

**City Council of the Mayor and Council of New Castle**  
**Special Council Meeting at Town Hall – 201 Delaware Street – New Castle**  
**Thursday – March 31, 2011 – 6:15 p.m.**

**Present:**

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

**Absent:**

Councilperson Teel Petty

**Also present:** Treasurer Janet Carlin, City Administrator Cathryn Thomas, Finance Director Delaney, Police M/Cpl. McCabe, City Solicitor Daniel Losco

**Agenda:**

1. First and Second Reading of Ordinance No. 481, adding a new section to the New Castle City Code regulating the operation of pedicabs.

President Barthel and City Administrator Thomas performed the first and second readings of the proposed ordinance.

2. Motion, Discussion and Vote on Resolution No. 2011-7, to approve budgetary transfers.

Councilperson Cochran made a motion to approve the resolution. Councilperson Megginson second the motion. The motion was passed unanimously.

3. Motion, Discussion and Vote on Resolution No. 2011-10, to establish and designate an initial amount to be set aside in a Reserve Fund dedicated to the purchase of Capital equipment and improvements and Emergency goods and services.

Councilperson Cochran made a motion to approve the resolution. Councilperson Megginson second the motion.

Councilperson Cochran recommended putting \$250,000 into the fund. He talked with the auditor who had no problem with staying in that range. He also reviewed it with Marian Delaney and the City Administrator. He feels there are adequate funds for that level.

Treasurer Carlin said the City has four and one-half months left in the fiscal year. She said she is more conservative than Mr. Cochran. She would recommend more in the range of \$100,000. Council will be looking at the budget in May and June and can revisit this at that time. She does not favor locking up too much.

President Barthel said the estimated balance of all accounts on 6-30-11 is \$904,240. Mr. Cochran recommends contributing more than 25 percent of that to go into this earmarked fund.

Treasurer Carlin said the money is available so they don't have to be earmarked at this time.

President Barthel said he does not think it is a bad idea to create this type of fund. The question is how much at this time. He asked if this idea is a result of what's going on with the dikes and floodgates.

Councilperson Cochran said that was part of the reason behind it.

President Barthel suggested pulling back the amount of the initial fund and look at it again as part of the budget process.

President Barthel said he was thinking \$100,000 or \$150,000 as an initial amount.

Councilperson Gaworski said the budget year ends in June and the taxes don't come in until a few months later. If we don't have enough funds during that period, the City will have a problem. He favored going with Treasurer Carlin's suggestion.

Councilperson Cochran said the wording of the resolution allows for taking money for emergencies.

Councilperson Megginson said he favors \$100,000. Then, see what happens during the budget process and the City could put additional funds in.

Solicitor Losco said the initial amount is not important. What is important is going forward. The City should make sure the line item is in there so the fund can be built up.

President Barthel said he personally would be more conservative and set the precedent and look at it again at the next budget. Perhaps go with a compromise of \$125,000.

Councilperson Cochran said he would like to see it at \$250,000.

Finance Director Delaney said the projections are projections, and assume things stay on course as they have the first nine months. The City will need to tap into some money market accounts to get through July.

President Barthel said the election is one week away and while it shouldn't affect the overall decision, locking a new Council in when they arrive in two weeks, Council should consider that. He suggested \$125,000.

Councilperson Cochran said the City needs to start putting money away. The City has an opportunity to take advantage of a larger amount. The City should do it now.

President Barthel said all of Council agrees with that idea.

The motion to approve Resolution 2011-10 as amended to reflect \$125,000 rather than \$250,000 passed by 3 to 1 vote, with Councilperson Cochran voting against.

4. Motion, Discussion and Vote on Resolution No. 2011-11, to accept the 2010 Fiscal Year Audit.

Councilperson Cochran reviewed a series of notes on the Fiscal Year 2010 City Audit. It included some adjustments and some policy changes.

President Barthel said the report was accepted as presented.

5. Motion, Discussion and Vote on Resolution No. 2011-12, to accept the following Grant Awards:

- Tobacco Prevention Grant for \$10,000, designating certain outside areas as “No Smoking”;
- Delaware Land and Water Conservation Trust Fund for \$400,000, for the Broad Dike Land Acquisition, which is a portion of the funding needed by the City to purchase land owned by the Immanuel Episcopal Church.

Administrator Thomas said the Delaware Land and Water Conservation Trust Fund reflects two years of \$200,000 each. It goes along with an \$800,000 federal grant to total to \$1.2 million.

The appraisal of the property was accepted by the federal government at \$1.3 million. The Church is now discussing the matter.

Mrs. Thomas reminded Council the \$800,000 grant comes with significant restrictions because it is a wetlands protection grant. The City also needs to ensure it is able to do whatever repair work is necessary for the Broad Dike.

Councilperson Cochran made a motion to approve the resolution. Councilperson Gaworski seconded the motion. It was passed unanimously.

6. Motion, Discussion and Vote on the following Bank Resolutions:

- \$250,000, payable to MidCoast Community Bank, to open the Money Market investment account;

Councilperson Cochran made a motion to approve the resolution. Councilperson Gaworski seconded the motion. It was passed unanimously.

- \$50,000, payable to the New Castle Public Library Board, as the final installment of a \$300,000 commitment by the City to help fund the capital expansion and improvement project;

Councilperson Megginson made a motion to approve the resolution. Councilperson Gaworski seconded the motion. It was passed unanimously.

7. Motion, Discussion and Vote on Resolution No. 2011-12, adopting an amended Employee Handbook.

Councilperson Cochran made a motion to approve the resolution. Councilperson Gaworski seconded the motion. It was passed unanimously.

8. Motion, Discussion and Vote to amend Resolution No. 2011-9, to approve vacation, sick and personal pro-rated entitlements for part-time Human Resources Coordinator position as permitted for other AFSCME part-time employees, which resolution needs to have a typographical error corrected changing the year of the effective date from 2010 to 2011.

Councilperson Cochran made a motion to approve the resolution. Councilperson Gaworski seconded the motion. It was passed unanimously.

Councilperson Gaworski remarked on the passing of Joseph Scarmozzi, the past chief of the Good Will Fire Company.

Councilperson Megginson made a motion to adjourn the meeting. Councilperson Cochran seconded the motion. The motion passed unanimously.

The meeting adjourned at 7:11 p.m.

Respectfully submitted,

Michael Dickinson  
New Castle City Clerk