

**CITY OF NEWARK
DELAWARE**

COUNCIL MEETING MINUTES

May 23, 2011

Those present at 7:00 pm:

Presiding: District 4, David Athey
District 1, Mark Morehead
District 3, Doug Tuttle
District 6, A. Stuart Markham

Absent: Mayor Vance A. Funk, III
District 2, Jerry Clifton
District 5, Ezra Temko

Staff Members: City Manager Kyle Sonnenberg
City Secretary Patricia M. Fogg
City Solicitor Bruce Herron
Finance Director Dennis McFarland

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

Mr. Athey advised that Mr. Funk was in Des Moines Iowa, along with Maureen Feeney Roser and others from the DNP, to accept the 2011 Great American Main Street Award bestowed by the National Trust for Historic Preservation. Mr. Athey was proud of this honor and read the following quote from Doug Loescher, Director of the National Trust Main Street Center: "The Downtown Newark Partnership has worked skillfully with public and private partners to find creative solutions to downtown's challenges and to celebrate its assets and opportunities. With 26 new businesses opening and more than \$430 million invested in the last 3.5 years and a popular year-round arts and events calendar that draws from miles around, Newark has emerged as a fun, attractive, and intelligent city for work and play."

Mr. Athey also advised that Mr. Clifton was recuperating from a medical procedure he had last month, and Mr. Temko was out of town. Therefore, by virtue of seniority, Mr. Athey would preside over the meeting.

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

A. Public

03:33

Edward Carl, LaRouche PAC, Wilmington, DE, discussed H.R. 1489 that was introduced to Congress by Representative Marcy Kaptur. The bill would repeal certain provisions of the Gramm-Leach-Bliley Act and revive the separation between commercial banking and the securities business in the manner provided in the Bank Act of 1933. Mr. Carl suggested the City adopt a resolution endorsing H.R. 1489. (A copy and literature regarding H.R. 1489 were provided to Council.)

3. Tyler Jacobson, a Newark resident and owner of Switch, Main Street, noted that he continues to work with City staff to get a skateboard park sometime in the future. He provided a letter he received from Ms. Elizabeth Gellens, Wilmington, DE, pledging to match, dollar-for-dollar, any donation secured by the City for this purpose and any allocation of City funds, up to \$40,000, spent on the creation of poured in place concrete skateboard parks. Mr. Jacobson hoped the pledge would be a jumpstart to fundraising efforts to move forward with a skateboard park in Newark. Mr. Sonnenberg reported that staff was researching skate spots, and he anticipated a proposal would be included in the next Capital Budget that Council would be reviewing later in the year.

4. **1-B. UNIVERSITY**

12:16 1. Administration - Mr. Armitage reminded Council that students were moving off campus this week, the University's graduation would be Saturday and the U Don't Need It program was up and running at the Curtis Paper Mill site.

5. **1-B-2. STUDENT BODY REPRESENTATIVE**

No comments forthcoming.

6. **1-C. COUNCIL MEMBERS**

12:51

Mr. Markham

- Reminded everyone of the WILMAPCO meeting on the updated Newark/Elkton Intermodal Transportation Plan scheduled for Tuesday, 5/24, at 7:00 pm in the Council Chamber.

- Noted that New Castle County was considering their sewer rates for this year and asked the City Manager when he would know the effect on the City. Mr. Sonnenberg said the County provided the City with its proposed rates at this time of year, and Mr. McFarland added that the average increase was about 2.3% depending on the customer class.

- Requested more information be provided about the electric tiers and rates on customers' bills. Mr. McFarland said once the new rates go into effect, the tiers would be explained. At this time there was no space on the bills for

additional information. Mr. Markham suggested including additional information from Energized Delaware to supply residents with helpful ideas on saving energy.

7. Mr. Morehead

- Noted that although the Memorial Day Parade was cancelled due to anticipated thunderstorms, there was a brief ceremony on The Green he happened to witness that was very nicely done.
- Commented that a meeting planned for Thursday night in the Council Chamber on the proposed Campus Edge development was cancelled at the developers' request and moved to a private forum at Washington House. Anyone interested in attending the forum needed to get in touch with someone at Washington House or with Jerry Clifton. The proposed project was scheduled to go before Council on June 13th.

8. Mr. Athey

- Expressed his disappointment in the cancellation of the Memorial Day Parade and understood it was a very difficult decision to make. He was surprised the ceremony on The Green was not held and remembered a few years ago when the weather was dismal and the parade was cancelled but the ceremony on The Green was held. He assured everyone that he would not second guess the decision that was made.
- Expressed his appreciation to the City Manager for the Emergency Operations Plan provided to Council.

9. 2. APPROVAL OF CONSENT AGENDA

- 18:58**
- A. Approval of Regular Council Meeting Minutes – May 9, 2011
 - B. Receipt of Alderman's Report – May 16, 2011
 - C. Pension Plan Performance Report – 1st Quarter 2011
 - D. ***First Reading – Bill 11-09*** - An Ordinance Amending Chapter 22, Police Offenses, Code of the City of Newark, Delaware, By Increasing the Mandatory Fine When the Victim is a Law Enforcement Officer - ***2nd Reading June 13, 2011***
 - E. ***First Reading – Bill 11-10*** - An Ordinance Amending Chapter 22, Police Offenses, Code of the City of Newark, Delaware, By Prohibiting the Discharge of a Paintball Gun within the City Limits - ***2nd Reading June 13, 2011***

Ms. Fogg read the consent agenda in its entirety.

MOTION BY MR. MARKHAM, SECONDED BY MR. TUTTLE: THAT THE CONSENT AGENDA BE APPROVED AS PRESENTED.

MOTION PASSED UNANIMOUSLY: VOTE: 4 to 0.

Aye – Athey, Markham, Morehead, Tuttle.

Nay – 0.

Absent – Clifton, Funk, Temko.

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

11. **4. FINANCIAL STATEMENT**

20:08

Mr. McFarland presented the April 2011 Financial Statement and summarized his May 17, 2011 memorandum to Council. April results for all the funds on a consolidated basis were about \$487,000 over budget at the end of the first four months of the year.

Governmental Funds -- about \$165,000 less than budgeted, and Revenues were \$228,000 under budget, mostly due to timing differences in the receipt of grants and franchise taxes as well as lower fine revenues. Shortfalls were partially offset by a \$140,000 permit for the expansion of the Carpenter Center. Operating Expenses were roughly \$63,000 under budget due to lower personnel costs, partially offset by higher costs for contractual services and materials.

Enterprise Funds -- over budget by about \$650,000. Revenues were over budget by \$899,000 due largely to higher electric margins. Anticipated lower electric rates for the larger customers were to be effective the first of the year, but implementation of the new rates was delayed until June 1st. Water and Sewer margins continued to lag due to timing differences for large customer billings. Operating expenses were \$29,000 over budget due to annual contractual payments made at the beginning of the year.

Cash Position -- a \$20.5 million balance -- an increase of about \$1.5 million from the beginning of the year due primarily to working capital changes and improved operating results. There is a forecast of an increase in the cash balance for the entire year of about \$200,000.

MOTION BY MR. TUTTLE, SECONDED BY MR. ATHEY: THAT THE APRIL 2011 FINANCIAL STATEMENT BE RECEIVED AS SUBMITTED.

MOTION PASSED UNANIMOUSLY: VOTE: 4 to 0.

Aye – Athey, Markham, Morehead, Tuttle.

Nay – 0.

Absent – Clifton, Funk, Temko.

12. **5. RECOMMENDATIONS ON CONTRACTS & BIDS:** None

13. **6. ORDINANCES FOR SECOND READING & PUBLIC HEARING:**
None
14. **7. PLANNING COMMISSION/DEPARTMENT RECOMMENDATIONS:**
None
15. **8. ITEMS SUBMITTED FOR PUBLISHED AGENDA**
A. Council Members: None
16. **8-B. OTHERS:** None
17. **9. SPECIAL DEPARTMENTAL REPORTS:**
A. Special Reports from Manager & Staff: None
18. **Meeting adjourned at 7:22 pm.**

Patricia M. Fogg, CMC
City Secretary

/pmf