

City Council of the Mayor and Council of New Castle
Special City Council Workshop Meeting
Town Hall – 201 Delaware Street – New Castle
Tuesday – August 18, 2009 – 6 p.m.

Present:

Council President William Barthel
Councilperson John Cochran
Councilperson John Gaworski
Councilperson Ted Megginson
Councilperson Teel Petty

Also Present: City Administrator Cathryn Thomas, Finance Director Marian Delaney, Public Services Specialist Debby Pullan

Old Business

1. Discussion on fees charged by the City for a variety of items.

Administrator Thomas pointed City Council to a memo from the City Solicitor Roger Akin regarding setting fees, particularly that they should be reasonable. Councilperson Megginson and Councilperson Cochran worked with Debby Pullan and Building Official Jeff Bergstrom and put together a list of current fees and some possible new and/or revised fees. Also provided to City Council was data compiled by Council Secretary Kim Burgmuller, showing the current and proposed fees and how they compare with other Delaware municipalities. Also provided is a comprehensive list of trash fees and what was in the ordinance as far as fees.

Business Licenses

Councilperson Cochran said the current business licenses is \$30 and proposed new license fee is \$60.

Administrator Thomas said one thing City Council could consider is whether to charge City of New Castle-based and non-New Castle-based businesses different fees. She explained an argument could be made that New Castle businesses already contribute financially to the City via paying taxes.

Debby Pullan said business licensee fees were adjusted in 2006 for the big businesses such as Amazon and Zenith. She explained they have a larger impact on the City, such as increased traffic. The other fees went up in 2001.

Mr. Ennio DiAlessandro said he believes both local and non-local businesses should pay the same fee.

Administrator Thomas said she received a call from the Milton city administrator. They and many other communities are looking at fees. He wanted to know how other municipalities are determining fees. He said all the others are looking at what other municipalities are charging. Milton had analyzed the cost of providing the services that the fees pay for. The City of New Castle could, over time, undertake that type of process.

President Barthel read a memo from the City Solicitor that explained that when a municipality sets certain fees, the revenue generated by such fees must roughly approximate the cost of City services

dedicated to or incurred as a result of the particular land use which is being regulated. If revenues far outstrip the cost, some courts have labeled such a fee system as a tax. President Barthel said that from the start the City Council has said that that is not the intent of changing the fees, but it is trying to cover its costs.

Councilperson Cochran said there are some businesses out there that have not had a business license in five years. The problem is the City has is it is short-handed.

Councilperson Petty said it has been five years and there is no way you can miss it.

President Barthel said the current City Council has put an emphasis from day one on enforcement.

Mr. DiAlessandro questioned the 100 percent increase for the smallest businesses and asked why the City was picking on the little guys. He suggested using a percentage increase instead.

City Council adjusted the proposed fees to be set as follow: \$40 for firms with 1 to 3 people; \$75 for businesses with 4 to 8 people; \$175 for 9 to 20 people; and \$300 for 21 and more.

Building Permits

Proposed changes for Building permits: if under \$250 worth of work or improvements (outside of the Historic Area) there is no charge; \$250 to \$1000 in work, it costs \$40. Over \$1,000 it remains the same as in the current fee schedule.

Administrator Thomas said the City activity involved in handling building permits would easily cost at least the \$40.

Historic Area Commission

Councilperson Cochran said the current fee for HAC is \$5 and it is proposed to go up to \$30.

Administrator Thomas said it easily costs more than \$30 to handle each HAC application, particularly now that the City posts notices for every project. A \$30 fee is easily justifiable based on the time and costs required.

No parking signs

Ms. Pullan said that with temporary no-parking sign requests the problem is on Sundays, having to send crews out. Right now the City does not charge for signs. There is some work by City staff involved.

Administrator Thomas said this is one that the City could do a quick analysis of the actual costs by the October meeting.

Parade and Assembly

Administrator Thomas said there are many of these and the bulk involve non-profit groups. In the recent past it was \$50, now it is \$5. The reason for requiring a permit is the City needs to know when they are taking place and if any City services are required, particularly outside of the regular workdays. The organizations get charged for those services. It still costs more than \$5 to process a permit.

The City will study the costs associated with it.

Bandshell requests

Administrator Thomas said the Lions Club uses the bandshell, St. Anthony's uses it, and some other organizations. The use of it for the concerts pays the cost to the City of opening and closing it.

Councilperson Petty asked whether the City should charged some amount for maintenance.

Council President Barthel said this is one area to take another look at.

Enforce Property Maintenance

The proposal is to charge \$150 per .25 acre plus the cost to haul away debris and board property; \$100 minimum plus an administration fee.

Council President Barthel said he would like to get a committee together that could to look at this area along with the vacant building section of the code.

Special Trash Pick Up

Proposed to raise fees by \$10 for several items—refrigerators, dishwashers, stoves, washers, dryers, air conditioners and hot water tanks. Add barbecue grills, \$10, and sleeper sofas, \$35. And add that the fee is non-refundable.

Councilperson Petty said carpets should be added to rugs. She asked also about computers.

Ms. Pullan said the crews will take away computers but residents should take them to the electronics recycling facility.

Dumpster Fees

Proposed increase from zero to \$25 per month.

Administrator Thomas said City Code does not allow for dumpster pickup service by the City. That is one of the issues on the agenda for the workshop session on September 1.

Ms. Pullan said there are about 12 dumpsters the City picks up.

Request for Copies (Tapes & Documents)

Administrator Thomas said the City Solicitor said the City could charge 50 cents per page.

City Council discussed adding language to reflect the City will charge for staff time devoted to research. The Council agreed to add language that the City will charge for staff research for retrieving information, however will notify the requester first of the potential costs.

Certificates of Occupancy

The proposal is to set the fees for commercial and industrial buildings at \$100 and residential buildings at \$50.

This concluded the fees discussion.

2. Reopen discussion concerning Resolution No. 2009-19, adopted on August 11, regarding investment of \$200,000 of City funds.

Council President Barthel said he wanted to go over again the decision to put funds in investment accounts. He wanted to make clear that the money is going from one fund into another, either a CD or a money market account. Either one is federally insured.

New Business

1. Motion, Discussion and Vote on a Bank Resolution for two checks, each in the amount of \$100,000, payable to Delaware National Bank, to open two investment accounts, each with an initial investment of \$100,000, for an initial six month term.

Councilperson Cochran moved to approve the resolution. Councilperson Megginson seconded the motion. Councilpersons Cochran, Megginson and Gaworski, and Council President Barthel voted in favor. Councilperson Petty voted against. The motion passed 4 to 1.

A motion to adjourn was made by Councilperson Megginson and seconded by Councilperson Cochran. The motion passed unanimously.

The meeting adjourned at 8:15 p.m.

Respectfully submitted,
Michael Dickinson
New Castle City Clerk