

**CITY OF NEWARK
DELAWARE
COUNCIL MEETING MINUTES
January 12, 2015**

Those present at 5:45 p.m.:

Presiding: Mayor Polly Sierer
District 1, Mark Morehead
District 2, Todd Ruckle
District 3, Rob Gifford
District 4, Margrit Hadden
District 5, Luke Chapman
District 6, A. Stuart Markham

Staff Members: City Manager Carol Houck
City Secretary Renee Bensley
City Solicitor Bruce Herron
Deputy City Manager Andrew Haines
Finance Director Lou Vitola
Planning & Development Director Maureen Feeney Roser

A. Executive Session pursuant to 29 *Del. C.* §10004 (b)(9) for the purpose of discussing personnel matters in which the names, competency and abilities of individual employees are discussed.

B. Executive Session pursuant to 29 *Del. C.* §10004 (b)(2) for the purpose of discussions on site acquisitions for publicly funded capital improvements.

Council entered into Executive Session at 5:45 p.m. and returned to the table at 7:00 p.m. Ms. Sierer advised that no action was necessary at this time.

1. The regular Council meeting began at 7:00 p.m. with a moment of silent meditation and the Pledge of Allegiance.

2. MOTION BY MR. MARKHAM, SECONDED BY MR. GIFFORD: TO REMOVE ITEMS 4-A, 4-B AND 4-C FROM THE AGENDA.

MOTION PASSED UNANIMOUSLY. VOTE: 7 to 0.

Aye: Chapman, Hadden, Gifford, Markham, Morehead, Ruckle, Sierer.
Nay: 0.

3. **1.** **ITEMS NOT ON PUBLISHED AGENDA:**
A. Public

03:52

Amy Roe, District 4, referred to articles from 12/31 and 1/4 regarding NRAPP and The Data Center. She noted that Newark paid significant attorney fees and asked the City to resolve noise ordinance and neighborhood definition issues.

Jeff Lawrence, District 3, was concerned about the tax and water rate increases enacted and the \$200,000 expenditure on solar compactors he felt were unnecessary.

4. **1-B. ELECTED OFFICIALS:** None

5. **1-C. UNIVERSITY**

09:42

(1) Administration – Caitlin Olsen, University of Delaware Government Relations, reported the University received the community engagement classification from the Carnegie Foundation. Ag Week ran 1/12-1/16 at the Harrington Fair Grounds. Winter session will end on 2/6 and spring semester begins on 2/9.

6. **1-C-2. STUDENT BODY REPRESENTATIVE**

7. 1-D. **LOBBYIST:** None

8. 1-E. **CITY MANAGER**

10:49

Ms. Houck expressed condolences for the passing of long-time resident Annabelle Wollaston who a member of the City of Newark Community Day Planning Committee for many years and was instrumental in it becoming an annual event.

Crime in Newark was down – Part I crimes dropped 14.7%, aggravated assaults decreased by 42.1%, burglaries decreased by 11.6% and thefts decreased by 21%. Ms. Houck commended the Police Department for their efforts. As a result of the truck enforcement grant for Rt. 4 – Christina Parkway a total of 36 trucks were stopped of which 26 were avoiding the toll.

9. 1-F. **COUNCIL MEMBERS**

13:05

Mr. Gifford

- Hoped the crime reduction trend would continue as there were several peak periods in District 3 where residents were affected.
- Asked for a report on how the parking meters were operating and the usage breakdown.
- The Capital Program called for a clear general summary of its contents to Council, a list of all capital improvements which were proposed to be undertaken during the five fiscal years ensuing with appropriate supporting information as to the necessity for such improvements, cost estimates, methods of financing and recommended time schedules for each such improvement and the estimated annual cost of operating and maintaining the facilities to be constructed or acquired. Some of these elements were in the Code, Section 806, and he requested that they be incorporated in the next budget and wanted the City to pay attention to the whole budget section.
- He was interested in accessory use and the definition of neighborhood and hoped the City would continue to look into that and would be glad to continue that discussion with staff. Ms. Houck noted that some information was shared with Council but would wrap that back around to everybody.

Ms. Hadden

- Thanked the Police Department and felt the recent statistics were encouraging. She appreciated their friendliness and putting a good face forward for the City.
- Attended the viewing and funeral for Annabelle Wollaston who would be missed by the community. Ms. Wollaston was a past recipient of the Jefferson Award and very active in the City.

Mr. Markham

- Read that the New England and other areas around Delaware were forecasting increased electric rates due to natural gas issues in the cold weather when gas was restricted and felt it was a good sign that DEMEC was forecasting rates going down.
- Attended a solar seminar and noted that Baltimore County was getting complaints that they were discouraging solar. He suggested that the City's procedures be reviewed to ensure unnecessary impediments were not being thrown up against solar installations.
- Commented on the lower crime rate and said one difference was package theft which seemed to be a growing trend around Christmas. He recommended planning ahead for next year to address this problem.

Mr. Morehead

- Requested that the noise ordinance and neighborhood accessory use be added to the priority list.

Mr. Ruckle

- Thanked the Police Department and was impressed with the crime rate statistics.
- Announced a fence would be installed near the railroad tracks in the Fountainview area to discourage trespassing.
- Efforts were ongoing to resolve water meter issues at Fountainview where the original builders installed their own meters and residents wanted Smart meters.

- Had multiple complaints about a ten foot fence erected in Yorkshire and was working to get fencing restrictions similar to those of the County.
- Was pleased with lower gas prices which provided people with more disposable income.
- Council members may want to consider a yearly tribute honoring residents who passed away in their districts.
- A rally supporting Delaware and other area police was scheduled on 1/15/15 at Rodney Square in Wilmington from 5:00-7:00 p.m.

Mr. Chapman

- Was working with staff toward a resolution regarding complaints in District 5 about on-street permit parking on New London Road near Cleveland Avenue.
- Requested suggestions for changing the format/timing of his monthly meetings with District 5 residents.

Ms. Sierer

- Commended the Newark Police Department for their crime suppression efforts and received compliments about the officers who responded to the scene of several traffic accidents involving City residents.
- Thanked Mr. Gifford, Ms. Hadden and her husband Robert and Ms. Bensley for assisting with the Newark Area Welfare Committee project where 343 food boxes were distributed to needy families in the area.
- Newark resident Gail Chickersky, past president of the Newark Historical Society, will offer a free presentation at the Newark Senior Center on 2/9 at 10:30 a.m. on African-Americans in the New London community.

10. 2. **ITEMS NOT FINISHED AT PREVIOUS MEETING:** None

11. 3. **SPECIAL DEPARTMENTAL REPORTS:**
 A. Special Reports from Manager & Staff
 1. Third Quarter 2014 Pension Report

26:56

Mr. Haines presented the 2014 third quarter Pension and OPEB Report. The annual review will be given by the Russell representative at the 2/23/15 Council meeting.

Losses totaled \$470,000 at the end of the quarter, or just under 1%. Overall the return for year-to-date was 4.56%. There was positive growth for 2014. For the first and second quarters the international real estate fund had been the highest performer but the domestic real estate fund became the highest performer in the third quarter. Year-to-date growth was a positive \$2.3 million. The pension allocation was a 60-30-10 diversification.

Investments were more conservative for the OPEB Trust, and there was a loss of a little over 1% in the third quarter. It continued to underperform the benchmark with a negative .94, underperforming by 12 basis points. There was still growth in the OPEB Trust but in this quarter the growth was from contributions to the fund itself. Staff would work in the first half of 2015 with Milliman to look at the run out now that OPEB was a closed plan with no new hires.

Mr. Morehead asked about the timing of payments during the year. Mr. Haines explained payments were monthly. Last year's monthly contribution to OPEB was \$73,000. The pension received the employee contributions and the City's contribution goes to the Principal Financial Group. Principal Financial paid the current liabilities and Russell was the growth nest egg. No expenditures (other than professional services) were paid out of Russell.

Mr. Morehead referred to page 15 (pension plan inflows) and verified they were at zero during the three month reporting period. He pointed out the OPEB Trust inflows on page 20 were significant. Mr. Haines reported the City contributed \$73,000 monthly and zero to the defined Pension Fund because the ARC went to the Principal Financial Group to pay current liabilities. Mr. Morehead had questions on page 26 which detailed the strategy of individual funds. Mr. Haines said these could be covered during Russell's annual review on 2/23/15. Messrs. Morehead and Markham reiterated the importance of providing training for Council members as trustees of the pension plan.

Mr. Markham asked if Mr. Haines had any idea of the percentage of funding today. Mr. Haines did not want to make a guess at this time.

Mr. Chapman addressed the question brought up by Mr. Morehead about holding a particular fund rather than the index that it is compared to – he compared owning the index to a tide that rises and falls and drifts with the directional flow without having any controls. One of the primary reasons for the quarterly review was to determine if the plan was underperforming the index.

There were no public comments.

12. **4. ORDINANCES FOR SECOND READING & PUBLIC HEARING:**
A. Bill 14-27 – An Ordinance Amending Chapter 2, Administration, Code of the City of Newark, Delaware, By Creating a Pension Committee

(Secretary's Note: Removed from agenda – Mr. Herron was working to amend Resolution 97-T which prohibited Council from being part of the Pension Committee.)

13. **4-B. BILL 14-28 – AN ORDINANCE AMENDING THE AMENDED PENSION PLAN FOR EMPLOYEES OF THE CITY OF NEWARK, DELAWARE, REGARDING ENUMERATING THE DUTIES OF THE PENSION COMMITTEE**

(Secretary's Note: Removed from agenda.)

14. **4-C. BILL 14-30 – AN ORDINANCE ANNEXING AND ZONING TO RS (SINGLE FAMILY DETACHED RESIDENTIAL) A 0.73 ACRE PARCEL OF LAND LOCATED AT 428 PAPER MILL ROAD**

(Secretary's Note: Removed from agenda at request of the applicant.)

15. **4-D. BILL 14-31 – AN ORDINANCE AMENDING CHAPTER 30, WATER, CODE OF THE CITY OF NEWARK, DELAWARE, BY REMOVING THE FIRE HYDRANT SERVICE CHARGE FOR PROPERTIES OUTSIDE CITY LIMITS**

39:37

Ms. Bensley read Bill 14-31 by title only.

MOTION BY MR. CHAPMAN, SECONDED BY MS. HADDEN: THAT THIS BE THE SECOND READING AND FINAL PASSAGE OF BILL 14-31.

Mr. Vitola reported the hydrant fee was in place for out of town water customers since 1964 but there was no current documentation or analysis to support the charge. Staff believed it was in the City's best interest to eliminate the fee until a more comprehensive review of the City's water rate structure was done. This was anticipated to be after Honeywell completed its first measurement and verification report after August to confirm the accuracy of the Smart water meters. The ordinance change would eliminate the hydrant fee for out of town customers along with a technical edit.

Mr. Morehead asked the financial impact and where the revenue would be made up. Mr. Vitola said the \$35,000 revenue would not be made up in 2015 but would be a reduction in the budgeted surplus for 2015. Mr. Morehead asked if this was built into the budget. Mr. Vitola said it was not at the time of the hearing but at the time they first recommended striking the adjustment was made in the actual budget document and could be seen in the final budget copy. Mr. Markham added the recommendation resulted from a meeting with Newark's State Representatives representing constituents outside the City. Mr. Vitola reported the average savings would be \$1.22 per month per household.

Mr. Gifford asked if any schools other than Shue-Medill Middle School would be affected. Mr. Vitola was not aware of any.

The Chair opened the discussion to the public.

Helga Huntley, District 1, commented that last month City administration came to Council requesting a 7.2% increase in water rates in order to maintain and operate the water utility. Today the City proposed to reduce the water service expenses for customers

outside City limits. She did not understand what benefit there would be to the City from eliminating the fee. She noted that Artesian Water charged their water customers a monthly fire hydrant fee ranging from \$4 to \$511 depending on the size of the water meter.

Amy Roe, District 4, asked how her fire hydrant service was covered since she did not pay a fee. According to Mr. Vitola it was built into the rates for in town customers only. Ms. Roe thought it was not included in the rate study which was the foundation for the water rate. Mr. Vitola replied the water rate for her usage was the only source of revenue for the water utility which was required to pay for every cost borne by the utility. Thus, it covered the cost of the hydrant service – it was not broken out as X percent of the rate per gallon. Ms. Roe asked whether the Enterprise Fund for water received any money from the General Fund. Mr. Vitola reported the Enterprise Fund did not receive any tax or General Fund revenues and stated that all the money going into the Enterprise Fund covered the complete cost of the fire hydrants. Ms. Roe presumed there were minutes to provide details about the fire hydrant fee. Ms. Bensley responded that considerable research was done for both the water rates and the hydrant fees. The in-City and out-of-City rates were established when the original water meters were first installed in the 1950's but there was no detailed discussion on the two different rates.

Mr. Chapman asked the rate difference – Mr. Vitola reported they were approximately 34% higher outside the City than inside the City.

Mr. Gifford asked how many fire hydrants there were outside the City and the cost to maintain the fire hydrants. Mr. Coleman reported there were approximately 900 fire hydrants at a cost of about \$2,000. Replacement costs by a contractor would be about \$6,000 - \$7,000 per hydrant.

Mr. Ruckle suggested breaking out what City residents would pay for a fire hydrant fee and making it consistent across the board. He thought the rate would go up after the study outside the County and felt \$1.00 per month was too low.

Mr. Markham asked the target date for the study. Ms. Houck wanted to wait until the end of the SMART meter measurement and verification in August.

Mr. Morehead asked the justification for the 34% rate difference. Mr. Vitola explained out of town rates dated back to the early 1900's. There was no rate schedule, they were automatically set 50% higher than in town rates. At some point (possibly early 90's), they were reduced. The reason for the rate differential was because they were not a stakeholder in the risk of the water system. If the water system required funding beyond what the rates would generate the burden would ultimately fall on the taxpayers. Another consideration was infrastructure disbursement since the system was further away from the City's centrally located facilities. The 2000 study was not robust enough to consider all of those factors and would be undertaken later this year.

Question on the Motion was called.

MOTION PASSED. VOTE: 6 to 1.

Aye – Chapman, Hadden, Gifford, Markham, Ruckle, Sierer.
Nay – Morehead.

(ORDINANCE NO. 15-01).

- 16. 4-E. BILL 14-32 – AN ORDINANCE AMENDING CHAPTER 27, SUBDIVISIONS AND CHAPTER 32, ZONING, CODE OF THE CITY OF NEWARK, DELAWARE, AND CREATING A NEW CHAPTER 14A, FLOODPLAINS, TO ADOPT FLOOD HAZARD MAPS, DESIGNATE A FLOODPLAIN ADMINISTRATOR, ADOPT ADMINISTRATIVE PROCEDURES, COORDINATE WITH THE BUILDING CODE, AND TO ADOPT CRITERIA FOR DEVELOPMENT IN FLOOD HAZARD AREAS**

57:12

Ms. Bensley read Bill 14-32 by title only.

MOTION BY MR. CHAPMAN, SECONDED BY MR. MARKHAM: THAT THIS BE THE SECOND READING AND FINAL PASSAGE OF BILL 14-32.

Mr. Fortner presented the proposed Chapter 14A, Floodplains, including floodplains in Newark, Newark's participation in the National Flood Insurance Program, features of the ordinance and the justification part of the recommendation.

A floodplain was defined as an area along the river, stream or coastal area subject to a 1% chance of flooding (historically called the 100 year floodplain). Floodplains naturally store and convey flood waters, maintain water quality, recharge ground water aquifers, naturally regulate flows into rivers and lakes and provide historical, scientific, recreational and economic benefits to the community.

Newark's floodplains were at the White Clay Creek to the north and the Christina Creek on the west side of Newark. Zoning Code Section 32-96, provided Newark's first line of protecting the White Clay and Christina Creek by eliminating development in the floodplain. With a Council granted Special Use Permit floodplains could be used for municipal utilities, bridges, roads and parking areas with permeable surfaces. Because of the City's Zoning Code, Newark's floodplain regulations made it a model in the State.

The National Flood Insurance Program was created in 1968 by Congress and allowed property owners in participating communities to purchase insurance protection from the government against flooding losses. Participation in National Flood Insurance was based on an agreement between the local communities and FEMA that stated if a community adopted and enforced a floodplain management ordinance that reduced future flood risk to new construction in the floodplain the Federal government would make flood insurance available within the community as financial protection against flood losses. The intent was to reduce future flood damage through community floodplain management ordinances and provide protection to property owners against potential losses through the insurance mechanism that required a premium be paid for protection. The Federal program was voluntary.

Regulatory language had to be adopted into the City's ordinances to comply with the NFIP requirements prior to the updated flood insurance study becoming effective. Missing the deadline would require FEMA to suspend the community from the NFIP program until the compliant regulations were adopted. Adopting the DNREC model ordinance would mean adopting the revised flood hazard maps (which have not changed), designated a floodplain administrator and outlined responsibility for the position, adopted an administrative procedure to coordinate with building codes and adopted a criteria for development in the flood hazard areas. The City adopted the 2012 ICC Code which already met the minimum FEMA regulation. The model ordinance coordinated with the ICC 2012 Code.

In summary, Newark adopted the model ordinance prepared by DNREC which was already reviewed by FEMA and modified by the City. It preserved Zoning Code Section 32-96 Uses and Regulations, which gave the City's floodplain ordinance its strength. The floodplain chapters would preserve the notification requirements of Chapter 27 and 32 with 15 days instead of the 10 days and new definitions would be added to the Code for clarification.

Exhibit A, page 19, Mr. Markham requested staff to look into including the second sentence from item b (nonresidential structures) with item a (residential structures): "All attendant utility and sanitary facilities shall be flood proofed up to the same floor elevation" Mr. Fortner explained this was taken from Chapter 27. He and Mr. Coleman would review whether it should be included.

Mr. Gifford asked if the development elevation was higher than it used to be – Mr. Fortner advised it had not changed.

Mr. Gifford said there appeared to be the ability to alter a watercourse. Mr. Fortner said this would come to Council for approval.

Ordinance Section 14A-38, page 36 – Mr. Gifford asked why alternative hearing notices may be provided for by Council by including the notice in electric bills. Ms. Bensley believed the notification requirement was duplicated from Chapter 32-80.1 so it would be

the same notification parameters for the new Chapter 14A (this section of the Code was last amended in 1978).

Ordinance Section II, page 18 – Mr. Morehead referred to the definition of substantial improvement and commented there was a cross-purpose situation with definitions. Mr. Fortner would look into that. Mr. Morehead suggested that definitions be removed from individual ordinances and combined in one place.

Ordinance page 7, Section h – Mr. Morehead and staff discussed the phrasing of “more than one year” in the sentence “Reconstruction, improvement, or rebuilding of an existing building(s) or foundation(s) of a previously existing building(s) that has been abandoned, or otherwise unoccupied for a period of more than one year.

Ordinance page 10, Section 14A-4 (c) – Mr. Morehead thought the statement “or for other purposes” was wide open. He suggested “other purposes as approved by Council”. Section 14A-4 (d), “The City may identify and regulate new local flood hazard or ponding areas” – Mr. Morehead asked what is meant by “The City”.

Ordinance page 27, Section 14A-22 (a) Disposal of woody debris not permitted in special flood hazard areas – Mr. Morehead asked if all City departments do what this says. Mr. Coleman said he had this conversation with the Parks Department. Mr. Morehead then referred to the work done in the stream restoration and asked that all the cut wood left behind be removed. Mr. Coleman agreed this would be done.

Ordinance page 27, Section 14A-20 (b) Mr. Morehead questioned the sanitary sewage system procedures – Mr. Coleman said that was already being done and the City required manholes to be one foot above the floodplain. Also all new sanitary sewer mains had to be pressure tested to meet standards.

The Chair opened the discussion to the public.

Helga Huntley, District 1, questioned whether Open Floodway District was being changed to Special Flood Hazard Area while retaining the OFD abbreviation. If that was the case she recommended adopting the abbreviation SFHA used by FEMA. Ms. Bensley explained there were other Code sections not being amended that referred to OFD which is why that reference was included. Mr. Morehead suggested calling it the SFHA/OFD – Mr. Fortner said OFD could be phased out. Ms. Huntley questioned whether the floodplain fringe reference in Section 32-96 would remain. Mr. Fortner noted the floodplain fringe (the 500 year floodplain) regulations were not a part of this ordinance. Ms. Huntley referred to Mr. Morehead’s comment about woody debris in the parks. She interpreted the phrasing to mean what was prohibited was the disposal of woody debris. If a tree limb fell down that was not removed – that was leaving things where they were and she did not think that was prohibited one way or another.

In response to Mr. Gifford’s question, Ms. Sierer said based on the 2/5/15 FEMA deadline it was important to approve the ordinance tonight and have staff come back to Council with the suggested recommendations.

Question on the Motion was called.

MOTION PASSED UNANIMOUSLY. VOTE: 7 to 0.

Aye: Chapman, Hadden, Gifford, Markham, Morehead, Ruckle, Sierer.
Nay: 0.

(ORDINANCE NO. 15-02)

- 17. 5. **RECOMMENDATIONS FROM THE PLANNING COMMISSION AND/OR PLANNING & DEVELOPMENT DEPARTMENT:** None
- 18. 6. **ITEMS SUBMITTED FOR PUBLISHED AGENDA**
A. **Council Members:** None
- 19. 6-B. **Others:** None
- 20. 7. **RECOMMENDATIONS ON CONTRACTS & BIDS:**

A. Recommendation to Waive the Bid Process and Purchase Road Salt from State of Delaware Contract No. GSS13469 – Rock Salt

01:42:03

Mr. Coleman presented the recommendation to waive the bid process for the purchase of rock salt from the State contract. This was the same contract the City used routinely to purchase salt. After last winter staff felt it was best to bring it to Council and receive authorization to purchase up to the contract amount based on pricing in the State contract of \$56.18 per ton from Morton Salt, Inc. This was a delivered price which was only \$1 per ton more than the price for picking it up.

Mr. Gifford asked for clarification about the purchasing process. Mr. Coleman reported salt was ordered to fill up the shed at the end of the season to avoid possible shortages the next year. As space opens up the salt is ordered and replaced and small orders are avoided in order to cycle the salt. Last year 900 tons were used and recommended storage at the beginning of the year was the expected annual storage amount. It was felt the current shed was about 200 tons too small.

The Chair opened the discussion to the public.

Jeff Lawrence, District 3, asked why the bid was being waived for this purchase. Ms. Houck explained there was an existing State contract already bid and per Code, Council could waive the bid to purchase from the State or County contracts. In addition this allowed the City to participate in getting lower costs and avoiding outages. Mr. Chapman noted in utilizing the State vendor, economy of scale pricing was available. Mr. Lawrence suggested the bid process should be done periodically. Mr. Coleman reported this vendor provided salt to Pennsylvania as well.

MOTION BY MR. CHAPMAN, SECONDED BY MR. MARKHAM: TO WAIVE THE BID REQUIREMENT AND AUTHORIZE THE PURCHASE OF ROCK SALT FROM MORTON SALT, INC. ON AN AS-NEEDED BASIS IN ACCORDANCE WITH STATE OF DELAWARE CONTRACT NO GSS13469.

MOTION PASSED UNANIMOUSLY. VOTE: 7 to 0.

Aye: Chapman, Hadden, Gifford, Markham, Morehead, Ruckle, Sierer.

Nay: 0.

21. 8. FINANCIAL STATEMENT: (Ending November 30, 2014)

01:51:00

Mr. Vitola presented the unaudited financial statements for the first 11 months of the year. An operating surplus of about \$7.3 million was shown on a Citywide consolidated basis, almost \$300,000 better than the budgeted surplus. Governmental funds were stable over the last four months. High transfer tax receipts were offsetting lower fines and under-budget parking revenue. All other areas were within reason and there were no major issues through the end of the year. On the expense side the year-to-date variance to budget improved to \$202,000 after September, October and November expenses were all under budget. In the enterprise funds all three utilities were performing well – the electric utility was normalizing and the water and sewer margin were both tracking slightly higher than budget. Enterprise fund operating expenses were tracking below the budget at about \$244,000 to the positive representing the second consecutive month of improvement. The cash position at the end of November was \$30.7 million which consisted of \$9.6 million in the operating cash account, just over \$21 million in the City's cash reserves and about \$25,000 remaining in the Smart meter accounts.

In regard to the credit enabled parking meters – the first four complete months since installation (September through December 2014) were about 25% better than 2013 and about 33% better than 2012 in terms of gross revenue. A more complete report including revenue and the operating data would be prepared. Mr. Gifford was also looking at utilization if it could be linked to the numbers.

Mr. Markham reiterated the cash balance and asked the expectation for spending in December. Mr. Vitola did not have that number but spending was not close to \$5 million. Mr. Markham asked about the expected return for the RSA – Mr. Vitola would have that information by the next meeting. The lower Court fines were discussed. Based on the

police reports, Mr. Vitola said the trends have gone down – some officers were off the street in training, and there were some vacancies, so operationally there was less enforcement. Mr. Markham asked about the \$105 cost of McKees community involvement – Mr. Vitola said it was one specific mailing to solicit the investments and donations. The \$1 credits would hit this account also. Other than possibly an annual mailing nothing else would be posted to that account. Mr. Markham wanted fairness across the projects. Mr. Markham asked when SRECs were expected to hit – Mr. Vitola said the first transaction would probably be in early February representing the first full month of the contract. However, whatever SRECs were recorded approaching the end of 2014 DEMEC would still honor and buy. Mr. Markham referred to the project summary and asked if these were all the current costs. Mr. Vitola said the revised column was very close and he would do a year-end accounting to be sure it was correct. The auditors would review it also. The \$371,518 opening balance was the number that would drive the payback over the rest of the time because accumulated green energy funds were applied to it.

Mr. Morehead referenced encumbrances and reserves and discussions about dividing those for Council. Mr. Vitola said that would happen as soon as administratively possible – hopefully in the next several monthly reports and possibly by the second meeting of February.

Mr. Ruckle asked who cleaned the snow and ice off the solar park which he thought would be an added charge. Mr. Markham said the snow eventually slides off.

Mr. Gifford referred to the sewer revenue vs. budget graph where 7/8 explained July and August. Mr. Vitola explained the revenue slides were actually revenue minus cost of utilities purchased and represented the utility contribution to the general funds. That number was not just a revenue number it was an expected revenue minus an expected cost number. The County billed only quarterly so expenses were accrued based on what the City expected to be billed and revenue was accrued based on what the City expected to bill. Revenue accruals were low and expense accruals were high so when they were reversed, actuals came through much higher than expected and were showing the higher number there in each of those two months. That would persist throughout the year and would abate a little – it flattened out in November and would flatten a little more in December but was a real year-to-date number now as a result of those expectations.

Mr. Gifford asked if there was a change in what was considered a moving and non-moving violation in view of the large difference in Alderman's Court non-moving violations between 2012 and 2014 (9,756 vs. 6,335). NPD Officer Odom provided examples of non-moving violations – violations of registration, license or insurance. Officer Odom noted all the shifts seemed to be operating at reduced staffing levels and there were a number of retirements with upward motion and the Patrol Division numbers were lower. He personally saw a lower number of expired registrations. Mr. Ruckle added that economic conditions have changed with people having more disposable income and the State is providing more notification regarding registration and license renewals.

MOTION BY MR. RUCKLE, SECONDED BY MR. CHAPMAN: THAT THE FINANCIAL REPORTS FOR THE ELEVEN MONTHS ENDED NOVEMBER 30, 2014 BE RECEIVED.

MOTION PASSED UNANIMOUSLY. VOTE: 7 to 0.

Aye: Chapman, Hadden, Gifford, Markham, Morehead, Ruckle, Sierer.
Nay: 0.

22. 9. APPOINTMENT TO BOARDS, COMMITTEES AND COMMISSIONS:

A. Appointment of Steven Hudson to the Downtown Newark Partnership Parking Committee

02:06:12

Mr. Hudson's appointment to the Parking Committee was recommended by Ms. Sierer – he would replace Sally Miller who retired. As a long-time resident of Newark Mr. Hudson was interested in giving back to the community. Mr. Gifford thought Mr. Hudson's storm water knowledge would be helpful. Mr. Gifford remarked the application form did not specify who Mr. Hudson would replace on the committee which was absent from the form but would be useful for Council's reference.

MOTION BY MR. CHAPMAN, SECONDED BY MR. MARKHAM: THAT STEVEN HUDSON, 114 W. MILL STATION DRIVE, BE APPOINTED TO THE DOWNTOWN NEWARK PARTNERSHIP PARKING COMMITTEE, TERM TO EXPIRE JANUARY 15, 2017.

MOTION PASSED UNANIMOUSLY. VOTE: 7 to 0.

Aye: Chapman, Hadden, Gifford, Markham, Morehead, Ruckle, Sierer.

Nay: 0.

23. 10. APPROVAL OF CONSENT AGENDA

02:08:52

Mr. Gifford pointed out a correction in the meeting adjournment time on item 10-A #32 from 12:04 p.m. to 12:04 a.m.

Mr. Gifford removed item 10-C from the agenda,

Ms. Bensley read the Consent Agenda as amended.

- A. Approval of Council Meeting Minutes – November 24, 2014
- B. Approval of Council Meeting Minutes – December 8, 2014
- D. Receipt of Alderman’s Report – December 9, 2014
- E. Receipt of Planning Commission Minutes – December 2, 2014
- F. **First Reading – Bill 15-01** – An Ordinance Amending Chapter 19, Minors, Code of the City of Newark, Delaware, By Amending the Penalties For Unlawful Entry of a Minor in to Places Within the City Where Alcoholic Liquors are Kept, Sold, Dispensed or Served – **Second Reading – January 26, 2015**
- G. **First Reading – Bill 15-02** – An Ordinance Amending Chapter 20, Motor Vehicles, Code of the City of Newark, Delaware, By Changing Certain Penalty Provisions and By Requiring That Individuals Who Elect the First Offenders Program For a DUI Offense Obtain an Ignition Interlock Device In Order to Secure a Reduced Period of License Suspension in Accordance with State Law – **Second Reading – January 26, 2015**
- H. **First Reading – Bill 15-03** – An Ordinance Amending Chapter 2, Administration, Code of the City of Newark, Delaware, By Creating the Position of Director of Economic Development and Communications – **Second Reading – January 26, 2015**

MOTION BY MR. RUCKLE, SECONDED BY MS. HADDEN: TO APPROVE THE CONSENT AGENDA AS AMENDED.

MOTION PASSED UNANIMOUSLY. VOTE: 7 to 0.

Aye: Chapman, Hadden, Gifford, Markham, Morehead, Ruckle, Sierer.

Nay: 0.

24. 10-C. APPROVAL OF SPECIAL COUNCIL MEETING MINUTES – DECEMBER 15, 2014

02:11:03

Mr. Gifford – on pages 19 and 20 the motion to continue the meeting stated it was passed unanimously. He thought Mr. Chapman did not vote in favor of the motion. Ms. Bensley will provide clarification at the 1/26/15 meeting.

MOTION BY MR. GIFFORD, SECONDED BY MR. MOREHEAD: TO POSTPONE APPROVAL OF ITEM 10-C OF THE CONSENT AGENDA TO THE 1/26/15 COUNCIL MEETING.

MOTION PASSED UNANIMOUSLY. VOTE: 7 to 0.

Aye: Chapman, Hadden, Gifford, Markham, Morehead, Ruckle, Sierer.

Nay: 0.

25. Meeting adjourned at 9:12 p.m.

Renee K. Bensley
Director of Legislative Services
City Secretary