

"A Historic Past"



"A Bright Future"

CITY OF DELAWARE CITY

407 Clinton Street - P.O. Box 4159
Delaware City, Delaware 19706
302-834-4573

**DELAWARE CITY TOWN HALL
CITY COUNCIL CHAMBERS
407 Clinton Street
Delaware City DE 19706
October 29, 2018**

SPECIAL MEETING OF MAYOR & COUNCIL MINUTES

CALL TO ORDER

The Honorable Mayor Green called the special meeting to order at 6:30 p.m.

PLEDGE OF ALLEGIANCE

Mayor Green led the Pledge of Allegiance to the Flag.

ROLL CALL

Along with Mayor Green others present were Vice Mayor Malinowski, Council Members Barrett, Titus, Renoll and Konkus. Also present were City Manager Houck, Police Chief Baylor, City Secretary Hanna and Finance Manager Ross McGinn.

Mayor Green recognizes Representative Valerie Longhurst, Majority Leader of Delaware House of Representatives and the Representative for our district.

Before beginning, Mayor Green advises Council to stick to the agenda and if there are questions about bidding process and numbers they will be discussed. At that, Mayor Green turns the meeting over to City Manager Houck.

FY2019 Street Program Recommendation – Aligned with the Washington Street Flood Mitigation Project's Paving as a Sole Source, Advantageous Project; discussion of street funding obtained; discussion of funding of sole source procurement to coincide with a previously scheduled paving project.

City Manager Houck opens by explaining there is a revised version before Council due to a change in CTF funding over the weekend that resulted in \$2,000 reduction from another Senator.

City Manager Houck said Delaware City has Municipal Street Funds and Community Transportation Funds (CTF) totaling \$142,116 on hand. The balance needed for the paving is \$194,300.50.

Since the Washington Street Flood Mitigation Project has a paving component in the contract City Manager saw this as an opportunity to approach the sub-contractor, Jerry's Paving and Excavating, asking if they would be interested in submitting a competitive bid since they would be already mobilized in town. The comparison of Jerry's prices and those of contractors having done streets in nearby communities proved Jerry's to be competitive.

Therefore City Manager Houck recommends to Mayor & Council to waive the City's bid process and authorize the City Manager Houck to enter an agreement with Jerry's Paving & Excavating under the basis of it meeting the intent of a Sole Source & Advantageous Project. Including the surety bond, the cost totals \$339,916.50.

If this is approved work can begin next month. It has a 15 year guarantee and takes approximately a week and a half to complete.

Representing Jerry's Paving and Excavating is Mr. Scott Cahall and Mr. Rodney Jones.

DISCUSSION & QUESTIONS

- Mayor Green (for audio compliance reasons) asked if City Manager Houck had inquired with the State of Delaware to insure the integrity of the money we are receiving that the way we are doing the bid process is ok.
 - City Manager Houck assures Mayor Green that she has had extensive conversations back and forth with the representatives.
- In his second question, Mayor Green asked is there any obligations in terms of reporting back to the representatives to let them know about the project and the funds being spent.
 - City Manager said she was sure they will want to see the final cost. They have been presented with everything Mayor & Council has been given. City Manager added as long as we are following our rules of procurement this funding is available.

Mayor Green suggests to Council that we owe our allegiance to insure the integrity of this project and share this. There were no comments on Mayor's statements.

Council Member Titus' asked City Manager Houck:

- Why are there a few blocks on Washington Street that are not assigned for paving
 - Because they have been deemed to be in good condition.
- Are there any future laterals planned by NCCty Sewer to be installed (that's what ruined Clinton Street)
 - City Manager Houck will reach out to NCCty but none that she is aware of.

Council Member Konkus had several questions.

- What is the difference in the hot mix price for Clinton & Washington Streets?
 - Mr. Cahall said it was because of the difference in application. (the remainder of his comment was inaudible)
- Is there a typo on the price for milling on Clinton Street?
 - Yes, should be \$1.80/sy
- Is it a good idea to pave in November or best to wait until spring? Could snow and salt on the roads over the winter affect the paving?
 - Mr. Jones responded it is up to Council when to pave however, the company follows DelDot's specifications which are base down when its 32° and rising and top finishing at 40° and rising. The road becomes a perfectly sealed surface after it is paved. The damage to road surfaces is not from salt but from water penetration which you won't have with the new surfaces.
- City Manager Houck asked if they would hold the price until spring.
 - Mr. Cahall said he would have to look into that. Mobilization costs would be a factor at \$5,000 per occasion.

Council Member Konkus continued with her questions:

- Of the three (3) competitive bids listed why are you not now lower since you will be here completing Washington Street Project?
 - It is not a huge amount for mobilization because we are here
- We are being asked to approve this \$300,000 project, if it's only a matter of \$5,000 why don't we put it out for bid?
 - City Manager said that is an option or we can waive the bidding because the contractor is here.

Council Member Titus adds that we are looking at prices from two (2) other town's jobs so we could assume this is the pricing we'd get and if we wait until spring prices could be higher. City Manager explained that comparing the other towns' bids to Jerry's was an effort to show the competitiveness.

Mayor Green's questions:

- Is there a contingency in the \$336,000?
 - Mr. Cahall answered that City Manager Houck and he discussed holding the price of the liquid asphalt because it can change on a monthly basis. This is the current price and if it should go up in November they would keep it at this current price.

Mayor Green and Mr. Cahall discuss the highs and lows in pricing of liquid asphalt. The lowest was in January at \$400.00 to now being \$576.67 and that's the highest it's been in several years. Mr. Cahall agreed with the Mayor that if the price goes down Delaware City would be able to take advantage of that.

- Council Member Barrett questions the price on the quote as being \$561.66.
 - City Manager said it has not changed since she received the revised quote.
- Council Member Titus wanted to know how long the job would take and how will it affect people coming into the businesses.
 - Mr. Jones replied they never shut down anyone. The paving is done one side at a time and can be driven on as soon as it's rolled.

Mr. Jones also wanted to clarify the question that was raised about the difference in price for the asphalt from one street to another. He said Clinton Street requires more work cutting in than the straight pour on Washington Street which moves along faster.

- Mayor Green asked how many inches of asphalt will be put down and will it remain at the same depth to the edges and how do you charge for asphalt?
 - Mr. Jones answered 2-inches compacted and the depth would be consistent. Asphalt is priced by the ton.
- Council Member Titus commented on the low price for the manhole adjustments.
 - Mr. Cahall replied it was a benefit they threw in.
- Council Member Renoll asked if there is anything that could throw off the project and make it more expensive.
 - Mr. Jones asked if he meant a change order. He doesn't see anything. His experience tells him is pretty cut and dry.

Mr. Jones explained to Council Member Titus that fabric will be put down first to keep the reflection of old cracks in the road from coming up. Mr. Jones sees laying the fabric as a benefit. As he explained it, 2-inches of hot mix had been previously laid and milling after milling each time only weakens the road. Putting

fabric down doesn't require milling therefore the strength stays intact. The fabric bridges the gaps in the cracks and enhances the longevity of the blacktop.

Questions about time line:

- It will take one and a half weeks to complete
- Parking lines will be put back
- Washington Street does not have parking lines however it may be discussed to add

Mr. Cahall answered Council Member Barrett's question that the removal of the fabric was not removing it from the road but removing it from the bid if Council so desired. Council Member Titus believes adding the fabric is a benefit.

- Vice Mayor Malinowski asks City Manager Houck to explain Sole Source Purchase.
 - Every city has different ways of waiving bids and typically Mayor & Council has this right to do if it's in the best interest of the City. She went to Appendix 2 of the Purchasing Procedures and also asked City Solicitor Walton to review and comment on her thought process.
 - City Manager quotes the highlighted portion of the general guidelines which states: "*Sole source purchases may arise from a number of circumstances ranging from the absolute to the feasible, practicable or advantageous*".
 - City Manager believed she is making this a Sole Source determination and documenting here because it's advantageous for the community to take advantage of the pricing at this time and the funding we've been able to assemble to get the two heaviest used and most complained about streets improved.
 - Also, City Solicitor Walton agrees in his memo that it does in fact meet the criteria stating: "*if the Council approves the sole source procurement request for paving on Monday, there is no code prohibition that prevents proceeding in the fashion proposed*".

Vice Mayor Malinowski concludes from City Manager's answers that the examples given in the Appendix are not the only things that govern sole source and she chose advantageous.

Mayor Green summarizes the evening's questions and discussions to prepare for a motion:

- The meaning of Sole Source has been explained
- Time frame for completion is one and one half weeks
- Asphalt tonnage cost could decrease and Delaware City would be given a credit
- The average cost of liquid asphalt is \$576.67 and will remain as such through the project
- Through the duration of the project both Rep. Longhurst and Sen. Poore will be given progress reports along the way and at completion. If they

wish to do a walk-through Mr. Cahall and Mr. Jones will make themselves available for any questions. Both gentlemen agreed.

Mayor Green asked Council if there was anything he missed. If not he asked for a motion to approve the funds to forge ahead with the FY19 street paving with sole source purchase to Jerry's Paving & Excavating Company which includes Washington Street and Clinton Street with a \$3,500 surety bond for a total estimated cost of \$339,916.50. In addition, if there is any additional cost to the project they will be approved by Council.

Council Member Titus makes a motion to approve the funds for the FY19 street paving project. The motion was seconded by Vice Mayor Malinowski.

Council Comments

Council Member Titus: prices now are a little different on the hot mix.

Council Member Konkus: believes for this price we should get other bids

Vice Mayor Malinowski: are we keeping the fabric? City Manager replied she recommends it.

Roll call vote was taken and the results were:

Council Member Barrett	Aye
Vice Mayor Malinowski	Aye
Council Member Titus	Aye
Council Member Renoll	Nay
Council Member Konkus	Nay

Mayor Green said there are 3 votes' aye and 2 vote's nay. Motion is carried. The funds are approved.

Council Member Titus thanks Representative Longhurst for the funds.

Rep. Longhurst asked if she could speak. She wanted to commend City Manager Houck for her tenacity in getting the funds. Rep. Longhurst reminded Council that for the last several years she has been asking Council to spend the CTF funds because it's important to not get behind the 8-ball because it will cost more in the end.

Rep. Longhurst said Delaware City is very fortunate to have City Manager Houck as the Town Manager because she got it done. She explains Representatives and Senators receive about \$300,000 a year to do street funding. Usually it is not given to municipalities but she thought City Manager Houck put forth the good-faith effort so she and Sen. Poore were more than willing to put the funds out.

Rep. Longhurst wanted to change hats and talk about the renovations that have been done at the Community Center. There are new floors, new paint and more rooms opened up for after school activities all of which she hopes will add to the numbers of children coming to the center.

Rep. Longhurst requested Mayor & Council Meeting be held at the Community Center on November 19th for a walk through of the facilities and a ribbon cutting ceremony before Mayor & Council Meeting.

Mayor Green commends Rep. Longhurst for her dedication to PAL. In addition to being the House Majority Leader she is also the Director of PAL. Both Mayor Green and Rep. Longhurst believe "it's all about the children".

ADJOURNMENT

Mayor Green thanks Council for their comments and openness and since there is no further business to conduct he asked for a motion to adjourn.

The motion to adjourn was made by Vice Mayor Malinowski and seconded by Council Member Konkus. All were in favor. Council was adjourned at 7:05 p.m.

Respectfully submitted,

Bonnie Lynn Hanna

City Secretary