

**City Council of the City of New Castle**  
**Special Meeting at Town Hall**  
**201 Delaware Street – New Castle**  
**Thursday, November 16, 2017 – 7:00 p.m.**

Roll Call: 6:59 pm

Councilperson Valarie W. Leary  
Councilperson Michael J. Quaranta  
Council President Linda Ratchford  
Councilperson Michael M. Platt  
Councilperson John A. Di Mondì (Absent)

Also present:

William Barthel, City Administrator  
Janet Carlin, City Treasurer  
Jeff Bergstrom, Building Official  
Kathy Walls, City Finance Coordinator  
David Athey, City Engineer

**Motion, Discussion and Vote on Resolution 2017-39;** A Resolution to fill a vacancy on the Task Force to Develop and Propose a Formal Code of Ethics For Elected Officials, Board and Commission members and Non-Union Employees in the City Of New Castle.

It was moved and seconded to consider **Resolution 2017-39**, A Resolution to fill a vacancy on the Task Force to Develop and Propose a Formal Code of Ethics for Elected Officials, Board and Commission members and Non-Union Employees in the City Of New Castle, which was posted by Councilperson Quaranta on 11/10/2017. Council President Latchford read the Resolution into the record.

Councilperson Quaranta spoke in support of Jerome Rousseau filling the vacancy on the Ethics committee, the vacancy having been created by Joseph Wisniewski moving out of town.

Mr. Rousseau spoke, and provided background information on himself, including experience related to ethics policies.

Council President Ratchford thanked Mr. Rousseau for his willingness to serve.

**Resolution 2017-39 was passed unanimously.**

A PowerPoint presentation was created for this meeting and presented. The presentation is attached to this minutes.

City Administrator William Barthel presented the topic of the (typically) annual process of reviewing, discussing and prioritizing potential road and drainage projects for the current fiscal year. This year, the total cost of the projects up for review totals over \$3 million. He mentioned that the project at Route 9 and Washington Street is included at Councilperson Quaranta's request.

City Engineer David Athey addressed Council, emphasizing that the total cost of the projects to be considered is the highest it has been, and that the scopes of the projects go out much further than previous project packages considered by Council. He noted that the cost estimates are relative, and are based on queries of DelDOT's database. He also emphasized the importance of keeping in mind the fact that prices change constantly.

He stated that the last major project, which involved reconstruction of drainage on 14<sup>th</sup> Street, came in at very close to the estimated cost of the project. This is not a guarantee that these proposed projects' costs will come in as close, but there is a healthy contingency taken into account in estimating these costs. The intention is that these estimates are very conservative, on the high side. He provided examples of reasons why actual costs could vary greatly from the estimates, and pointed out that, although some of the estimates may seem like guesses, they are in fact educated guesses.

Surveying would be required on some of the projects. A lot of the projects will require curbing, which can add up very quickly. He suggested that Council may want to include some handicapped ramps, where work is being done, anyway.

Mr. Athey then discussed and clarified some of the details included in the projects packet. He also presented photos of some of the areas needing improvements, as well as photos of options for improvements.

He described what is known as "green streets," which is an innovative way for managing storm water quality (as opposed to quantity), by providing filtering opportunities, to minimize the pollutants in the storm water. It also allows for replenishment of groundwater, and is aesthetically pleasing.

He advised that a zero-interest loan had been applied for, that he is optimistic about having approved, that could be particularly helpful for the green streets portion of the projects.

Discussion and review of the projects included the following highlights:

- The 7<sup>th</sup> Street project would include a center landscaped island. Mr. Athey is unsure whether this would impact the existing bike lanes.
- The Delaware Street and 7<sup>th</sup> Street projects would include curbing.
- The Delaware Street project would resolve cracked asphalt and lack of handicapped ramps, and possibly some storm water management will be needed.
- The center of the island could be removed and replaced with plants, at the pedestrian crossing in Dobbinsville.
- It was mentioned 7<sup>th</sup> and Delaware Streets as a problem area, due to illegal left turns.
- Where Centerpoint goes off of Johnson Way has serious pavement, curb and drainage issues. The heavier load to this area was taken into consideration in the projects packet.
- A water main will be replaced down the middle of Gray Street, which will leave a trough going down the middle, when the work is done, so this should be kept on Council's radar, as a spot that could use improvement, even though it's not one of the worst cases.
- Regarding Baldt Avenue, it has serious pavement and curbing issues, with a lot of on-street parking, while being fairly narrow. Additional improvements, such as widening, might be considered (at a higher cost).
- Regarding the additional work to be completed on 3<sup>rd</sup> street, after the dip in the road, after the homes, the engineering portion of the project has been funded. Funding is needed for the work under and near the street.

Mr. Athey ranked order of priority, based on need (as opposed to aesthetic) as 1) Centerpoint (might as well do Johnson Way); 2) Delaware Street; 3) 3<sup>rd</sup> Street; 4) Baldt Avenue.

Mr. Bergstrom ranked 1) 3<sup>rd</sup> Street; 2) Centerpoint; 3) Delaware; 4) Baldt Avenue.

Mr. Barthel ranked 1<sup>st</sup> and 2<sup>nd</sup>) (equally) Centerpoint and 3<sup>rd</sup> Street; 3) Delaware; 4) Baldt Avenue.

With all of the work being done on Delaware Street, the possibility of moving utilities underground was discussed. The cost would be very high.

If the Green infrastructure financing were to come through, there would be a timeline attached to it. Mr. Athey believes it was 2019, but was not sure. It might have been 2020, due to all of the preliminary work that would need to be done.

The discussion related to funding options followed, including the following highlights:

- Estimated total project costs, using Baldt alternative #1, would be \$3,375,000. With Baldt alternative #2, it would be \$3,655,000.
- \$535,000 are currently available.
- \$400,000 are available in restricted funds, for the Delaware St. project. If the loan is approved, that will be an additional \$262,500, leaving \$662,000 identified for Delaware Street (total estimated cost of \$1.4 million).
- The restricted nature of the \$400,000 set aside for the Delaware St. project is restricted by resolution. Therefore, that money could be freed up for other projects, by resolution.
- If the Delaware St. project were delayed a couple of years, while completing the planning portion right away, the city would probably still be eligible for the loan.
- There are \$125,000 in capital funds, currently set aside for emergencies. These funds are available.
- A bond might be worth considering, once you get to the \$1 million or higher level.
- The trustees will be sending a letter to the Council, with requirements to apply for additional funds.
- Borrowing from the trustees is not likely to be an option.
- When asked how she would first approach the need for \$465,000, hypothetically, from a finance standpoint, Ms. Carlin would look to both obtain loans and pare down the list.
- The trustees do not provide multi-year funding.
- According to the City Charter, the Council may borrow, long-term, up to 1.2% of the total assessed value of city property (\$3,108,850), without a referendum.
- The Centerpoint and Johnson Way projects do not have to be done at the same time. Johnson Way could be delayed.
- It would be approximately \$125,000 additional to complete Baldt option #1, but replacing curbs on both sides, instead of just one side.

The following scenario was presented as an option:

Baldt option #1, Centerpoint (without Johnson Way), and 3<sup>rd</sup> Street; add up to \$1.185 million.

Using the \$535,000 currently available, that leaves a shortage of \$650,000. If the \$650,000 were borrowed, and repaid over three years, the Council would owe about \$223,000 per year, for three years.

The \$125,000 emergency fund could then be used to get curbs on both sides of Baldt (without widening).

Another scenario was presented:

\$1.3 million to complete Baldt option #1 plus curbs on both sides (now referred to as “Baldt #1A”), Centerpoint (without Johnson Way), and 3<sup>rd</sup> Street. Subtract \$535,000 funds currently available, leaving \$775,000. Financing the \$775,000 for five years would result in payments of \$163,293 per year.

More discussion notes:

- \$1.4 million is the total cost of the Delaware Street improvements, with all options included. The lowest cost would be \$1.1, by excluding the green option.
- DelDOT cannot be expected to contribute financially to any of these projects.

Another scenario was presented:

Doing Delaware St., Centerpoint, Johnson Way, Baldt Ave. #1A, and 3<sup>rd</sup> Street, totals \$2.9 million. Subtracting the \$535,000 currently available, leaves \$2.4 million. Subtracting the \$368,000 comes down to approximately \$2.0 million.

Another scenario was presented:

Doing Baldt (option not specified), Centerpoint & 3<sup>rd</sup> St. Borrow for the planning and design piece of the Delaware project. Use the \$535,000 available, borrow the remainder, retire that debt in three years, leaving the remaining projects for the next City Council to consider.

More discussion notes:

- There is no way to know what amounts might come from the trust, but typically they come in chunks.
- It is not likely that a very large amount, like \$1 million, could be expected from the trust.
- There is the option of requesting that the trust make the annual loan payment on whatever amount is borrowed. This would have to be re-requested each year.
- The Delaware project could be phased over two or three years, including a planning and design phase.
- Any loan to be taken out by Council must be done so by passage of a Resolution by a vote of at least 4 out of 5.
- A city-wide property value reassessment might result in a revenue increase.
- A tax increase is one option, for raising revenue. There is a good chance that the trustees would advise this.

All of those present will consider all of the options, discuss with others, such as legislators, trustees, etc., and gather more hard facts and details.

This topic will be discussed further in December.

Meeting adjourned at 9:37 pm.

Respectfully submitted,

Brian G. Whitaker

Clerk of the City of New Castle, Delaware