

**City Council of the Mayor and Council of New Castle**  
**Special City Council Workshop Meeting**  
**Community Room – Public Safety Building**  
**1 Municipal Blvd. – New Castle**  
**Thursday – September 17, 2009 – 6 p.m.**

**Present:**

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

**Absent:**

Councilperson Ted Megginson

**Also present:**

Treasurer Janet Carlin, Administrator Cathryn Thomas

**Old Business**

1. Motion, Discussion and Vote on a Resolution to appoint a three-member Election Committee and to schedule a Special Election and Referendum for the City to enter into a loan agreement to borrow \$661,250, for a period of five years with an interest rate of 2%, with the first loan payment (in excess of \$130,000) to commence in the City's 2010/11 fiscal year.

Council President Barthel explained the board was here to discuss and appoint an Election Committee and to schedule a Special Election and Referendum for the City to enter into a loan agreement as part of three flood mitigation and stormwater management projects. He read a letter from Kevin Donnelly and Larry Irelan, representing the New Castle Conservation District, expressing their concerns about the expected delay in the project due to the City Charter requirement for a referendum.

Council President Barthel said he was talking with officials from the Trustees of the New Castle Common about trying to put together a meeting to get the Trustees involved. To what extent they may get involved is uncertain.

Council President Barthel also spoke with Building Official Jeff Bergstrom and told him the City Council needed to know more specifically about how the payments are going to work. Mr. Bergstrom told Mr. Barthel that payments will start after the whole project is completed and then there is a five-year payout or more. Work would start officially in January or February of next year and payments would not start until six months or so later—in 2010/2011 fiscal year.

Bruce Jones from Green Stone Engineering said he believe the payouts would begin in fall 2011.

Administrator Thomas said City Solicitor Roger Akin, upon further legal review, does not feel the resolution passed by City Council was sufficient for the referendum and the borrowing. It needs to be done by ordinance. An ordinance is a longer process—need to hold a public hearing, with 15 days advance notice in the newspaper. Oct. 10 would be the soonest City Council could hold a first and second reading. City Council could have the hearing before the Oct. 13 regular meeting and first and second readings at the meeting. The City could hold the third reading the next day.

Administrator Thomas said the City would need a minimum of 10 days after the ordinance is done to hold the Special Election. In addition, the City wants to have the citizens engaged in it and have a general informational workshop and also have an informational mailing.

Councilperson Petty explained she invited Mr. Jones to attend the workshop.

Mr. Jones explained there is a lot that needs to happen during a short period of time both on the City's side and the engineering side. Total design must be completed and approved by Dec. 15, 2009, and the environmental permitting needs to be completed and approved by Dec. 15, 2009 as well. That is a state deadline. The Feb. 17, 2010, deadline is a federal deadline. It is going to take roughly three months to do both. Design time can be squeezed, but the permitting can't. The engineering firm has already started the permitting work at its own risk, knowing it might not proceed. Both permitting agencies had already been involved. If this design work is not approved by Dec. 15, the money defaults and will no longer be available.

The design fees and permitting are in the range of \$235,000—no more than that.

Mr. Jones said right now the firm has very little at risk in terms of cost, but is willing to go further in terms of financial risk to get the design and permitting going. The firm is not going to stop working on the project over the next two weeks. If the district gets a guarantee, it will front the money.

Councilperson Petty asked if there were any other funding programs the City might be able to hook onto.

Mr. Jones said yes there are other grants for the future, but no others that fit the necessary timing, by Feb. 17.

Councilperson Cochran made a motion to appoint a three-member committee of Marianne Caven, Barbara Winkler and Richard Pennell. Councilperson Gaworski seconded the motion. It passed unanimously.

Councilperson Gaworski made a motion to set a date, tentatively set for Oct. 27 from 7 a.m. to 7 p.m. at the Senior Center (subsequently this was changed to the Good Will Fire Co. fire hall, for the Special Election to be held. Councilperson Petty seconded the motion.

Councilperson Petty asked for some information about the members of the election committee.

Council President Barthel explained they were on the City Election Committee for the last City election. Administrator Thomas asked Ms. Caven if she was interested and who else she would recommend to serve on the committee.

### **New Business**

1. Discussion of payment of bill for attorney fees for Dan Cohen for work on the Verizon franchise negotiation.

Administrator Thomas explained the former City Council decided to hire Dan Cohen. This is the first franchise agreement he had not successfully completed. The contract for the services from the attorney called for roughly \$9,000, broken up into three payments. The City still owes him the final \$3,000, which is supposed to be paid on completion of the franchise agreement. An agreement has not been completed. He has requested payment. If paid, he indicated, he would

handle the final stage of the agreement if it was a relatively minor amount of additional work.

Councilperson Cochran asked if the contract calls for the final payment on completion of the agreement, does the City owe him the money? As an attorney, he is taking a gamble.

Administrator Thomas said she would send the contract out to Council.

Councilperson Cochran moved to adjourn the meeting to go into Executive Session.

Councilperson Petty seconded the motion. The motion passed unanimously.

The meeting adjourned at 6:45 p.m.

Respectfully submitted,

Michael Dickinson

New Castle City Clerk