

City Council of the City of New Castle
Special Council Meeting at Town Hall – 201 Delaware Street – New Castle
Tuesday – February 26, 2013 – 5 p.m.

Present:

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

Also present: Mayor Donald Reese, City Administrator Cathryn Thomas, Treasurer Janet Carlin, Building Official Jeff Bergstrom, Finance Director Marian Delaney, Police Chief Kevin McDerby

Mid-Year Budget Review

A discussion was held about the City and MSC jointly purchasing a telephone system that is on its last legs.

Administrator Thomas said the current system is 10 years old and cost \$95,000. It was state of the art when bought and included all new phones. It was put in by Collins Business Systems, which is also the recommended vendor this time.

Mrs. Thomas said Finance Director Marian Delaney had talked with the City's IT firm and another option would be to use voice over Internet protocol technology, but that would require new phones that would cost roughly \$10,000. The Collins pricing is on State contract, which the City philosophy is something on State contract does not require additional bidding. The bottom line for the system is \$24,492. The City has met with Pam Patone at MSC. The discussion included how the cost would be shared. The City is a bigger user, with more phones. The split has the City paying \$13,994.67.

A Collins representative said the company will provide training to each person on staff.

President Barthel asked if with the system the City can forward calls to different City locations. It can.

Administrator Thomas said there is a feature with the system that enables voice mail delivered by email.

Councilperson Megginson asked how long the installation would take.

It would be a two-day cut over, with minimal disruption.

A discussion was held on looking into financing the purchase and what the cost would be.

Ms. Delaney went through spreadsheets on the budget.

President Barthel said the City is at 90.7 percent of its projected property tax revenue goal of \$2.9 million.

Councilperson Cochran said that on the property transfer revenues the City budgeted \$100,000 and to date is at \$175,000.

Administrator Thomas said on the delinquent tax lines, there was \$45,000 budgeted and \$96,000 actual.

Ms. Delaney said at the end of January the City had collected in business licenses revenue \$27,500, now at the end of February it is up to \$41,900. Building permits total budget was \$90,000 and the City has collect \$91,600.

Mrs. Thomas said there is quite a bit of good news in the franchise fees. The budget anticipated \$70,000 and right now it is at \$73,000. There will be additional checks coming in.

Building Official Bergstrom said more than 100 rental applications went out.

Mrs. Thomas said revenue totals at this point look very good.

Police Chief McDerby said the Department did better than expected on the grants, including the recent in-car camera systems.

Ms. Delaney went over the expenses. She said on the line for professional engineering the prior year expended was \$21,900 and this year budgeted was \$7,000. Year to date is \$25,000.

Mrs. Thomas said those expenses relate to the Army Corps permit related to the ARRA projects.

Mrs. Thomas said, related to storm expenses, the City has a bill she will be presenting to Council for storm debris removal totaling \$200,000. The City does not have the personnel or equipment to do the debris removal. It was removed from the City property at Bull Hill, Trustee property, Battery Park and Gambacorta Dike. It was to remove 1,000 tons, or 200,000 pounds, of debris. It cost \$50,000 alone in tipping fees. The City is not done with debris. There is a massive amount of debris on the other dikes. The dike committee is looking at including that work on the dike projects. It will save the City the current expense.

President Barthel said the City is still looking at 75 percent reimbursement from FEMA.

Mrs. Thomas said the City could talk with the Trustees about the removal costs related to Trust properties. It will be months before the City hears whether FEMA approves the costs. Another item on storm damage is the walkway in Battery Park. She has a quote for \$38,000 to repair from the wharf to the New Castle Sailing Club. That is another item the City will put in for FEMA reimbursement, but how much the City might receive is uncertain.

Chris Castagno said the Trustees are budgeting the 25 percent of the outlay but expecting FEMA to pay the other 75 percent.

Ms. Delaney said that during the budget process the Police Department motor fuel line was reduced to \$47,000; year to date is \$37,500.

A discussion was held about the amount of money remaining in the beautification line and the amount of work needed to be done.

Ms. Thomas pointed out the City Solicitor line. It will probably exceed the \$42,000 budgeted amount. The City is already at \$36,000.

Ms. Delaney said the auditing firm is finishing the 2011 audit, and working on 2012. She recapped the review: Year to date expenditures on \$4.9 million budget expenditures have totaled \$3.7 million.

President Barthel said he thinks it is looking good considering everything the City has gone through.

On the phone system, the consensus is City will go forward with the purchase but will look at the financing option as a benchmark.

Update on City Dike Projects

Kevin Donnelly, District Coordinator, of the New Castle Conservation District, appeared before Council to provide the update.

Related to the Dec. 21, 2012, storm, the Conservation District contracted with Merit Construction Engineers to repair the damages from the storm to Gambacorta and Army Creek Supersacks. It cost \$24,000. He also provided the final figures for the Sandy-related repairs costs to the dikes: Red Lion, \$37,438; Gambacorta, \$64,029; and Army Creek, \$73,016. DNREC provided a special appropriation to cover that.

After the December Council meeting, they initiated the detailed topographic survey for Buttonwood, Broad Marsh and Gambacorta dikes, along with tie-outs. They also expanded the survey scope to include Army Creek dike. The survey progress on Buttonwood and Broad Marsh was slow because of all the debris the survey crew had to deal with. On the wetlands permitting front, Mr. Donnelly met with officials from DNREC and the Army Corps of Engineers. They walked a six-acre area of the Peterson marsh. That will be the site of required wetlands mitigation. The Corps required a survey of the area. The Corps is looking for a 4 to 1 compensation ratio. He said that it is higher than usual. Mr. Donnelly added there also are agreements for access and has a commitment from the Trustees to work on the tie-ins.

Gary Emmanuel, project manager of the Delaware Bay Dikes Project, said they have completed surveys of the Buttonwood, Gambacorta and Broad Marsh dikes. It included delineation of the impacted wetlands. Buttonwood is fairly straight forward and they are more than 50 percent

through the design phase. As part of survey for Broad Marsh dike, they focused on finding spots for high ground. He showed on the map where the tie-ins would go and various heights.

Kevin Donnelly said the top of the dike will be raised to 8.5 feet.

James Meek said there is a question whether that is high enough. He said the other problem is the plan is going to face the historic people and the State archeologist who is concerned about the location of the tie-in and it is right on top of the site of Fort Casimir. Another question is what areas of town are going to be protected. It ignores the other areas of town.

President Barthel said the City has been working on the dikes project for three and one-half years. The City is aware of the issues Mr. Meek brought up regarding the rest of the town. The City is trying to finish this work and getting these dikes repaired.

James Meek said the plans are not well thought out and ignore the historic review process.

Kevin Donnelly said this is a preliminary design. He said it could be moved closer to the river. Folks have expressed concerns about protecting the entire City and building dikes around the entire City. That is not what they have been contracted to do.

Mr. Meek said he views designing it without a plan for the future as a waste of money.

Councilperson Cochran said it is not a waste of money. This can be referred to as Phase 1. There is only a certain amount of money available.

There was a discussion on raising the dike higher and what it would cost.

Mr. Emmanuel explained the value of getting into the Army Corps RIP program. He then reviewed where the tie-in would go at the Gambacorta Dike.

Administrator Thomas said Gambacorta Dike is Trustee property. Battery Park is City property but the Trustees must approve anything that happens there.

Mr. Emmanuel said they are ready to proceed with detailed plans.

Councilperson Cochran asked how far the tie-in will be from the river and would it be better to have it closer to the river.

Mr. Emmanuel said it is 80 feet from the river. The land closer by the river is lower so it would have to be raised higher.

The cost of the walking path on Gambacorta is roughly \$50,000 to restore it.

Chris Castagno asked what a realistic time is for the project.

Eighteen months to two years for completion of construction.

Sally Denton, of Second Street, asked when the construction could start because the City can't wait 18 months.

President Barthel said his recollection was that at the previous meeting the cost was \$4.5 million and there was a signoff from Secretary O'Mara. He asked about the start date.

Mr. Donnelly said it depends on getting the appropriate permits both from the historical officials and the Army Corps. They hope to start Red Lion this spring and then Buttonwood started in the fall.

Mrs. Thomas confirmed with the presenters that Buttonwood was more than 50 percent done for complete design and ready for construction. But they are not near that on Broad Marsh and Gambacorta. Those final plans are necessary for Army Corps approval.

The presenters said they are looking to complete final design by the end of April for all of the dikes.

President Barthel said he thought the priority of the dikes might have changed.

Mr. Donnelly said the intent was to submit all three of the projects for permits at the same time. The Philadelphia district of the Army Corps has never pre-approved multiple projects at the same time. There has been a discussion whether forcing the Corps to do something they have never done would take more time, especially with Broad Marsh because of the sensitive historic area. The plan is to submit them all at once but have them written so they can be separated out.

Mrs. Denton asked what is the problem with historic permits on the Broad Dike?

Mr. Donnelly said the significance of Fort Casimir. The State has to evaluate it and the National Parks Services has to review it. There have been no impediments from City and the Trustees.

Mrs. Denton said she understands that but there are homes and lives at jeopardy if we have another storm. For her, lives are more important.

Mr. Donnelly said the project involves a complete reconstruction of the dike, which will be torn down to its core and rebuilt.

A discussion was held about the paths that could be on the dikes.

President Barthel asked about money from the Bond Bill.

Mr. Donnelly gave a recap. So far they have spent \$480,000 on engineering and support. That left \$2.52 million from the original \$3 million in funding. Then there was \$1.5 million in fiscal year 2013 funding which is untouched. So there is roughly \$4 million available. The projected cost for Red Lion, which gets done first, is \$1.6 million. That leaves \$2.4 million, which is enough for one of the City dikes. Then there is the FEMA damage request, which is 75 percent.

That should bring in \$1.9 million. He suspects the DNREC Secretary will make more money available.

A DNREC representative said there is money in the present budget.

Mr. Donnelly said it would be appropriate to make another update to Council in mid-to-late April.

Councilperson Megginson made a motion to adjourn the meeting. Councilperson Petty seconded the motion. It passed unanimously.

The meeting was adjourned at 6:56 pm.

Respectfully submitted,

Michael Dickinson
New Castle City Clerk