intent to make each program self-sustaining. He questioned what amount would be involved by deviating from the path proposed for this coming year.

Mr. Sonnenberg said Council should look at the net revenues where there was a significant increase of 65% this year. He felt this was a good direction to

be heading in and noted there was some market feedback by pricing the programs at a more competitive level. Several programs were cancelled this season due to low enrollment which he felt suggested the need for offering other types of programs where people would be willing to pay a proportionate share of the program cost. Delaying an increase for a year would allow time to analyze several more full seasons to determine what direction to head in while continuing to look at the basic net revenues.

Regarding the self-sufficiency aspect of the Parks and Recreation program, Mr. Temko thought historically the programs were self sufficient in the associated direct costs. When Council discussed making the fees self sufficient, they also took into account the indirect costs of the City Manager's salary, the Finance Director's salary, the City overhead that helped support the Parks and Recreation program, etc. However, he said the indirect benefits of the program had not been considered, and he was concerned about the financial consequences the City might suffer by losing programs. For example, people might not relocate to Newark because the City did not offer recreational programs. Mr. Athey felt it was tough to calculate the indirect benefits to the City, but did not disagree.

Messrs. Funk and Pomeroy were puzzled with the 40% drop off in resident participation this summer while the non-resident drop off was only 16%. Mr. Pomeroy asked the impact of not having the printed newsletter on the decrease in City participation. Mr. Emerson said it was unclear, particularly since the online newsletter was only recently introduced. However, he reported that numerous phone calls and e-mails were received expressing disappointment that the paper newsletter was discontinued. He believed the lack of the physical newsletter and the economy were contributing factors to the decreased enrollment.

Mr. Pomeroy suggested future consideration of a single mailer to residents rather than a full booklet as well as a reminder mailer to be inserted with utility bills. Mr. Markham suggested sending postcards announcing the newsletter's online availability. Mr. Temko thought the current formatting of the newsletter should be modified to make it more "e-friendly" so it would become a website people could easily navigate and refer back to throughout the year.

**18. 8-A-2. RESOLUTION 10-\_\_ : RETIREMENT OF MASTER CORPORAL SUSAN A. FARRELL**

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**51:26**

Mr. Markham read the resolution which was unanimously endorsed by Council honoring Master Corporal Susan M. Farrell for 22 years of dedicated service to the Newark Police Department.

**(RESOLUTION 10-S)**

- 19. 9. SPECIAL DEPARTMENTAL REPORTS**  
A. Special Reports from Manager & Staff – None
- 20. Meeting adjourned at 7:50 p.m.**

Patricia M. Fogg, CMC  
City Secretary

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