

CITY OF NEWARK  
DELAWARE

COUNCIL MEETING MINUTES

August 30, 2021

Those present at 5:30 p.m.:

Presiding: Mayor Jerry Clifton  
District 1, John Suchanec  
District 2, Sharon Hughes  
District 3, Jay Bancroft (arrived at 5:33 p.m.)  
District 4, Dwendolyn Creecy  
District 5, Jason Lawhorn  
Deputy Mayor, District 6, Travis McDermott

Staff Members: City Manager Tom Coleman  
City Secretary Renee Bensley  
City Solicitor Paul Bilodeau  
Chief Communications Officer Jayme Gravell  
Chief Human Resources Officer Devan Hardin  
Chief Purchasing and Personnel Officer Jeff Martindale  
Finance Director David Del Grande  
Accountant II Jim Smith  
NPD Chief Paul Tiernan  
NPD Deputy Chief Mark Farrall  
NPD Deputy Chief Kevin Feeney  
Parks and Recreation Director Joseph Spadafino  
Parks and Recreation Deputy Director Paula Ennis  
Planning and Development Director Mary Ellen Gray  
Code Enforcement Manager Stephanie Petersen  
Parking Manager Marvin Howard  
Parking Supervisor Courtney Mulvanity  
Public Works and Water Resources Director Tim Filasky  
Public Works and Water Resources Deputy Director Ethan Robinson

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1. Mr. Clifton called the meeting to order at 5:30 p.m.
  2. **EXECUTIVE SESSION**
    - A. Executive Session pursuant to 29 *Del. C.* §10004 (3) and (6), for the purpose of discussion of the activities of any law-enforcement agency in its efforts to collect information leading to criminal apprehension and discussion of the content of documents, excluded from the definition of “public record” in § 10002 of this title where such discussion may disclose the contents of such documents.
    - B. Executive Session pursuant to 29 *Del. C.* §10004 (b) (4) and (6) for the purposes of strategy sessions, including those involving legal advice or opinion from an attorney-at-law, with respect to pending or potential litigation, but only when an open meeting would have an adverse effect on the litigation position of the public body; and discussion of the content of documents, excluded from the definition of “public record” in § 10002 of this title where such discussion may disclose the contents of such documents.

MOTION BY MR. LAWHORN, SECONDED BY MR. MCDERMOTT: TO ENTER INTO EXECUTIVE SESSION.

MOTION PASSED. VOTE: 6 to 0.

Aye – McDermott, Lawhorn, Creecy, Hughes, Suchanec, Clifton.  
Nay – 0.  
Absent – Bancroft.

3. **RETURN TO PUBLIC SESSION**

- A. Potential vote regarding direction to the City Solicitor.

Council exited Executive Session at 7:05 p.m. No further action was necessary.

**4. SILENT MEDITATION & PLEDGE OF ALLEGIANCE**

Mr. Clifton asked for a moment of silence and the Pledge of Allegiance.

Mr. Clifton explained the procedures for the GoToMeeting Platform. He stated that at the beginning of each item, he would call on the related staff member to present and, once the presentation was complete, he would call on each Councilmember in order of district number to offer their comments. If a Councilmember had additional comments to add later, they should signal Ms. Bensley through the GoToMeeting chat function. Members of the public wishing to comment should also signal Ms. Bensley through the chat function with their name, district or address, and the agenda item on which they would like to comment. He noted that for participants logged in by phone, names would only appear as Caller One, Caller Two, et cetera, so it was imperative that the participants inform Council of their identities. He stated that all lines would be muted until individuals were called to speak. All speakers were required to identify themselves prior to speaking and votes would be taken by roll call. He instructed that if participants wanted to comment on an agenda item, they should alert the City Secretary through the GoToMeeting chat function. Speakers would be limited to five minutes each and the City Secretary would inform the speakers had 30 seconds left and he would inform the speakers when their time was up. He informed that comments submitted in advance of the meeting would be read into the record first and any individual who was signed up to speak would be recognized for their five minutes. He continued that it may be necessary to adjust the guidelines if any issues arose during the meeting. He reminded that all lines should be muted until called upon to speak.

5. 1. **FINANCIAL STATEMENT:** None

6. 2. **RECOMMENDATIONS ON CONTRACTS & BIDS OVER \$75,000:** None

7. 3. **SPECIAL DEPARTMENTAL REPORTS:**

- A. FY2022 Planning and Development Budget Presentation – Planning and Development Director (90 minutes)

**6:20**

Ms. Gray highlighted the accomplishments of the last year and the goals of the Department:

- Adapted to a remote environment while continuing to provide exemplary service
- Processed permits and land use applications
- Adapted permitting process to allow remote processing of permits, affidavits, and related services
- Processed and approved land use applications
- Processed and approved building reviews and related activities
- Continued exterior inspections while interior inspections were suspended due to COVID
- Continued inspections on building construction to allow projects to continue and reach completion
- Completed projects were added to the City's tax rolls to generate revenue

Ms. Gray shared that the larger projects completed over the reporting period were the Chemours and BPI buildings at the STAR Campus, 22 Benny, 304 South Chapel Street Warehouse Project, the Whitney Athletic Center, the new train station, the Park & Shop, and staff issued temporary Certificates of Occupancy for the Fulton Bank Project, the 321 Hillside Project, and the townhouses at 118-130 New London Road. She informed that meetings also continued virtually to enable the Transportation Improvement District Steering Committee, the Green Building Code Workgroup, and the Five-Year Review of the Comprehensive Plan V Steering Committee to move forward with the Green Building Code, which was adopted by Council on September 14, 2020. Department staff continued work with the parking consultant, Kimley-Horn, and expected a report to be released within the next month for public comment and presentation at the next available Council meeting in the fall.

Department staff, in conjunction with other City staff, devised a temporary outdoor seating program to enable downtown restaurants to continue operations. Ms. Gray reported that Lot 1, the City's busiest parking lot located behind the Galleria, began installation of an electric vehicle charging station (expected completion in the next two weeks) and added 49 parking spaces to total 240 spaces. The creation of the additional parking spaces provided additional parking and additional revenue. She

informed that the Parking Division completed the phase-out of single-spaced parking meters in favor of new, multi-space parking kiosks which created a more pleasant streetscape and more parking options. The kiosks also provided a pay by app option which allowed patrons to pay at any space by license plate number and pay remotely when the parking time expired.

Ms. Gray shared that the Planning Division was working with the Planning Commission, Council, and the public to finalize a five-year review of the Comp Plan V. The Division would also work on the charrette and revision to the BB, central business district, and RA, multifamily dwelling-high rise, zoning ordinances, revise the parking ordinances for the upcoming recommendations to Council, add to the review and discussion of the Kimley-Horn report, and continue to implement the recommendations of the Rental Housing Workgroup which included developing ordinances for accessible dwelling units and inclusionary zoning. The Division would also work with the Planning Commission, Council, and the public to finalize the City of Newark Transportation Improvement District (TID).

Ms. Gray shared that the Parking Division would continue to work with and improve the new kiosk technology, coordinate with UD and residents on parking districts, and the public to improve parking customer service. The Code Enforcement Team, with the assistance of the American Rescue Plan Act Funding (ARPA), planned to lead the effort in onboarding a new software system to interface with the current MUNIS system and greatly improve the licensing and permitting process.

Ms. Gray explained that following the directive issued by Mr. Del Grande, her presentation would focus on the executive summaries for each division, the 2022-2026 summaries of the Capital Improvement Projects (CIP) for the Department, and then address Council questions and comments. Ms. Gray reported that the bulk of the Departments costs were personnel related and noted the full-time wages increased by \$229,393 due largely to the addition of the permanent Deputy Planning and Development Director position and the two temporary full-time Planner positions. She continued that the temporary Planner positions would qualify for the utilization of \$178,000 in ARPA funding so the overall impact to the General Fund for the Planning and Development Department budget was expected to be reduced. She pointed out that part-time wages included two summer interns, an addition from last year, and emphasized that the Department historically budgeted for interns. She informed that summer internships provided opportunities for budding Planners to receive on-the-job experience while also providing a low-cost service to the City. Other wages showed an overall decrease of \$2,759 due to the decrease in the overtime budget and the 2021 budgeted amount of \$25,000 to the current proposed ask of \$15,000 and with the anticipation of adding staff, the Department felt that overtime charges would be reduced. Also included in other wages was a proposed Planning Commission stipend of \$8,400 for \$100 per Commissioner per meeting. She originally proposed the initiative last year to Council but was denied. The purpose of the stipend was to help defray costs related to the preparing for and attending a Planning Commission meeting such as transportation and childcare. The goal of the stipend was to remove any potential barriers for participation in order to attract a diverse group of residents to serve on the Planning Commission and, given Council's focus on diversity, Ms. Gray thought it helpful to bring the proposal up again for discussion. She informed that New Castle County and Kent County both provided meeting stipends to their Planning Commission members. She shared that benefits would increase by \$117,919 and was largely related to the two temporary planner and the Deputy Director position.

Ms. Gray reported no proposed changes for materials and supplies and requested funding would remain at \$2,750. Contractual services showed an increase of \$17,002, due largely to City-wide allocation changes to insurance lines and an increase of \$4,657 to Information Technology (IT), and an increase of \$3,090 for the Revenue Sharing Program. She continued that whereas decreasing contractual services was consulting fees whereby the 2021 budget, approved pre-COVID, for \$200,000 and reduced to \$110,000 due to the COVID budget amendments. The proposed 2022 figure was \$110,000 whereby \$35,000 was requested to be allotted to AECOM, the consultant assisting with the TID work, and \$75,000 for consulting services to bring expertise and additional resources for the development of accessible dwelling units and inclusionary zoning ordinances. Given that the ordinances were new, and staff would have three other ordinances in play 2022, the Department felt that the consultant assistance would help bring the best possible new ordinances forward in a timely manner to benefit the City.

Ms. Gray noted that other expenditures increased by \$84,101, including a \$75,000 subvention to The Newark Partnership (TNP) and \$9,101 more for training. She noted that just as with the reduction in the consulting budget in 2021 due to COVID, the 2021 approved training budget was for \$13,300 and was reduced to \$4,260. The proposed 2022 training budget was more aligned with the approved pre-COVID budget and included professional membership for staff, training, certification maintenance, professional development including local and web-based training, the attendance of one staff member at the National American Planning Association Conference, and one to the International City/County Management Association National Conference. She informed that there were no CIPs for the Planning Division.

Ms. Gray next presented the Code Enforcement budget. She noted a \$2,484 increase due to step increases and advancements in full-time wages and part-time wages had an increase of \$14,000 for summer interns to assist with backlog filing; the internships offered opportunities for students to gain office experience in a municipal government environment while assisting the Division at a low cost. She continued that other wages in personnel costs decreased by \$3,878 and was attributed to reductions in service awards and sick pay due to retirements and staff changes. The last personnel-related line in benefits showed an increase of \$29,476 due to increases in defined contribution and group hospitalization. Materials and supplies were decreased by \$3,540, and contractual services was increased by \$44,558 due to City-wide allocation changes to the insurance lines, \$15,000 for merchant fees and discounts, and a request for \$35,000 in consulting fees for the review of the business license process and Code for the business license. She explained that merchant fees and discounts were credit card fees that were estimated by Finance to increase across the board and the amount presented was the Division's allocation. She noted the depreciation line decreased by \$1,876 based on Finance calculation adjustments and other expenditures increased \$1,505 due to an increase in training which included professional membership for staff and training for certification maintenance and professional development.

Ms. Gray explained the first CIP for the Code Enforcement Division was for the purchase and related expenses for EnerGov, a new permitting software, for \$644,335. She continued that EnerGov was a software platform from Tyler Technologies that was specifically designed to handle complex permitting, licensing, and land use processes and was equipped with full-interfacing capabilities with the City's current payment and accounting software, MUNIS. The software would allow the Planning and Code Enforcement Divisions to provide a higher level of customer service by improving efficiency and allowing applicants the opportunity to submit permit licenses and planning applications electronically and allowing for a fully remote operation in the event of an emergency. She continued that cost of the software and related expenses would be covered by the ARPA funding. The second CIP was for equipment replacement for two Code Enforcement vehicles that had reached end of service life. The cost, which was planned advanced funding accumulated through depreciation, was to replace essential equipment when necessary, and was proposed to be \$75,000 to purchase two vehicles but staff was investigating the opportunity to lease two electric vehicles and reduce the cost to \$42,086.

Ms. Gray stated that personnel costs for the Parking Division increased by \$28,636 for full-time and part-time in other wages and benefits due to step increases, advancements, and related benefits. There was a proposed increase of \$1,000 for machine and equipment maintenance and a decrease of \$35,629 in contractual services due largely to the City-wide reallocation of Workers Compensation Insurance, and the loss of Parking Lot 7, due to the 141 East Main Street project which impacted building and equipment rentals. She explained the other depreciation line also included a depreciation calculation by Finance of an estimated increase of \$6,884. Other expenditures included a proposed increase of \$8,000 for training, whereby the proposed budget for training was \$9,000 and would include professional development for staff.

Ms. Gray revealed that there were no new proposed projects for parking and no new funding was requested for the 2022 CIP parking budget, but the amounts included the budget would remain because the projects were ongoing. She reported that the Community Development Block Grant (CDBG) continued to partially fund the Planner II position and there was an expected increase of \$7,780 in full-time, part-time, and other wages and benefits due to step increases, advancements, and related benefits. She noted a slight increase of \$586 in materials and supplies due to the increase for the George Wilson Park Improvements Project and a decrease in the maintenance supplies. She explained there was large increase in contractual services of \$459,943 due to increased funding in the program related to the CDBG Cares Act, the first round of stimulus funding in response to COVID on the Federal level, and reprogramming of previous CDBG funds paid to the City from past program recipients. She understood that in previous years, the funds were returned to New Castle County at their direction, but the County had since directed the City to spend the funds. Due to the increase, the City was able to assist more residents as indicated by the programs listed on page 63 of the presentation including:

- George Wilson Parking Improvements - \$1,986
- Rehabbing components of Victoria Mews - \$100,000
- Good Neighbors Home Repair Program - \$8,000
- Home Buyer Incentive Program - \$5,000

Ms. Gray informed that the overall Unicity budget request was proposed to be reduced by \$16,550 and was largely attributed to a projected decrease of \$36,020 in repairs and maintenance, and a decrease in insurance. She continued that the budget included a request of \$14,676 for camera systems to be added to the buses. She noted that there was no requested funding in the CIP for equipment

replacement for vehicles in 2022 but reminded that staff would come before Council on October 11<sup>th</sup> to request a replacement vehicles that was budgeted for 2021 for the Unicity Program.

The Mayor opened the table to Council comments.

Mr. Lawhorn wanted to verify that the significant increase in full-time wages was due to the recently approved positions and Ms. Gray confirmed. Mr. Lawhorn asked if the \$10,000 reduction in overtime was related to the fact that staff was better resourced, and Ms. Gray confirmed and added that it was determined that the two temporary planner positions qualified for ARPA funding. Mr. Lawhorn acknowledged that ARPA provided extra funding and asked if staff would provide a summary of anticipated 2022 ARPA use. Mr. Del Grande replied that there was a link in the chat function of the City's APRA-related projects for 2022, when they would be discussed during the budget hearings, and in which Department they were included. He noted that staff currently had \$17.3 million earmarked of the \$18.1 million that had been allocated to the City for nearly 23 different items. He added that staff was still in discussions with the State on leveraging its ARPA funds against some of the City's projects to lessen the amount of funds that the City would need to use for similar projects. Mr. Lawhorn asked if positions similar to the temporary positions would be listed and Mr. Del Grande confirmed.

Mr. Lawhorn pointed that the subvention for Aetna was included and noted that Aetna was undergoing substantial changes with the potential sale and acquisitions of properties. He believed the decisions Aetna made could have a major impact on how they serviced Newark moving forward. He reminded that Council often discussed how important Aetna was to the City because even partial funding for rescue services would be a massive expense. He wanted the City to be as engaged with Aetna as possible to understand their path forward and knew the City tried to creatively support Aetna throughout the years. He admits he did not have a proposal for claiming the City should increase the subvention this year but thought it should be increased in the long term with assurances from Aetna that they would be able to continue to service the City as they had in the past.

Mr. Lawhorn pointed to the \$164,000 in contractual services and asked what projects would benefit. Ms. Gray replied that staff was targeting two projects with the funding: the continual funding of AECOM (TID Steering Committee consultants) until project completion mid-2022 and \$75,000 for the two rental housing recommendation zoning ordinances (inclusionary and accessible dwelling). Mr. Lawhorn appreciated contractual services because the cost left the budget when the services were no longer needed. He commented that the permitted software was expensive and asked if the purchase was covered by ARPA and Ms. Gray confirmed. Mr. Lawhorn asked for the ongoing cost of the software and Ms. Gray confirmed there were ongoing costs. Mr. Del Grande would investigate. Mr. Lawhorn recalled a decrease in personnel with the installation of parking kiosks but did not see evidence in the budget. Ms. Gray agreed that there was a reduction and shifting of responsibilities and deferred to Mr. Howard. Mr. Howard confirmed that the night managers who had previously overseen the cashiers had been transferred to support the Enforcement Division. Mr. Lawhorn noted that City did not lose employees but did move responsibilities and Mr. Howard confirmed. Mr. Lawhorn noted that positions were added to increase throughput of the projects and asked if staff had any opinion regarding projects that were not value added that the City should not be funded, and Ms. Gray replied no.

Mr. Clifton asked if the stipend was included in the budget or if Ms. Gray was requesting Council feedback. Ms. Gray replied that the stipend was proposed in the budget. Mr. Clifton thought it was appropriate to determine Council support.

Mr. Lawhorn supported the stipend as the Commission held a significant number of meetings.

Mr. Clifton asked remaining Councilmembers to offer their insight.

Ms. Creedy asked Mr. Clifton to repeat his direction. Mr. Clifton replied that he wanted to Council to offer direction on the stipend for only the Planning Commission. Ms. Creedy believed that the Planning Commission attended every Council meeting and had no issue with a stipend. She asked why other Departments would be denied a stipend. Mr. Clifton clarified that he was not referring to Department Directors but was speaking about the Planning Commission. Ms. Creedy reiterated her support for the stipend. She asked if the \$17.3 million earmarked of the \$18 million was in the outline. Ms. Gray asked if Ms. Creedy was referring to the ARPA funding. Mr. Del Grande clarified that the information would be included in the forthcoming budget presentations. Ms. Creedy reviewed the outline and read through the programs but did not notice much assistance for residents. Mr. Del Grande replied that most of the ARPA funds were used for infrastructure which would keep the cost of water and sewer fees as low as possible. He noted that staff was waiting for Council to provide direction on what to do with funds and repeated

that City staff was still working with the State to hopefully use more State funds towards the City's infrastructure projects. He admitted it was difficult to commit because the process was so new.

Ms. Creecy asked if there were measures to improve the environment. Mr. Coleman replied that the City was working with AECOM to develop a Greenhouse Gas Inventory (GHG) which was funded by the Conservation Advisory Commission in 2021 and was due for completion in the first half of 2022. Ms. Gray added that prior to Ms. Creecy's arrival on Council, the Planning Department secured grant funding to develop a Sustainability Plan and was currently implementing aspects. Ms. Gray asked Mr. Coleman if the GHG was part of the Sustainability Plan and Mr. Coleman confirmed the GHG was a goal of the Plan. Ms. Creecy asked how she could obtain the information and Ms. Gray informed that the Sustainability Plan was on the City's website. She deferred to Mr. Coleman for the GHG update and added that Mr. Coleman developed a tracking sheet for the implementation aspects of the Plan which was recently presented to the CAC. Mr. Coleman confirmed that the CAC provided feedback, but the tracking device had not yet been fully updated by all of the Departments. He noted that the sheet would be presented to Council upon completion but emphasized that it was intended to provide periodic updates and should cover most items. Mr. Del Grande added that there were four proposals for EVs in budget presentation; two for Code, one for Parks, and one for Administration. Ms. Gray added that the parking Division was also working with the Electric Department on installing an EV charging station that would charge two vehicles in Lot 1 and an EV charging station located at City Hall.

Dr. Bancroft thanked Ms. Gray for the presentation and Mr. Del Grande for the ARPA table. He stated that the ARPA funding could be beneficial for cyber security and shared that muninetworks.org provided information for broadband preparation. He commended the effort on the Sustainability Plan and recommended that the City continue its path of EV cars and chargers. He supported the Commission stipend and admitted the EnerGov project was costly but thought the license was a four-year license. He looked forward to Mr. Del Grande's response regarding the licensing. Mr. Del Grande replied that the fee was \$77,000 annually but would be pared down with the existing MUNIS software that would not be utilized. He estimated a \$50,000 to \$60,000 annual expense going forward. Dr. Bancroft admitted the software was expensive but emphasized that cybersecurity was important.

Ms. Hughes supported the stipend but wanted to know how the structure and the amount.

Mr. Suchanec referred to page 12 and asked about the lag between billing and paid for Code Enforcement Permitting Activities. He wanted to know why there was a shortfall in rental billing, business license billing, and citations. Ms. Petersen replied that one of the challenges staff had with the software was that corrections were needed. Staff was reviewing business licenses, rentals, and citations to verify the validity of the charges which could be a reason for the lag. She often found charges that were either duplicated or fees were superfluous and explained that staff was investigating large businesses first. She predicted the numbers would be closer in the next budget because the billings should be more correct. Mr. Suchanec asked if the new proposed software would alleviate the issue and Ms. Petersen confirmed. Mr. Del Grande clarified that there would always be a lag between actual bills and paid from one year to another because of timing between billing cycles. He added that there was also a lag because of payables with 0 to 30, 60, or 90-day delays where bills were not paid on time. He explained that the new software had better controls to allow the Departments to review issues and work with customers on a more user-friendly manner but emphasized that the results presented were mainly due to the timing of bill payments and the delay of paying bills in a timely manner. Mr. Suchanec noted the cost of the software and asked if the City would receive a return on the expense and if the software would justify itself in terms of reducing expenses or increasing revenues. Mr. Del Grande confirmed that the software included efficiencies and explained that staff initially favored the software seven years ago but the cost to implement was too great at the time. MUNIS, the City's accounting software, had since acquired the software which had since improved its integrations. He admitted the cost was more expensive and reiterated that the capabilities were more user-friendly to customers including an app that helped with reporting issues within the City.

Mr. Suchanec asked for the return of investment on the new EV charging stations and if the customer using the charging station would pay a fee. Mr. Coleman confirmed and explained that staff was still working with the vendor on billing structure. He continued that there was a relatively large rebate from the State to cover most of the cost of the station so the station itself was not expensive but the infrastructure the City installed did not have offsetting grant funding available. He confirmed that the stations would generate revenue once they were in place and staff was proposing a slight profit but emphasized that the chargers aligned with the goals of the Sustainability Plan of promoting EV development within the City because it generated more electric profit as a long-term investment.

Mr. Suchanec referred asked about “privately-owned and publicly managed” as it related to parking lots. He asked if the City leased the parking lots on the north side of Main Street. Mr. Coleman confirmed that the City leased parts of Lot 3 and 4, leased Lot 7, and small portion of the fire lane. He revealed that the proposed building at 141 East Main Street would have a parking garage and the City would enter into an agreement with the owners to manage the lot but admitted the situation was different because it was a garage and not a piece of a larger surface lot. He explained that the City owned half or more of Lots 1, 3, and 4 and the garage would be exclusively privately-owned and independent of any other lot. Mr. Suchanec commented that the garage was different than the leasing arrangements the City had with other lots and Mr. Coleman confirmed that the City would be involved in a contractual arrangement. Mr. Suchanec supported the City’s hybrid vehicles and asked if there would be a workshop to determine how ARPA funding would be spent and if Councilmembers had participated in creating a list of how the funding would be spent. He then asked what would happen if the City did not have access to the funding and asked staff to speculate how to prioritize the projects without funding. He assumed that staff and Council would sit down and work out the funding because his constituents had other suggestions. He wanted to better understand how staff arrived at the projects and if there was an opportunity to influence decisions by suggesting other projects that could be more appropriate.

Mr. Suchanec did not support a stipend for the Planning Commission.

Mr. McDermott noted that most of his questions about the budget specifically had been answered and had more questions regarding ARPA funding. He stated that when the Newark Post reported there was a \$6.7 million shortfall, he received feedback from District 6 about the potential for a tax increase and the accompanying concerns. He appreciated the projects listed in the ARPA funds but only noticed two or three items specifically reflected in the budget. He asked how the funds would impact the budget shortfall overall and wondered if the City was proceeding with projects in addition to the regular budget and if there was an opportunity to do the projects while lowering the City’s overall expenditures. Mr. Del Grande explained that the ARPA funds were in tandem with the City’s budget and were not incorporated as part of the \$6.7 million shortfall. The projects identified were those that had been on the City’s list for years but had not been funded, as well as water and sewer infrastructure. He announced that the water and sewer infrastructure projects would truly keep down future rate increases for water and sewer because the projects were necessary but had not yet been addressed. He explained that the funding would delay the need for the City to pursue a referendum in 2024 for other water/sewer projects for the foreseeable future. He revealed that the City was at the closing end of the 2018-2022 Capital Improvement Plan, which included the funding approved citizens in the 2018 referendum, and staff had been readying a list of projects for the next referendum, the need for which was now delayed.

Mr. McDermott said there were many questions on how the City had a \$6.7 million deficit when it received \$18 million from the Federal government. He wanted to support the Planning Department in all of their requests but still did not understand how the City was making up the shortfall. Mr. Del Grande replied that the budget was the normal course of business for the City and emphasized that the City had always been \$7 million or \$8 million short in the annual budget process before the October Budget Overview with Council. He explained that the shortfall had only become more recognized in the last two or three years when staff began making the budget overview in August, so Council was more aware of Department requests. He reiterated that the process was no different from what was done in the past, the public was only more aware of the steps of the budget process. He maintained that the budget would be balanced and explained that necessary but unfunded capital projects were often moved to outer years which triggered resident complaints about how the capital budgets changed from year to year. He continued that staff often made the decisions to delay projects due to lack of funding; the main driver was the cost of public safety which rose yearly. He explained that the City supported its Police Department and wanted to keep citizens safe so funding public safety was of the utmost importance. Mr. Coleman interjected that the CIP reflected the ARPA funds included by staff and explained the same budget without APRA would yield a \$12 million deficit. He emphasized that besides the two temporary planning positions, staff was not proposing to use ARPA funds to cover any operating expenses or revenue shortfalls yet and repeated his opinion that staff should not do so unless the shortfall was directly related to COVID and was transient. He explained that it was not advised to use ARPA funding to avoid covering the cost of a structural increase because the increase would be present the next year in addition to the increase for the current year. He believed it was acceptable to use ARPA to cover femoral revenue shortfalls specifically due to the pandemic but only as a last-ditch effort. He repeated Mr. Del Grande’s statement that staff had the ability to shift capital projects and reminded that historically, Council and the public were not privy to the first budget requests, they had only ever seen the trimmed budgets. As such, resident feedback was that staff were unwilling to remove anything from the budget when the reality was the opposite because staff had already made extensive cuts without Council comment. He admitted the current procedure gave the impression that the situation was significantly worse than years past when it was actually similar. Mr. McDermott appreciated the explanation and had the utmost faith in the Finance

Department, he wanted to avoid having to explain to residents that the budget was not met. He admitted he was apprehensive but maintained his faith in staff. He did not support the stipend.

Mr. Clifton shared that he had been through 21 or 22 budget seasons and appreciated staff's efforts. He was pleased with what he saw and shared his support for the City's migration to EVs because it made a sense for a City-bound vehicle to be electric; he commended the Planning Department and hoped other departments would follow suit. He did not support a stipend because although the Planning Commission included professionals with expertise, he did not view the Planning Commissioners as any more or less professional than other Board or Commission members. He did not want to make the statement that the Planning Commission was more important than other City Commissions. He revealed that a former Councilmember pushed the idea because a Planning Commissioner was experiencing childcare issues and suggested that the attendance record be reviewed because the meetings had been virtual for over a year, but the attendance record had not improved. He did not see any evidence to suggest that a stipend was appropriate and wanted to avoid favoritism between other City Commissions making similar sacrifices. He denied that he was being disingenuous to the Commissions work but believed if the City offered the stipend to one then it must be offered to all.

There was no public comment and Mayor returned the discussion to the table.

Ms. Creecy retracted her support for the stipend in deference of equality to the other Boards and Commissions.

Mr. Clifton thanked Ms. Gray and her team for their efforts.

**8. 3-B. FY2022 PARKS AND RECREATION BUDGET PRESENTATION – PARKS AND RECREATION DIRECTOR (45 MINUTES)**

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**1:19:24**

Mr. Spadafino thanked Council for the opportunity to present the budget and listed the Department's key accomplishments that were or would be completed in 2021:

- Completed Rodney Park design
- Implemented the new online registration software to better serve the City's needs and to become PCI compliant
- Installed central air conditioning at the George Wilson Center
- Completed and updated the Landscape Screening and Treatment Ordinance
- White Clay Creek/Charles Emerson Pedestrian Bicycle Bridge
- Installed restroom and drainage improvements at Preston's Playground
- Created park signage throughout the City's park system
- Completed a COVID-19 Camp Procedures Guide and Communicable Disease Plan for the summer camps as per recommendations from the Centers for Disease Control, American Camp Association and the Delaware Division of Public Health

Mr. Spadafino presented the Executive Summary for the 2022 Operating Budget. He explained that other wages were for day camps, lifeguards, self-supporting staff, and part-time seasonal workers and noted a 6% increase due to the minimum wage increase and the desire to become more competitive across the board for per hour employees. He reminded that minimum wage would increase to \$10.50 with additional increases in subsequent years and emphasized that recruiting good staff was the Department's key to running quality programs but admitted that staff had been a struggle over the last summer. He explained that \$6,000 in materials was to replace a 20-year-old trailer to transport equipment to various City projects. He reported that contracted services would increase by 3.79% due to City-wide changes to insurances lines and a \$4,000 increase in self-supporting programs for background checks for part-time employees, sports volunteers, and coaches. He noted an increase of \$4,156 in Liberty Day and Fireworks for the fireworks display, UD Police, and DeIDOT. He added a key total increase of \$43,500 was for tree removal, including \$23,000 for bamboo removal at Rittenhouse House Park that was encroaching on surrounding developments. He continued that the increase was also partly due to tree removal because of damage from the Emerald Ash Borer, bacterial leaf scorch, and other tree diseases that had impacted the 2021 budget. Staff hoped the impact would not be so severe in 2022 but warned Council to be prepared for tree removal. He revealed that the additional \$10,000 in creek maintenance was to remove blockages in order to avoid flooding along streambanks and neighborhoods. He noted an increase of \$4,500 was for training in pesticide applications, state conferences, playground safety inspections and would put the Department at 2020 levels. He continued that interdepartmental increases of 9.39%, \$27,954, reflected the cost share of overhead for account, electricity, IT, et cetera.

Mr. Spadafino presented the capital project funds and explained that staff added the cost for a new Kubota Mule vehicle to be used for trail maintenance, equipment transport, tree removal, delivering construction supplies to various locations in order to save staff time. He emphasized that the Mule was a versatile piece of equipment that could be loaned to other Departments. He continued that park improvements such as paving walkways, installing new pavilions, and creating more handicapped accessible pathways throughout the park would also be included for consideration for ARPA funding use. He explained the Department was collaborating with the NAACP and local residents from the School Hill area on a display for the George Wilson Center, the original site of the first African American school in Newark built in 1922 which became the activity center point for the surrounding community. The City wanted to capture the history of the area from the residents and individuals who attended the school to create historic displays in and around the George Wilson Center. He revealed the CIP also included repairs for the pools at Dickey Park and George Wilson Center which needed to be re-plastered in 2022 and had a 10-year life expectancy. The Department was working with IT to potentially provide Wi-Fi in City parks and provide internet capabilities in Handloff, Fairfield, and Dickey Parks as well as the George Wilson Center. The Wi-Fi would further update the park amenities and provide internet services for park users and assist families lacking internet resources, a need that became apparent with virtual learning during the COVID-shutdown. He continued that the vehicle replacement program included an EV pickup truck and Ford F350 crew cab to be used by the horticulture staff for a total of \$60,000. Mr. Spadafino noted the items included for ARPA consideration were the Dickey Park improvements, Handloff Park Trail, park surface facility improvements (repaving the Reservoir parking lot), and improvements at the Old Papermill Park.

The Mayor opened the table to Council comments.

Ms. Creecy thanked Mr. Spadafino and asked how many lifeguards were employed in 2021 and if there were any problems. Mr. Spadafino confirmed there were issues staffing lifeguards and revealed that there were three lifeguards but only two typically showed. He added that the City was unable to open the Dickey pool because of the shortage and the George Wilson pool had to be closed on occasion because it was unsafe to only have one lifeguard. Ms. Creecy asked what measures could be taken to avoid the same situation next year. Mr. Spadafino informed that the City was actively recruiting lifeguards for the fall/winter swim instruction program at the Newark Senior Center and for next summer with the hope that the fall hires would stay on through the summer. The intent was to present a more competitive wage for the lifeguards. Ms. Creecy commended staff for creating accessibility in Dickey Park and asked for clarification on page 9 regarding play equipment. Mr. Spadafino replied that it was part of the equipment replacement program because playground equipment could become obsolete or fail safety tests that were conducted every ten or twelve years, so staff attempted to stay ahead of the curve and replace equipment as it aged out. He shared that a new platform for one feature at Dickey Park cost \$15,000 itself to replace so it was less expensive for the City to replace platforms than spend \$50,000 or \$60,000 for a new playground and staff proactively replaced units before they became a safety hazard. Ms. Creecy asked what it would take to add Wi-Fi in the area because many of her constituents had issues during virtual learning and Mr. Spadafino said he would defer to the IT Department but revealed the areas he mentioned would be easier for the City to provide service. He thought it was possible that residents who did not have Wi-Fi would visit the parks for service and repeated that he would defer to IT for the necessary infrastructure. Ms. Creecy thanked Mr. Spadafino for staff's work at the George Wilson Center and for educating about the location's historical significance.

Dr. Bancroft and Ms. Hughes thanked Mr. Spadafino for the presentation and had no questions.

Mr. Suchanec asked if the hike he and Mr. Spadafino were taking the following day was part of the City's 17 miles of trails and Mr. Spadafino confirmed that the 17 miles included paved, unpaved, and natural trails. Mr. Suchanec shared that he was referring to the Christina River forested area that fell on either side of the creek from Church Road to Barksdale Road. Mr. Spadafino informed Mr. Suchanec that the area was actually the Christina Valley Stream Area which stretched from Church Road to I-95 for a five-mile trail. Mr. Suchanec asked if the City maintained the trail and Mr. Spadafino confirmed that the trail was a natural trail, so the maintenance included cutting back brush and removing tree fall. Mr. Suchanec noted that staff removed invasive plants and asked Mr. Spadafino to point out Japanese Stiltgrass because he was told that it was invading a constituent's yard.

Mr. Suchanec informed Council that pickleball was the fastest growing sport in the US with over 3 million players and a 7% growth rate each year for the last seven years. He asked if consideration had been given to retrofitting the tennis courts to allow the game to be played. Mr. Spadafino confirmed that staff was investigating the possibility of retrofitting some courts and installing a court in future potential development areas.

Mr. McDermott had no questions.

Mr. Lawhorn asked if the design for the Old Papermill Park Improvement Project was finalized. Mr. Spadafino explained the project would include a public meeting with residents and shared that the design was on hold because the project was three years out and construction costs were trending. Staff wanted the estimate to be as accurate as possible. He reiterated that if the project was approved through the budget or ARPA, staff would address the design phase first. Mr. Lawhorn noted the significant increase in part-time employees and asked if the increase was due to the new minimum wage. Mr. Spadafino confirmed and added that staff submitted a budget amendment in 2021 which reduced the temporary part-time seasonal park employees by \$20,000 to then be used for tree removal. Mr. Lawhorn wanted to emphasize the strong drive to increase minimum wage while acknowledging the impact to the City's budget. Mr. Spadafino added that as staff increased the cost of minimum wage, the cost of programs would also increase. Mr. Lawhorn wanted to understand how the increase would impact the City.

Mr. Clifton asked if the installation of the AC unit at the George Wilson Center was part of the Seiberlich Trane project and Mr. Spadafino confirmed. Mr. Clifton asked if the Halloween and Memorial Day parades would take place in the fall and in 2022. Mr. Spadafino replied that staff was planning but warned that COVID would be the driving force. Mr. Clifton appreciated the caution regarding COVID but noted that the Halloween program drew many visitors. He asked how much the fireworks display cost and Mr. Spadafino replied \$23,000 but the entire event cost nearly \$60,000 with the additional UD Police support, DeIDOT fees, Newark PD support and staff costs, and portable bathrooms. Mr. Clifton was surprised that the fireworks only cost \$23,000 because the display had been terrific and thanked Mr. Spadafino and Ms. Holubinka for their leadership at the George Wilson Center. Mr. Clifton asked the name of the EV pick up brand. Mr. Del Grande replied that staff had not gone into specifics and only earmarked the fund for EV. He informed that EVs were experiencing supply issues and staff was waiting for the next round to become available. Mr. Clifton asked if staff would proceed with State contracts for the EV purchase. Mr. Del Grande replied that staff would purchase the vehicles at best price and preferred to work with local dealers depending on willingness. Mr. Clifton agreed with staff measures and explained that he read an article a few months ago regarding the difficulty a major manufacturer had with its EV program. He spoke with Mr. Vispi about an alternate manufacturers and learned that repairs would be done out of State and would be nearly impossible for the City's maintenance staff to manage; he wanted staff to be cautious moving forward.

Mr. Clifton recalled an issue at the Dickey Park Pavilion where a power scooter had difficulty entering the pavilion because of the access and asked when corrections would be made. Mr. Spadafino replied that the long-term plan was to replace the pavilion and install a pathway from the closest parking lot to the pavilion; staff was planning on a temporary fix in the meantime. Mr. Clifton asked if there had been any discussions about building dog parks and Mr. Spadafino confirmed and expected the item to be added in an upcoming CIP. Mr. Clifton suggested the reservoir area because it seemed to be a focal point for residents and reminded that previous Council held discussions on enlarging the parking lot with crush and run.

There was no public comment and the Mayor returned the discussion to the table.

**9. 3-C. FY2022 ADMINISTRATION DEPARTMENT BUDGET PRESENTATION – CITY MANAGER (45 MINUTES)**

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**1:53:04**

Mr. Coleman stated that he would present the Departmental and Operating Budget overview and Mr. Martindale would present the Capital Budget items for the Facilities Division. He noted that the presentation included goals and accomplishments that he would not review that evening and continued that the Executive Summary on page 11 required some corrections. He explained that the figure shown for 2021 in the comparisons for the Admin Department did not include a fulltime position that had been included in the originally approved budget but had been eliminated as part of reorganization. As such, the year over year changes were off by a considerable amount. He informed that staff eliminated the Human Capital Manager position and distributed the responsibilities across the Communications and Purchasing positions by adjusting pay scales and position titles. He explained that the summary compared the pre-merger, minus a position, to post-merger and continued that he would call out the individual numbers that were off with what the amount should be. He added that the changes from last August provided a considerable savings but were not included in the summary.

Mr. Coleman reported that full-time wages had a 3.4% year over year increase driven by a contractually obligated cost of living adjustment (COLA) of 2% in the CWA union and the contractually obligated step increases. Staff proposed a 2.5% increase COLA for all management personnel because management did not receive an increase in 2020, unlike the AFSCME and CWA unions. Part-time wages

decreased by 21.6% from 2021 because staff identified an error in the 2021 budget where mailroom personnel was overbudgeted. He continued that other wages were increasing slightly due to additional anticipated overtime expenses and the benefits were increasing due to increased costs for taxes, pension, 401A, and healthcare expenses. He reminded that the year-over-year percentage increase was incorrect due to the missing person from the 2021 comparison. He did not have the correct figure but confirmed it would be generally in line with presentations from other Departments. No increase was proposed for materials and supplies, but staff proposed a slightly smaller increase of \$32,000 for contractual services than what was stated in the presentation. Of the \$32,000, staff had proposed the creation of a City app, "See, Click, Fix" (incorrectly listed as Click, Fix, Report) made by CivicPlus, the same company that hosted the City's website. Instead, as part of the Intergov project, staff was considering an application called MyCivic which was currently paid for under the Tyler Accounting Package. He admitted the application had not been historically reliable but had improved throughout the intervening years. The baseline package version was called My311 and the better version was MyCivic which cost about \$11,000 more than what the City was currently paying. He confirmed that MyCivic would provide numerous improvements to customer service and allow the public to view Council livestreaming, review agendas, and pay utility bills. Staff would be able to link the application to anything on the City's website as well as link directly to the Intergov software discussed early in the evening to investigate permits, look up costs, and search for building contractors. He considered the app to be very powerful and an improvement of service for \$11,000 per year. Staff proposed an additional \$15,000 for general legal and consulting to help staff address slightly higher levels of expense and costs, not related to AFSCME and SOE-related issues as stated in the presentation.

Mr. Coleman proceeded to other depreciation expenses, which showed slight decrease, and other expenses increased by \$27,000 due to an increase in recruitment and retention expenses, associated with the difficulty of recruiting Police and most other positions. He admitted that the current hiring environment was extremely difficult and was becoming more expensive. He reported that staff started using a new Police testing vendor for the City's written test to improve the diversity hiring process, which was an additional cost. Staff proposed a \$12,000 increase to the training line which would get the City closer to pre-pandemic spending levels because staff did not believe it was sustainable to keep the training line at 2021 levels. He admitted the amount assumed that travel would resume but given the Delta variant, staff was looking to pull back on training-related travel and would adjust the travel policy shortly which would likely require adjusting the training lines for most operating Departments.

Mr. Coleman reviewed the CIP for the Administration budget on page 19 of the report and informed that the Administration typically had no traditional capital projects but had a pool vehicle that was included in the 2023 year to be replaced with an EV. He proceeded to the Facilities Operating Expenditures on page 24 and stated that the form included correct amounts. He reported an increase of just over \$3,000 in full-time wages due to step increases and COLAs, a small decrease in the part-time wage line due to staffing adjustments and turnover in the division, an increase of \$500 for overtime, and \$300 for a self-reimbursement. He noted benefits had increased due to pension, OPEB, healthcare and 401A retirement expenses. Materials and supplies showed a \$27,000 increase but had since been reduced by \$10,000 which was then transferred to the contractual line, as reflected correctly on the sheet. He explained the \$17,000 in materials and supplies accounted for \$2,000 in janitorial supplies due to increased cleaning costs from COVID, and \$25,000 was for ceiling tiles. He explained that there were damaged tiles around the building and pictures were included in the report. The project proposed replacing all ceiling tiles in the Police Department because most tiles on the City Hall side would be replaced as part of the Energy Service Company (ESCO) project. He noted there was flexibility with the project because some tiles purchased under the ESCO project could be repurposed, but staff included the entire amount in the initial budget request to make Council aware that the situation would need to be addressed at some point. He noted the contractual services line had an increase of \$90,930 including \$35,000 for HVAC duct cleaning on the Police Department side for the first time ever, duct cleaning was done on the municipal side in 2013. He continued that debris was being blown out of the ducts as documented in the appendix. Staff also included \$10,000 for Council's consideration for a new sign for the municipal sign at the corner of Veteran's and South Main because the existing sign was dated and staff felt a new sign with a digital display could be used to advertise meetings, events, and other topics of interest. Staff included another \$10,000 (the aforementioned transfer from materials) and \$26,000 for a new building access system for the Police Station because the existing system on the Police Department side was past the end of its service life and staff could no longer source replacement parts when keypads died. He noted the proposal would bring both sides of the building under one system and improve the access control system so they could be managed independent of one another.

Mr. Coleman noted a slight increase in depreciation expenses, \$118,000 of new debt service related to the ESCO project, and a slight decrease in the interest expense due to the change in the

anticipated timeline caused by the pandemic. Facilities showed a slight reduction in interdepartmental charges and no increase in full-time positions.

Mr. Martindale presented new and ongoing capital projects for facilities and noted that most of the Department's focus in the 2022 Op/Ex budget was heavily tied to the Police Department. He emphasized that most of the projects he would be discussing were necessary from a safety or structural perspective or were complimentary to the \$10 million ESCO project currently underway. He confirmed that staff addressed many of the desperate issues in City facilities through the ESCO projects and the smaller remaining projects should help bring facilities back to a maintainable level and see staff through the useful life of the building or an estimated 20 years. He reported that staff was not proposing the use of current resources for any of the CIP projects slated for completion in 2022.

Mr. Martindale explained that project N2201, City Hall Access Safety and Security Upgrades, was a new project for this year's CIP and grew from the ESCO project when staff identified structural issues while completing the roofing repairs over the winter. He continued that the front semi-circular structure attached to the atrium lobby was in severe disrepair so much so that ESCO could not complete the planned repairs due to the structural instability of the roof. After brief review by the City's on-call engineering firm, JMT, it was determined that the structure could become unstable in the next two to three winters and pose safety issues thereafter. He referred to pages 35 to 39 in the presentation and explained the pictures were from JMT's report over the winter. At the time, JMT provided the City with two options to address the issue: demo the structure and rebuild or demo and replace with a prefabricated awning. Staff was now recommending demo and replacing due to overall cost. Given the needed project and the need to have bailiffs positioned in the atrium, staff believed that it was appropriate to review other atrium related security upgrades as well. Staff wanted to install a permanent bailiff station in the atrium which would replace the canopy tent and mobile desk that had been in use for the last year. He continued that there were historical discussions regarding the installation of a metal detector for the Alderman's Court and staff wanted to proceed with the installation at the bailiff's atrium station once completed to provide additional visitor vetting for Court and general municipal services. He shared that a small amount of funding for the project was devoted to replacing the cracked and damaged floor tiles throughout the atrium and potentially throughout the first floor Pub lobby area pending funding availability. The tile was recommended generally and would be necessary if the bailiff station was constructed into the floor. He continued that ARPA funding was suggested to cover \$145,000 of the project, with the remaining \$100,000 being funded from Court security fees. He stated that pages 40 through 44 in the presentation showed the flooring issues throughout the atrium and the Pubs lobby.

Mr. Martindale continued with project N2202, Miscellaneous Entryway Repairs and Improvements, and explained that the CIP was new to the budget and no funding in 2022. The project sought to improve structural issues in other City facilities, specifically the George Wilson Center and Building 1 of the field operations complex. He elaborated that the GWC's ramped entrance would be upgraded to have a touchless automatic door for better disability access and to improve general building security. The plan for Building 1 was to improve the flooring and entryway to address structural issues before more deterioration occurred and substantial work was required. He reiterated that neither project was slated for 2022.

Mr. Martindale explained that N2001, City Hall Electric Vehicle Charging Station Wiring, was still a few weeks out at City Hall and Lot 1 but should be online shortly and definitely before the fall. He reminded that in 2020, the City purchased three dual port charging stations which equated to six EV parking spots and the Electric Department had been installing the stations over the course of 2021. He shared that infrastructure was in place to quickly install additional stations at both locations in the future pending Council desire. He admitted that staff had no exact recommendation on the project, they wanted to provide Council the option to expand charging infrastructure with the 2022 budget, if desired. He explained that reasons to do so would be that DNREC grant funding was confirmed for charging stations through June 30, 2022, in the amount of \$7,000 per station, but the funding was not confirmed beyond that date. He continued that stations purchased in the near term were likely to be more compatible with the current station and waiting could lead to mixed types of stations being installed. He informed that because the infrastructure work associated with the project was complete, nearly all remaining expenses should be eligible for Green Energy Fund's grant use and the work should be minimal in nature at the staff level. He explained that project N2002 was for carpet and lobby upgrades and had been in the capital budget since he first joined the City in 2019. He shared that the carpets in City Hall and the Police Department had not been replaced in decades and may have never been replaced in areas of the Police Department. He continued that failing carpets presented a potential staff morale and cleanliness issue. He displayed pictures of mixed carpeting, staining, and water damage in some areas. Staff wanted to investigate the potential use of carpet tiles in high traffic areas moving forward to decrease replacement costs over time so that a one-time project would become a maintenance event should additional work be

necessary in the future. He added that staff was proposing ARPA funding so there would be no current resource costs.

Mr. Martindale reiterated that the roof repairs and replacements were not substantially complete through the ESCO project and the work associated was estimated to be in the \$2 - \$3 million range but staff was able to complete the work at a \$0 value to the energy savings project. He explained that the ESCO project was first approved in July 2020 and had been an ongoing collaboration project between City staff and Seiberlich Trane. He continued that the project was a creative solution to many facility issues and noted that City Hall and the Police Department were in significant decline due to the limited in maintenance funding over several decades. To address the issue, staff pursued an energy savings performance contract project which aimed to make substantial energy and facilities improvements and pay for the improvements over the energy savings realized from the project itself. He continued that the final approved project cost was \$10.7 million with the same amount of savings to be realized over the next 20 years meaning that the project achieved numerous facility needs as well as sustainability goals at \$0 cost to the City. He reiterated that the project would specifically address:

- HVAC upgrades to City Hall, NPD, and the GWC
- Lighting upgrades for City facilities, over 700 streetlights, and City-owned parking lots
- Installation of nearly 1,300 kw of new solar generation on City buildings and land which generally increased the City-owned solar generation by 500%
- Roof repairs to the municipal complex and GWC
- Various other smaller energy savings projects

Mr. Martindale explained that the project would save the City several million dollars in the cost of repairs for the roof and delaying the construction of a new municipal complex for at least 20 years, which would have been recommended without the project. He repeated that the ESCO project, coupled with a few smaller projects outlined in the presentation should make City facilities more maintainable and less costly over the next 20 years.

Mr. Martindale pointed that project N1803, Exterior Paint and Power washing for the Municipal Complex, was pushed from 2021 due to the pandemic but no further delays were recommended. As with other projects covered in the discussion that evening, the project was one of the few remaining items to bring the building up to a maintainable level and should be a one-time cost for the remaining life of the building. He noted that as evident from pages 60 through 72 of the presentation, the building was in need of serious renovations on the exterior and when compared to other municipalities with newly built facilities or other Police agencies in the area with better funded buildings, the City's building could be seen as a deterrent to recruitment of new employees and less inviting to the public. He reiterated that staff recommended using ARPA funding for the project to eliminate the current resource needs to complete the work. He continued that N1806 and N1809 were associated to longer term projects tied to the field operations complex and old train station, neither project had funding budgeted for 2022.

Mr. Martindale reported that a facilities maintenance service van was slated for replacement in 2022 and staff preferred the replacement to be a LEAF EV which would meet the City's goal of greater EV use and reduce the current resource need to replace the vehicle.

Mr. Clifton asked if Mr. Martindale explained expanding the EV stations through the use of grant funding. Mr. Martindale confirmed and explained that the City received \$21,000 from DNREC for the three stations for the recent EV purchases and staff supplemented additional costs with Green Energy fund resources. Staff preferred to do the same if given authorization to expand EV stations. Mr. Clifton asked Council to offer their opinions on the subject during comments.

The Mayor opened the table to Council comment.

Dr. Bancroft thanked Mr. Coleman and Mr. Martindale for the presentation. He expected staff to solicit competing quotes for the necessary repairs. He recognized staff's efforts over the last year to freeze or cut spending as the pandemic set in. He assumed the public would receive value out of the MyCivic and other software and he had no issues with the proposal. He agreed that the merits for professional behavior should be encouraged and supported the EV charging stations by leveraging funds with DNREC and ARPA money.

Ms. Hughes agreed with Dr. Bancroft, thought the presentation was well, and agreed with the charging stations.

Mr. Suchanec asked Mr. Coleman if the interdepartmental charges of \$661,000 for City overhead represented the total cost of the overhead for the building. Mr. Coleman said no and explained that the figure was the cost of other departments that serviced that Department. He deferred to Mr. Del Grande but agreed that it was a relatively large increase year over year and continued that Facilities billed other departments through interdepartmental charges and Finance billed Facilities in turn as a way to allocate costs from departments that provided services to other departments. Mr. Suchanec asked if the amount was by service or individual work or if it was pro-rated. Mr. Del Grande replied that the figure depended on the actual service being discussed and explained that billing and accounting could be for the number of transactions that accounting handled related to electric. He continued that staff deducted a portion of the City Manager's Office and charged it across all utilities where the Administration had functions that were part of Electric and support such as Human Resources, et cetera. Mr. Coleman added that when a divisional employee from one enterprise fund performed work for a different enterprise fund, the work was captured on a timesheet with a work order number and would be transferred afterwards. Mr. Suchanec asked if interdepartmental charges was a fluctuating dynamic number. Mr. Coleman confirmed and explained that a cost driver for the year was that staff noticed that some departments that utilized Tyler ERP software package were not being charged and remedied the situation which shifted the allocations. Mr. Suchanec asked if staff inspected the building for mildew and other potentially harmful contaminants and Mr. Coleman believed an inspection was done as part of the ESCO project. Mr. Martindale confirmed that the project team worked in concert with the City's Code Enforcement Division and everything was code compliant. Mr. Coleman interjected that staff performed similar industrial hygiene studies at water treatment plants and had good results thus far. Mr. Coleman explained that staff used the term ESCO, but the project was actually an Energy Savings Performance Contractor and staff should be using the acronym ESPC but ESCO was more familiar. Mr. Suchanec supported building more EV stations.

Mr. McDermott had no questions and agreed that the repairs were necessary and was pleased that ARPA funds could be used. He supported EV stations.

Mr. Lawhorn asked for the total cost of an EV station. Mr. Martindale replied that total for the three stations was \$30,117 but nearly two-thirds of the cost was reimbursed by DNREC and the rest was supplemented by Green Energy Funds. Mr. Lawhorn supported more stations as long as staff recommended and was confident in the purchases. Mr. Coleman interjected that staff would monitor the stations, especially in Lot 1, because they did not want to have eight charging stations that were only used by three a day. He informed that the infrastructure in place now with the transformers in both locations were able to scale up; Lot 1 received a new transformer and an old transformer at City Hall was recycled so staff could add as necessary after monitoring. Mr. Lawhorn noted that some of the building upgrades were required from a safety standpoint but did agree that the building could use a facelift. He asked if the proposed Council Chamber upgrades were included and Mr. Martindale replied that the upgrades were a previous capital project voted down by Council, so it was not included in the budget. Mr. Martindale was happy to reintroduce the project, but he did not believe it would have Council's support. Mr. Lawhorn said that he would support the upgrades but understood that staff was trying to return to budget neutral.

Ms. Creecy supported the Council Chamber upgrades and asked that it be reintroduced when possible. She asked if the EV stations would be paid with DNREC and ARPA funds. Mr. Martindale corrected that staff would use DNREC grants and Green Energy funding and emphasized that money would not come from current resources. Mr. Coleman interjected that the City was obligated by law to collect the Green Energy fund, so all electric customers had a small premium per kWh on their bills. The fee from Delmarva customers went to the sustainable energy utility, Energize Delaware, and DMEC held its funds for each member community of which each had a program that could access the funds. He explained that the funds were trifurcated, so Newark used one-third for solar, geothermal, and various programs, one-third for City items, and one-third went to towards community type projects. Ms. Creecy asked that the City purchased humidifiers to alleviate any mold for staff health concerns and Mr. Martindale confirmed the humidifiers were part of the ESCO project.

Mr. Clifton informed that former City Secretary, Sue Lamblack, had a plan to redo Council Chambers nearly 20 years ago and he objected because the upgrade was in-depth, and he was hesitant to build something grand at the expense of taxpayers. He agreed that the issue needed to be revisited and he wanted to create a plan for the upgrade because it was far overdue. He reminded that City Hall was built in 1975 and the Police Department was built in 1993. He thought the bailiff station was a great idea and asked for details. He likened the current area to a greenhouse that was extremely hot in summer and asked if the station would have independent temperature control. Mr. Coleman replied that staff felt having the bailiffs in the foyer added value to the City and assumed Council felt the same. He verified that the atrium had air conditioning, but the issue was the sun which was why staff used the pop tent. Mr. Martindale said that the ESCO project should provide better temperature regulation for the atrium and

admitted that performing an HVAC project over the summer was not ideal, but the system was failing to the point that repairs could not wait for fall. He was sure the situation could be corrected moving forward and said that he and Mr. Coleman had discussed frosting some of the glass in the atrium which would help in terms of direct sunlight but would detract from the design appeal. He suggested including an overhead cover as part of the station design and agreed that it could be discussed through the design process. Mr. Clifton supported the bailiff station even for a non-COVID event to help keep staff safe. He supported the EV stations and preferred non-slip surfaces for tile replacement in the City but understood they were difficult to keep clean. He believed there were more choice options for ceiling tiles that would better control noise and temperature and asked if staff had investigated replacing all ceiling tiles with an upgraded version. Mr. Martindale confessed that staff had not considered the idea but supported investigation pending Council approval. He agreed that soundproofing was desperately needed for some of the walls in City Hall and would likely be addressed in the out years. Mr. Clifton supported approaching the project in a reasonable fashion and appreciated the presentation.

There was no public comment and the Mayor returned the discussion to the table.

**10. 4. ITEMS SUBMITTED FOR PUBLISHED AGENDA:**

**A.** Council Members: None

**11. 4-B. OTHERS:**

**1.** FY2022 Budget Proposal for The Newark Partnership – TNP Executive Director (30 minutes)

**2:40:33**

Leann Moore, Executive Director of TNP, explained that TNP was a 501(c)3 non-profit that stemmed from the Downtown Newark Partnership but was situated outside the City government. She noted that TNP worked closely with staff in most departments and informed that TNP was dedicated to supporting the City in all of its endeavors and using its own tools and networks to promote City programs. She continued that she was TNP's sole full-time employee and while some interns had been hired, the majority of the committees for Economic Development, Civic Engagement, and Non-profit Enhancement, were comprised of volunteers from all facets of life in the City. She pointed that TNP had historically been funded by the City in its founding year as well as Chemours, Bloom, Gore, Friends of Fusion, DANA, and the Newark Area Welfare Committee. She shared that TNP had also received funding from County Councilwoman Lisa Diller to host programs in local schools in addition to several large grant funds expected in the coming fiscal year. She informed that while TNP had foundational sponsors, there were also small and large businesses, non-profits, and individuals from resident and students to anyone interested in becoming involved with the City. She noted that the membership basis had a cost but was not a foundation of TNP's revenue; it was a measurement system for TNP to gauge the community buy-in.

Ms. Moore first presented the \$75,000 budget proposal and noted the amount would be an annual request to cover the sponsorship of a variety of community events including advertising for Main Street Alfresco, Food & Brew, Restaurant Week, Knowing Newark, and the Community Conversation Newark features workshops. In addition to large scale programs, TNP recently launched its Sustainable Newark Initiative. While the City had its own Sustainability Plan and emissions reporting, TNP would simultaneously work on a data dashboard to encompass City emissions as well as the emissions from large corporations and non-profits within City limits, such as UD, Bloom, Gore, and Chemours. Local stakeholders such as BikeNewark and the NAACP would be included to ensure that the data collected was reliable and a way to educate the public on what the emissions meant. TNP hoped to have the first iteration launched in January. She continued that Sustainable Newark offered a discussion platform for representatives from entities that did not normally communicate on a regular basis to collaborate on environmental sustainability, the economy, and equity within the City limits. She continued that the \$75,000 helped TNP fund business and nonprofit networking and professional development opportunities. She noted that in the economic enhancement and economic development space, TNP launched a map on its website which continually updated commercially zoned spaces for lease or sale in City limits. TNP published an updated, and would continue to update, the Red Tape Tips document which was similar to a Frequently Asked Questions page (FAQs) and was easily searchable online. TNP was working the search engine optimization for the Red Tape Tips page so that businesses interested in coming to Newark could easily find information to get started in one place; it would also include links to the appropriate contacts and pages on the City website. TNP had a plan to activate vacant storefronts downtown and in shopping centers to entice businesses and nonprofits to utilize the spaces in the short- or long-term.

Ms. Moore reiterated that nonprofit enhancement included hosting quarterly networking and professional development opportunities. TNP would also update the Newark Nonprofit Resource Guide

which differed greatly from the 2019 version and the current estimate was 185 nonprofits incorporated within City limits but the amount did not encompass all of the nonprofits that served the City and might not have a brick and mortar or incorporation address within City limits. TNP also offered on-demand proofreading and grant proposal review as a peer-review system, which was helpful for smaller and start-up nonprofits. She informed that TNP was currently working with some groups within the NAACP branch, specifically the Friends of School Hill, to get the group incorporated with 501(c)3 status. She added that TNP was also monitoring an online, Newark-specific job and volunteer board via its website which was always linked to in its newsletter.

Ms. Moore continued that the \$75,000 helped TNP to continue planning its popular Knowing Newark series. She informed that the series continued through the pandemic on Zoom, attendance had never been below 30, and individual members joined TNP from the attending the events. During the winter or early 2022, TNP hoped to launch interfaith circle dialogues to focus on social and racial justice issues. She explained that TNP had been approached by a number of different church groups from various denominations and faiths that wanted to connect and discuss issues faced by the local community. She believed the discussions aligned well with the City's Diversity and Inclusion Commission and looked forward to working with the Commission to provide opinions to Council and staff. She noted that TNP would host a Health & Volunteer Fair on September 11<sup>th</sup> at the Newark Senior Center to experience all of the City's health and volunteer opportunities and would also launch a mentoring program with local schools, beginning with Newark High School in October.

Ms. Moore reminded that the \$75,000 annual request was built into the Planning Department's budget on page 21 of the Planning and Development packet. She proceeded to discuss two additional proposals that were derived from various Council requesting an economic recovery plan and a mini-grant program to help relieve some of the burden on nonprofits due to the pandemic. She explained that a Newark Now Report was a different take on an economic recovery plan so instead of focusing on the pandemic, TNP would focus on barriers that business shared, whether they chose to come to the City and were looking to expand or had looked at the City as a potential location but chose not to proceed. She explained the grant would allow her to hold robust discussions with current, potential, or past business to identify the biggest roadblocks and barriers to starting or expanding a business while simultaneously recommending ways to remove or positively impact the barriers immediately. The quarterly memos would be brief to help Council quickly identify ways to positively impact the business community. The report would present data on how many businesses were targeted, statistics on how many considered Newark but did not follow through, and the top reasons for the fall through and preventive solutions.

Ms. Moore explained the second proposal was a mini grant program and TNP originally only considered nonprofits, but the Board felt it was more in line with its mission to offer the program to businesses and nonprofits. She recommended that the grant come from ARPA funds because it would only be offered to businesses and nonprofits that were incorporated within the City limits that existed during the COVID pandemic. The entities would be required to prove how COVID was burdensome and need to specifically relay how much money they were seeking, anywhere from \$1,000 to \$10,000 currently budgeted, and for what the funds would be used. The grant would be an online application through TNP's website, and a Committee made up of TNP's Board and City representatives, would review the applications and decide the level funding. She continued that the Committee would present a timeframe to provide a memo report on what the funds were used for so TNP could use the information as a final report indicator. At the end of the year, TNP would present Council with a report showing how the funds were spent, how many entities applied, and how many were granted funding. She welcomed edits or changes to the process.

Ms. Moore concluded that the presentation included three separate proposals: \$75,000 annual, Newark Now with quarterly memos, and a mini grant program proposed for \$275,000 using ARPA funds.

Mr. Coleman clarified that of the three requests, the \$75,000 was included in the current budget proposal but Newark Now and the mini-grant proposals were not. He explained that Newark Now was economic development and therefore ineligible for COVID funds, but the mini grants were eligible for ARPA fund usage.

The Mayor opened the table to Council comment.

Ms. Hughes had no questions or comments. Mr. Clifton said that Council wanted to know she stood on supporting the three proposals. Ms. Hughes supported all of the programs.

Mr. Suchanec did not support any of the programs.

Mr. McDermott supported the \$75,000 program as well as TNP. He believed that Ms. Moore did great work for the City. He had difficulty understanding how the \$50,000 would be spent and wanted the mini grant proposal using ARPA funding to be part of a larger discussion to determine how all of the funds would be utilized in conjunction. He wanted to prioritize ARPA funds.

Mr. Lawhorn asked Ms. Moore how long she had served as executive director and Ms. Moore replied that her first fulltime day was February 15<sup>th</sup>. Mr. Lawhorn explained that he was extremely skeptical of TNP because the City had the DNP, primarily a City-driven program with volunteers, and he had wanted to continue the format. He confessed that he was extremely impressed with how TNP began to carry out its advertised mission of being an economic development driver. He was starting to see where TNP was starting to mold the process of how the City could harness the value from TNP. He reiterated that he was originally skeptical on the long-term viability of the organization but was now fairly excited about TNP's prospects. He had been worried about TNP's ability to engage other large companies in the City but TNP had proved itself by gaining engagement at strong levels from local corporations. He was encouraged by TNP's potential and felt the City should be part of the investment. He supported the \$75,000 program. He reiterated that he wanted to see the \$18 million to be reinvested in the community and agreed that investing the ARPA funds into infrastructure because the residents would have to pay out of pocket otherwise. He noted that ARPA was intended as a recovery plan so he wanted to investigate ways the money could be put into the community for revitalizing businesses or directly supporting the community and its members. He noted that Newark Little League was heavily devastated by COVID because it was unable to recruit new T-ball players and he had wanted the nonprofit League to apply for a grant for better marketing opportunities. He thought the mini grant program was a great opportunity to get money into local community organizations that directly served the residents. He pointed that Main Street businesses had been devastated by COVID and wondered what the City could do to help the businesses rebound. He added another benefit of the program was that the City did not have to administer the program and spend City resources to distribute the funds but he did think the City needed to have accountability of the money and there needed timing constraints so unspent funds would return to the City to be redistributed.

Mr. Lawhorn explained that he knew of a talented baseball player who started a coaching and teaching business, rented a space in the City, and offered hitting and fielding programs. A Newark employee took his child to the program and did not think that the zoning allowed the business. Mr. Lawhorn got involved and worked with staff and planning and realized zoning laws for the use were archaic. Staff then drafted an ordinance that created Special Use Permit which allowed for the business to continue and encouraged other Special Use Permits for similar businesses. He thought the program would help the City to determine roadblocks facing potential businesses and Council to make recommendations for remedies. He did not feel that \$50,000 was a large sum but acknowledged staff was trying to balance the budget. He supported all three measures.

Ms. Creecy thanked Ms. Moore for the presentation and agreed with many of Mr. Lawhorn's comments. She supported community growth and believed Civic Engagement was a wonderful way to create dialogue between interfaith groups and a variety of individuals. She supported the \$75,000 proposal. She informed that she tried to start a business in Newark, so she understood the difficulties in getting through formalities, so she also supported the \$275,000 proposal. She pointed that the \$50,000 proposal would stop the roadblocks and supply Council with a quarterly memo on Ms. Moore's actions. Ms. Creecy supported all three proposals.

Dr. Bancroft asked how many members TNP had and for the revenue amount from the membership. Ms. Moore replied that there were 85 individual members, 52 business members, and 56 nonprofit members, and the revenue was 5% of the total budget. She reminded that TNP held a free membership program during COVID to assist local businesses and nonprofits apply for relief funding so TNP expected the membership structure for general, small business, nonprofit, and individual members to make up no more than 5% to 8% of the total budget. Dr. Bancroft asked for the total budget amount and how much sponsors contributed. Ms. Moore replied that historically, the budget was predominately made up of grants and corporate donations from Gore, Chemours, Bloom, and the City of Newark. She replied that smaller grants had been received from Friends of Fusion, County Council, the Welfare Committee, and the NAACP, and larger grants were expected from the NBC Innovation Fund, Longwood, and the Delaware Alliance for Nonprofit Advancement. TNP's fiscal year was the same as the State level, July 1 through June 30, and the 2021 revenue total was roughly \$90,000. She noted that TNP had not been applying for large grants and had not gotten institutional sponsors until she was hired because everything had been done on an ad-hoc volunteer basis. Revenue expectation for the coming year was around \$300,000 and included previous sponsorships, \$75,000 from the City, and specific colleges, schools, and research centers in UD.

Dr. Bancroft appreciated Ms. Moore's efforts on behalf of the City and understood the need for a living wage salary. He viewed the expected revenue as self-sustainable and thought it was appropriate to think about economic development for the City. He acknowledged that TNP promoted the City and there was a lot of project and event advertising but felt that there was overlap with the business community's interest. He asked if TNP had any coordination with the local rotary. Ms. Moore replied that she was a member of the rotary and she presented to all three of the Newark-based rotaries. Dr. Bancroft asked about the Department of Commerce because he felt there was overlap. Ms. Moore confirmed that she had conversations with the County Chamber, the State Chamber, and worked with the County Commerce Department. She agreed there was overlap but heard from nonprofits that TNP's mission was more specified than what the businesses received from the larger level chambers because they wanted to network with other entities within the City limits and there was currently not a mechanism to do so. Nonprofits had never had an opportunity to meet other like entities until TNP's inception. She reported that the nonprofit committee was the most active with at least 10 to 12 nonprofits engaging with TNP on a monthly basis. She continued that upwards of 30 to 40 different nonprofits participated in networking events in person as well as the regular communications she held that were not necessarily targeted by the Chambers of Commerce or Commerce Departments but were still considered economic development. Dr. Bancroft agreed that nonprofits seemed like an area where some coordination from the City made sense. He noted that Council was devoting effort to the Diversity and Inclusion Commission and he believed it overlapped with the mandate for low-income and minority support in the City. He asked if TNP had any coordination with the school district for student efforts. Ms. Moore confirmed that she personally had coordination with the superintendent level but the TNP programs tried to focus specifically on the schools that were within the City limits or in the feeder patterns of where City children were going. She explained that TNP had more regular direct contact with the local schools than with the larger school district but shared that TNP partnered with the larger school district for community education and feedback sessions prior to COVID.

Dr. Bancroft thought it was useful to learn about business interests and those that failed or chose not to incorporate into the City. He noted that other businesses could use the information and the City could understand where the sustainable future tax base would be. He was concerned to be responsible for the money that was spent if there was a person who could spend time in the City coordinating the nonprofit work, then it could cover some of the effort. He was not in favor of crossing lines between church and state and suggested rephrasing so as not to directly address coordinating with churches or religious entities. He thought that the ideas were sensible in principle, but he reiterated his perception that there was overlap and he wanted to investigate the context for other uses of the real money and the ARPA money. He repeated his appreciation of her efforts and his concern of the value that the City received. He did not support any of the proposals because if TNP had \$300,000 to use for economic coordination to help nonprofits or sustainability, then great, but the City needed to be responsible for the tax dollars.

Mr. Clifton admitted he was always a critic of the DNP because he did not believe the DNP was advancing the business community. He especially objected to the fact that every business in the City paid a portion of its business license to sustain the DNP while it only focused on the downtown area. He continued that the City funded TNP with \$150,000 for the first two years with the expectation that it would jettison itself off to be independent. He noted TNP had become a highly functional organization that had much to offer. He believed Ms. Moore performed her duties efficiently with help from the board members and noted the meetings were public. He had no problems seeing the advancements for the \$75,000 and thought TNP was too important to stop funding because the City did not have a Chamber of Commerce while the County and State did. He said that Chamber Directors claimed to take care of the City but felt their focus was on anything other than the business community in the City of Newark. He felt that a lot of effort was devoted to Wilmington and admitted that Wilmington was double the size of Newark and deserved consideration, but he thought it was important to have an organization that specifically considered Newark's wellbeing and business health.

Mr. Clifton felt the \$50,000 Newark Now Plan brought value and agreed that portions of Code were dysfunctional. He admitted that he had limited understanding of the hurdles that small businesses faced and had always liked the idea of a City Ombudsman that would guide potential business owners through the appropriate measures although he did not expect TNP to fill the role. He thought it was prudent on a one-time expense to spend \$50,000 to have someone connected to the business community explain the roadblocks in the City to City staff and Council. He thought it would be helpful to understand the plight of the business owners.

Mr. Clifton thought the \$275,000 was critical in helping small businesses and did not feel City staff had the bandwidth to administer the program. He acknowledged the bias that nonprofits faced but

thought the grant program offered the City a higher-level view and provide a matrix that would remove the subjectivity in grant distribution. He supported all three proposals.

There was no public comment and the Mayor returned the discussion to the table.

Ms. Creecy interjected that she was hosting a meeting for District 4 in Council Chambers the next day.

Mr. Clifton closed the public meeting and reminded that there was no Council meeting the following week due to the Labor Day holiday. The next meeting would be September 13<sup>th</sup>.

**13. RETURN TO PUBLIC SESSION**

**3:30:34**

Council reentered Executive Session at 10:40 p.m. Council exited Executive Session at 11:03 p.m.

MOTION BY MR. MCDERMOTT, SECONDED BY MR. LAWHORN: THAT THE CITY SOLICITOR AND SPECIAL COUNSEL WALTON PROCEED WITH LITIGATION STRATEGY AS INDICATED IN EXECUTIVE SESSION.

MOTION PASSED. VOTE: 5 to 0.

Aye – Suchanec, Bancroft, Lawhorn, McDermott, Clifton.

Nay – 0.

Absent – Hughes, Creecy.

**14. Meeting adjourned at 11:07 p.m.**

Renee K. Bensley, CMC  
Director of Legislative Services  
City Secretary

/ns