REGULAR COUNCIL MEETING

The Regular Council Meeting was held on September 28, 2015 at 7:30 p.m. with Council President Slavin presiding. Council members present were Mr. Anderson, Mr. Sudler, Mr. Neil, Mr. Lewis, Mr. Cole, Mr. Hosfelt, Mr. Hare, and Mr. Hutchison.

Council staff members present were Police Chief Bernat, Mrs. Mitchell, Mrs. Townshend, Assistant Fire Chief Whitt, Mr. Koenig, City Solicitor Rodriguez, and Mrs. McDowell. Mayor Christiansen was absent.

OPEN FORUM

The Open Forum was held at 7:15 p.m., prior to commencement of the Official Council Meeting. Council President Slavin declared the Open Forum in session and reminded those present that Council was not in official session and could not take formal action.

There was no one present wishing to speak during the Open Forum.

The invocation was given by Reverend Theodore Henderson, followed by the Pledge of Allegiance.

AGENDA ADDITIONS/DELETIONS

Mr. Hutchison moved for approval of the agenda, seconded by Mr. Hare and unanimously carried.

Mr. Hare moved for approval of the Consent Agenda, seconded by Mr. Lewis and carried by a unanimous roll call vote.

ADOPTION OF MINUTES - SPECIAL COUNCIL MEETING OF SEPTEMBER 14, 2015

The Minutes of the Special Council Meeting of September 14, 2015 were unanimously approved by motion of Mr. Hare, seconded by Mr. Lewis and bore the written approval of Mayor Christiansen.

ADOPTION OF MINUTES - REGULAR COUNCIL MEETING OF SEPTEMBER 14, 2015

The Minutes of the Regular Council Meeting of September 14, 2015 were unanimously approved by motion of Mr. Hare, seconded by Mr. Lewis and bore the written approval of Mayor Christiansen.

ADOPTION OF MINUTES - SPECIAL COUNCIL MEETING OF SEPTEMBER 16, 2015

The Minutes of the Special Council Meeting of September 16, 2015 were unanimously approved by motion of Mr. Neil, seconded by Mr. Lewis and bore the written approval of Mayor Christiansen.

PROCLAMATION - CYBER SECURITY AWARENESS MONTH

The City Clerk read the following Proclamation into the record:

WHEREAS, we recognize the vital role that technology has in our daily lives and in the future of the City of Dover, whereby today many citizens, schools, libraries, businesses, and other organizations

use the Internet for a variety of tasks, including keeping in contact with family and friends, managing personal finances, performing research, enhancing education, and conducting business; and

WHEREAS, critical sectors are increasingly reliant on information systems to support financial services, energy, telecommunications, transportation, utilities, health care, and emergency response systems; and

WHEREAS, Internet users and our information infrastructure face increasing threats of malicious cyber-attack, invasion of privacy from spyware and adware, and significant financial and personal privacy loss due to identity theft and fraud; and

WHEREAS, the Stop. Think. Connect Campaign is aimed at increasing the understanding of cyber threats and empowering the public to be safer and more secure online. Maintaining the security of cyberspace is a shared responsibility in which each of us has a critical role, and awareness of computer security essentials will improve the security of the City of Dover information infrastructure and economy.

NOW, THEREFORE, I, ROBIN R. CHRISTIANSEN, MAYOR OF THE CITY OF DOVER, DELAWARE, do hereby proclaim October 2015 as **Cyber Security Awareness Month** in the City of Dover and urge all citizens to learn about cyber security and put that knowledge into practice.

Councilman Anderson presented the Proclamation to Mr. Andy Siegel, IT Director. Mr. Siegel advised that cyber security is not just something for IT people, but for everybody. He wished to impart this little pearl of knowledge: Passwords are like underwear. You should not leave them out in the open where people can see. You should change them frequently, and by all means, never share them with anyone.

PROCLAMATION - FIRE PREVENTION WEEK

The City Clerk read the following Proclamation into the record:

WHEREAS, the City of Dover is committed to ensuring the safety and security of all those living in and visiting our City, and fire is a serious public safety concern both locally and nationally; and

WHEREAS, in 2013, fire departments in the United States responded to an estimated 370,000 home structure fires, which resulted in 12,200 injuries, 2,755 deaths, and $7.0 billion in damages; and

WHEREAS, half of home fire deaths result from fires reported between 11pm and 7am when most people are asleep. Only one in five home fires were reported during these hours; and

WHEREAS, working smoke alarms cut the risk of dying in reported home fires in half. When smoke alarms fail to operate, it is usually because batteries are missing, disconnected or dead; and

WHEREAS, the 2015 Fire Prevention Week theme, "Hear the BEEP, where you SLEEP" effectively serves to remind us about the importance that every bedroom needs a working smoke alarm.

NOW, THEREFORE, I, ROBIN R. CHRISTIANSEN, MAYOR OF THE CITY OF DOVER, DELAWARE, do hereby proclaim October 4 - 10, 2015 as **Fire Prevention Week** in the City of Dover and urge all residents to make sure their smoke alarms are working properly, and to support the many public safety activities and efforts of fire and emergency service personnel.

Councilman Lewis presented the Proclamation to Assistant Chief Glenn Whitt, Captain in charge of fire prevention. Assistant Chief Whitt stated that the members of the fire department would be visiting the schools during the week and would end Fire Prevention week on Saturday with an open house at Legislative Mall from 10:00 a.m. to 4:00 p.m.

PROCLAMATION - NATIONAL COMMUNITY PLANNING MONTH

The City Clerk read the following Proclamation into the record:

WHEREAS, in every community, change is constant and affects all of us however community planning and plans can help manage this change in a way that provides better choices for how people work and live; and

WHEREAS, community planning provides an opportunity for all residents to be involved in making choices that determine the future of their community; the full benefits of planning requires public officials and citizens who understand, support, and demand excellence in planning and plan implementation; and

WHEREAS, the American Planning Association and its professional institute, the American Institute of Certified Planners, endorse National Community Planning Month as an opportunity to highlight the contributions sound planning and plan implementation make to the quality of our communities and environment; and

WHEREAS, the celebration of National Community Planning Month gives us the opportunity to publicly recognize the participation and dedication of the members of the City of Dover Planning Commission and other citizen planners who have contributed their time and expertise to the improvement of the City of Dover.

NOW THEREFORE, I, ROBIN R. CHRISTIANSEN, MAYOR OF THE CITY OF DOVER, DELAWARE, do hereby proclaim the month of October 2015 as **NATIONAL COMMUNITY PLANNING MONTH** in the City of Dover, and encourage all citizens to recognize this year's theme, "Healthy Communities, Healthy People" and support the valuable contributions made by community and regional planners and our partner agencies at the State and county level, and extend our heartfelt thanks for the continued commitment to public service by these professionals.

Councilman Cole presented the Proclamation to Mrs. Ann Marie Townshend, Director of Planning and Community Development, and thanked her and the members of the City's Planning Commission for making Dover one of the best places to live. Mrs. Townshend advised that National Community Planning month is more about recognizing the contributions of the many volunteer citizen planners hat make plans work. In Dover, in addition to the Planning Commission, Historic District Commission and Board of Adjustment, the City is very fortunate to have a core

group of committed volunteers from across all disciplines and segments of the City that are working to make Dover the best it can be.

PROCLAMATION - HALLOWEEN TRICK-OR-TREAT

The City Clerk read the following Proclamation into the record:

WHEREAS, the children of the City of Dover enjoy the fun and festivities associated with the observance of the Halloween Trick-or-Treat custom of traveling with friends and family going from door to door in their neighborhood, displaying their costumes, and gathering treats; and

WHEREAS, parents are urged to join in the festivities by accompanying their children throughout their journeys in celebrating Halloween Trick-or-Treat; and

WHEREAS, residents are requested to indicate their willingness to welcome children by keeping their porch or exterior lights on and that youngsters call only on homes which are lighted; and

WHEREAS, the Mayor of the City of Dover has deemed it advisable to observe the celebration of Halloween Trick-or-Treat on Saturday, October 31, 2015 between the hours of 6:00 p.m. and 8:00 p.m.

NOW, THEREFORE, I, ROBIN R. CHRISTIANSEN, MAYOR OF THE CITY OF DOVER, DELAWARE, do hereby proclaim that the Halloween Trick or-Treat observance be held on the 31st day of October 2015, between the hours of 6:00 p.m. and 8:00 p.m. in the City of Dover and urge all residents, both young and old, to make this a happy and safe occasion for our children.

RESOLUTION NO. 2015-14 IN SUPPORT OF DELAWARE LAND AND WATER CONSERVATION TRUST FUND (DTF) PARK GRANT APPLICATION - MALLARD POND PLAYGROUND

Mrs. Ann Marie Townshend, Director of Planning and Community Development, advised that $66,000 had been budgeted to install playground equipment at Mallard Pond Park and that Staff was applying for a matching grant through the Department of Natural Resources and Environmental Control (DNREC). She advised that Resolution No. 2015-14 would be included with the grant application.

Staff recommended adoption of Resolution No. 2015-14.

By motion of Mr. Hosfelt, seconded by Mr. Cole, Resolution No. 2015-14 was adopted by a unanimous roll call vote, as follows:

A RESOLUTION IN SUPPORT OF DELAWARE LAND AND WATER CONSERVATION TRUST FUND (DTF) PARK GRANT APPLICATION - MALLARD POND PLAYGROUND

WHEREAS, the City of Dover worked with the residents in the neighborhoods surrounding Mallard Pond Park to develop a plan for the park; and

WHEREAS, the City intends to request $31,350 from the Delaware Land and Water Conservation Trust Fund (DTF) Grant Program to construct a playground in the park; and

WHEREAS, the City has allocated $33,000 of City funds for the construction of the playground.

WHEREAS, the City assigns Ann Marie Townshend, Director of Planning and Community Development, to manage the project and coordinate the DTF Program requirements for reporting and reimbursements; and

WHEREAS, the City understands that parkland acquired or improved with DTF funding assistance will remain available to the public for outdoor recreation in perpetuity.

NOW, THEREFORE BE IT RESOLVED that the City shall abide by the requirements of the DTF Grant Program for reimbursements and stewardship responsibilities.

ADOPTED: SEPTEMBER 28, 2015

Mr. Anderson thanked Staff for working to seek out grants. He noted that it was important for the taxpayers to know that Staff is working hard to keep costs down.

PARKS, RECREATION, AND COMMUNITY ENHANCEMENT COMMITTEE REPORT - SEPTEMBER 14, 2015

The Parks, Recreation, and Community Enhancement Committee met on September 14, 2015 with Chairman Anderson presiding.

Review of Active Recreation Area Plan - Blue Hen Apartments Phase 2
(Planning Reference: S-15-12)

Members were advised that an Active Recreation Area Plan for the Blue Hen Apartments (Phase 1) was reviewed in 2007 and ultimately approved for construction. The approved Plan included 49,223 S.F. (1.13 acres$^{+/-}$) of land reserved as Active Recreation Area in a central location on the site. The included amenities were a clubhouse with swimming pool, play area with swing set, play structure, and benches. A future basketball court was shown on the Phase 1 Active Recreation Plan but was not subsequently constructed; however, its location was an open lawn area that could be utilized for play. Overall, 40,750 S.F. of Active Recreation Area was constructed of the 44,500 S.F. required.

As part of the Site Plan review process for the development of Phase 2, the applicant prepared a Conceptual Recreation Plan (presented on the Landscape Plan sheets) which illustrated how this phase of the Blue Hen Apartments development would provide recreation amenities in accordance with the design specifications described in Article 5, Section 10 of the Zoning Ordinance.

Mr. Bill Cook, Planner I, reviewed the Landscape Plan sheets depicting the area. He explained that existing Phase 1 of the Blue Hen Apartments was at the rear of the site

known as the Blue Hen Mall. The total area proposed for the active recreation area was 57,000 S.F., based on a requirement of 275 S.F. per dwelling unit. There were 192 dwelling units proposed for Phase 2 of the project and Phase 1 had 162 units; therefore there would be a total of 354 units. Mr. Cook advised members that the site was 6.19 acres in size. A lot line adjustment would take place in conjunction with the site development plan so that the proposed area for the apartments would be brought into one (1) parcel as part of the site plan. The proposed apartments would go between the existing Blue Hen Mall site and Phase 1, which was in the back. Mr. Cook indicated that the new apartments were proposed for a good portion of the paved area behind the mall, and there would be an overall reduction in impervious surface cover because a lot of the paved area would be eliminated. There would be 12 buildings with 18 units. Mr. Cook explained that the main entrance would be from Blue Hen Boulevard, which goes between the mall and between the Kent County facilities. He informed members that there was an existing day care center located near Haslet Street and Blue Hen Boulevard which would be retained; however, some apartment buildings would also be built in that location. The remainder of the apartment buildings would be linear and adjoin the existing Phase 1. Mr. Cook reviewed the amenities of the Phase I and proposed Phase 2 project. He indicated that the plan submission mentioned grills and picnic areas and the details of their location would be worked out as the site plan develops. Mr. Cook advised members that the site development plan was scheduled to be considered by the Planning Commission on September 21, 2015, however, staff had decided to delay it at another month, primarily due to issues associated with the zoning rather than the recreation plan specifically. He noted that there were sidewalks all along the building fronts and parking, and a proposed sidewalk between the two (2) projects would lead to the recreational facilities. Mr. Cook indicated that staff was working with the developer on other issues.

Mr. Cook stated that an existing playground associated with the day care center, located at the north end of the site and near the daycare facility where the apartments were proposed, was a key area. He explained that it was a State requirement to have this outdoor space. Mr. Cook advised that this playground would be relocated east of and behind the existing day care center, which would necessitate the rerouting of a path. There had been discussion with the developer about how this path would better connect to Blue Hen Boulevard, since it was an overall goal in such plans to connect sidewalks to the existing public sidewalk network adjacent to the streets.

Mr. Cook advised members that the developer was present and could answer questions.

In response to Mr. Caldwell, Mr. Cook explained that a basketball court was planned in Phase 1; however, it was not subsequently constructed. He indicated that he did not know the entire history of this matter, stating that there had apparently been some disagreement about this and that perhaps the developer could speak to this later. The volleyball court, as proposed, would be in approximately the same place where the basketball court had been planned.

Responding to Mr. Caldwell, Mr. Cook stated that two (2) corn hole courts were planned for Phase 2 but would be located on property that was considered Phase 1, in the area adjacent to the clubhouse, pool, and playground. In regard to Mr. Caldwell's question about the target audience, Mr. Cook stated that, since many tenants would be probably be single and young family households, it was thought that the amenities seemed consistent with the requirement for age appropriateness. He advised members that there was a fitness center in the clubhouse, noting that not many places have a constructed recreational clubhouse facility.

Responding to Mr. Caldwell, Mr. Cook reiterated that barbecue grills were noted in the plan submission but not on the map. Staff clarified in the report that this needed to be noted on the final plan as it comes through the rest of the approval process. Staff also recommended adjacent picnic tables and a landscape plan which puts some shade in those areas, to the extent possible.

Since the basketball court was not required in Phase 1, Mrs. Horsey questioned if there would be an alternative. Responding, Mr. Cook stated that the calculations submitted by the developer proposed an area which was somewhat larger than was required, noting that the total area of the two (2) sites would compensate for this. He explained that there was a shortfall in Phase 1, but Phase 2 would make up for this.

Mrs. Horsey expressed her concern with the lack of trees for children at day care centers in the City. She suggested that the Committee check into this and maybe make that more of a requirement. She questioned if this had been thought about at this particular development, since it was close to a day care. Responding, Mr. Cook stated that staff had focused on the new features around the existing day care center and that this concern would be noted.

Ms. Andrea Finerosky, Pettinaro Construction, 234 North James Street, Newport, Delaware, stated that she was representing Blue Hen Apartment, LLC. She indicated that she had met with Mrs. Ann Marie Townshend, Director of Planning and Community Development, and Mr. Cook on September 11, 2015 and gone over the comments in depth. Ms. Finerosky indicated that they were working toward resolution and nothing had come up that could not be handled. Ms. Finerosky stated their belief that this would be a good project. She indicated that Phases 1 and 2 would be viewed as one (1) complete project and all amenities would be for everyone in those sections to use.

The Committee recommended approval of the Active Recreation Area Plan for Blue Hen Apartments - Phase 2, with the comments and conditions provided by staff.

By consent agenda, Mr. Hare moved for approval of the Committee's recommendation, seconded by Mr. Lewis and carried by a unanimous roll call vote.

Strategic Planning and Goal Setting (Restoring Central Dover Strategic Plan)
During the Parks, Recreation, and Community Enhancement Committee meeting of August 10, 2015, members considered Strategic Planning and Goal Setting in relation to the Restoring Central Dover Strategic Plan. Members recommended issuing an invitation to the members of the Restoring Central Dover Steering Committee to meet with the Parks, Recreation, and Community Enhancement Committee and deferring this item for further discussion during the September 14, 2015 Committee meeting. These recommendations were approved by City Council during the Regular City Council meeting of August 24, 2015.

Mr. Anderson stated that the Committee would be continuing strategic planning, finding out from the community what was needed, and developing plans and goals necessary to set the agenda for where the City's parks and recreation and community development programs should. He stated that the first step would be to develop a strategic vision and then offset the priorities, noting that staff had the information necessary to develop the capital and other plans.

Ms. Karen Speakman, Deputy Director of the local National Council on Agricultural Life and Labor Research, Inc. (NCALL), 363 Saulsbury Road, stated that NCALL had been the lead agency for developing the Restoring Central Dover Plan. She introduced Tamika Graham, NCALL's new Neighborhood Reinvestment Coordinator, and Chanda Jackson, NCALL's new Community Organizer.

Members were provided a handout relating to the Restoring Central Dover Plan. Referring to the map on Page 1, Ms. Graham advised members that the study area comprised 75 blocks and the focus would be on the residents in that area, who numbered just under 4,000. She reminded members that this area makes up a significant portion of the Downtown Development District (DDD). Ms. Graham noted that a link was provided at the bottom of Page 1 for more information on the plan. She stated that the Collective Impact Model on Page 2 was encouraged by grantees of the Wells Fargo Regional Foundation and explained the relationships that would take place to move implementation forward. Ms. Graham advised members that NCALL was the neutral convener and would be working with stakeholders to move the plan forward, noting it was their job to build key relationships, so they would continue to work very closely with the City. Ms. Graham stated that they had a steering committee, but the workforce of this plan was the six (6) working groups that had been identified who would be working on the three (3) overall goals of the plan. She indicated that two (2) of the working groups that would be of interest to this committee were the Transportation, Green Space, and Infrastructure group and the Resident Engagement group.

Ms. Graham stated that a comprehensive resident survey took place during the planning process and the survey found that only 35% of the respondents were satisfied with amenities that include open space and recreational areas. She indicated that there would be an opportunity to enhance those areas through the plan of implementation, as well as to create some new areas.

Ms. Graham indicated that Page 3 listed key recommendations from the plan related to open space. She indicated that the Transportation, Open Space, and Infrastructure working group had just met and talked line-by-line about these recommendations, a couple of which were intermediate and longer-term goals. Ms. Graham stated that in the short term they would be working very closely with the Resident Engagement group.

Ms. Graham advised members that the fourth page began a matrix for their milestones and outputs, which was their compass for the implementation of this plan. She indicated that Page 9 of the matrix was specifically about open space and recreation, stating that NCALL would to continue to communicate with the Parks, Recreation, and Community Enhancement Committee regarding these areas.

Ms. Speakman informed members that these suggestions came from the residents of the community in terms of what they saw was needed. She indicated that NCALL's input could range, depending on the Committee's interests. Ms. Speakman stated that she would like to work with the City more in terms of recreational areas and what was and was not provided in the area. She advised members that there had been an idea of having "play blocks", where they would ask the police to block off an area during a summer or fall day so that children could play in those areas. They found that when they had a community fair, all the residents were out riding their bikes, throwing footballs, and using lacrosse sticks. Ms. Speakman advised that the children do not get a chance to do that in their neighborhoods because there is too much traffic and questioned whether this was appropriate and would be supported by members. She stated that NCALL was just starting to be involved with streetway improvements, such as the Division Street corridor.

Mr. Anderson stated that the Committee also deals issues such as housing and community development. Responding, Ms. Speakman stated that NCALL also has Housing, Safety, and Adult & Youth Services working groups, noting that recreation and housing would overlap with a lot of those. She explained that they were working toward providing affordable housing and new housing in the area for homeowners. A grant had been approved to build about seven (7) houses and to look at restoring one (1) or two (2). An additional grant had also just been placed with the Housing Authority for five (5) new houses, as well as five (5) new home repairs. Ms. Speakman stated that they would start small, see how the market would hopefully improve, and keep trying to address the vacant lots in the area, purchasing some of them, and building some new housing. She explained that the working groups were made up of various stakeholders from the community and offered to provide a list, noting that NCALL would welcome any members who wished to serve on any of the committees. Ms. Speakman indicated that they definitely wanted to work with the City as closely as possible.

Ms. Jackson advised members that, as part of Resident Engagement, they recently had a back-to-school event serving family members in the community. She noted that free haircuts and styling, book bags, and school supplies were provided. She stated that here was a nice turnout and they actually ran out of book bags and supplies.

In response to Mr. Caldwell as to whether there was a main topic of concern or discussion among the people of the area, Ms. Speakman stated that safety was the main concern. She indicated that, although police presence was part of it and people like to see community policing, it was also just being able to feel comfortable when talking with their neighbors and getting out. In regard to any particular safety problem or area of concern, Ms. Speakman stated that a recent shooting and violence were mentioned; however, this occurred after the actual survey, which was done in October of 2013, and she felt that violence had increased after that.

Ms. Graham stated that specific areas were not mentioned in the survey; however, during housing workshops they had asked residents to indicate on maps the areas that they felt were unsafe, noting that they have a map that shows hot spots and areas of concern. She noted that a number of those maps were included in the full Restoring Central Dover Neighborhood Plan.

Ms. Speakman advised that these maps match up with locations where there had been criminal activity, which showed that people know what is going on. She advised members that NCALL was working closely with the police on their plans for community policing in the area and with the Department of Public Works as far as lighting for the City. Ms. Speakman mentioned an idea to try to increase porch lighting and have them on timers. She indicated that this was something they would be pursuing and trying to find funding for.

Ms. Speakman stated that NCALL was a member of NeighborWorks America and had access to community and building programs throughout the country. They also go to training sessions that involve people across the country and would be taking a group of residents to a community leadership institute in October and were glad to bring those resources to bear.

Mrs. Horsey questioned if NCALL was involved in an upcoming City of Dover Clean Up Week. Responding, Ms. Speakman stated that this was scheduled for Saturday, September 19, 2015 and NCALL was involved and passed out flyers today to all the residents. Ms. Speakman advised members that she would be working on a Habitat for Humanity build that day and hoped to recruit some of her church members for the clean up if there were too many for the Habitat project. It was her belief that notices were delivered to churches as well. She stated that this kind of engagement activity gets people to talk and get to know each other, which is part of this effort.

Mr. Anderson stated that he was informed that he had been put on the NCALL Adult & Youth Services working group and Ms. Speakman stated that Mr. Anderson would receive invitations to the meetings of the NCALL committees related to the youth.

Mr. Anderson questioned, based in the surveys and the open house, what services and priorities people wanted to see in the community. Ms. Speakman responded that youth activities seemed to be key.

Mr. Anderson questioned if there could be a community calendar. Responding, Ms. Speakman stated that between a website that NCALL set up and the City's website, something like that could be worked up.

In regard to particular ideas or suggestions about programs or amenities that were missing in regard to Youth and Family Services, Ms. Speakman stated that she did not recall anything per se; however, the committee will research what is already provided and where there were gaps, and then try to address those gaps. She indicated that they would touch base with the residents to see if this was what they wanted.

Ms. Graham stated that Pages 2 and 4 of the implementation matrix listed bullet points directly from the plan about engaging youth in the community and the efforts that NCALL was trying to accomplish. She explained that the Adult & Youth Services working group met once so far and talked about conducting a survey using high school students to get the students involved in how the community is improving. They planned to meet again, although they do not have a firm date; however, the survey should help obtain a better understanding of what types of services they need and desire.

Mr. Anderson stated that they would hopefully work in partnership with the City's Youth Advisory Committee so that efforts would not be duplicated.

Responding to Mr. Anderson, Ms. Speakman stated that people always want more parks and the last page of the matrix addresses parks. Mr. Anderson stated that there were approximately 23 of them. Ms. Speakman stated that since people had indicated they wanted more parks, this might mean that they do not know where the parks are or they are not using them. She noted that issues came up such as the Boys' and Girls' Club moving out and whether there would be transportation that would bring the kids in the area to that facility and vice versa, and if available services would be brought into the community a little bit more.

At the request of Mr. Anderson for a brief recap, Ms. Speakman stated that NCALL was asked by the Cen-Del Foundation and a number of other organizations that work with the DDD and the Downtown Dover Partnership (DDP) to be the lead agency to help apply for a planning grant for the Restoring Central Dover Initiative and then to apply for an implementation grant. She advised members that both grants were received from the Wells Fargo Regional Foundation. She indicated that NCALL was

just at the implementation stage. Their steering committee has over 30 people, from the City, from Bayhealth, Wesley, and the Capital School District. There was a wide variety of stakeholders involved, as well as residents, and a number of non-profits like Habitat for Humanity, as well as groups like the Dover Interfaith Mission for Housing, which serves the homeless.

In response to Mr. Anderson regarding the next steps and priorities in terms of partnering with respect to the DDD, Ms. Speakman stated that there was great synergy and timing. She did not think some of the physical improvements could occur in the next five (5) years without the DDD designation, as well as the State legislature's appropriations of moneys. Ms. Speakman stated that some components had not been funded, noting that additional funding for the Strong Neighborhoods program had not been allocated for FY 16, but they were generally pleased. She cautioned that the physical aspects were only part of the effort, and if people do not want to move to or buy in the area and do not feel safe, it will not happen. Ms. Speakman indicated that NCALL would be working hard to engage the residents to come up with solutions or ways to change.

Mr. Anderson stated that NCALL should feel free to bring more information to the Committee as they receive it and stated that members would be glad to bring NCALL back for updates. He suggested that they come back every couple of months to allow for coordination and working together.

In response to Mr. Lewis, Ms. Speakman stated that the intentions as far as safety was for all involved to work together. She stated that this would mean working with the police and making sure that they want to do community policing and find out where they have and have not tried to find money for this. Ms. Speakman expressed the desire to work with the police cadets and introduce them to people as they walk through the streets. She indicated that they would like to have the police at all of NCALL's community events as well. Ms. Speakman felt that safety also involves making sure that there is a community effort for residents to be involved. Mr. Anderson invited NCALL to return to talk about economic inclusion since it would be part of these efforts.

In response to Mr. Anderson, Ms. Speakman stated that members of the Committee and community who wanted to be involved could provide her with their email address or call NCALL at 678-9400 and ask for herself or Ms. Graham, whose email address was tgraham@ncall.org. She noted that NCALL's website (www.ncall.org) also has a lot of information.

Members were provided a brochure regarding the MLK Jr., Educational Community Center, Inc. Dr. Garcia Walker, president of the MLK Jr., Educational Community Center, 430 New Castle Avenue, expressed appreciation for the opportunity to speak. He stated that this organization was part of the solution to revitalizing Dover and bringing back stability with the youth, adults, and a total positive culture for our City. Dr. Walker stated that the organization's mission was "To provide skills, services,

opportunities to empower individuals faced with barriers and obstacles that will assist them in restoring community and family self-sufficiency while establishing a roadmap for success." Dr. Walker stated that this was the second or third time they had presented in the Chambers and had made a lot of progress. He indicated that the center's educational development program was offering after-school tutoring and Saturday academies, as well as a counseling program directed by Mr. Alex Cropper, including family, substance abuse, domestic, mental health, anger management, and DUI counseling. Dr. Walker indicated that Ms. Anne Smith, Director of Workforce Development, trains individuals in the community for certain types of jobs and Dr. Ira Roach serves as Director of Adult Education. Dr. Walker advised members that they offer diploma programs for individuals who have not been able to achieve that level of their education. Dr. Walker felt that many crimes in the Dover area are committed because of lack of income, jobs, and economics, and if these can be fixed one piece at a time, Dover will thrive again over a period of time. He explained that the community center had formed a partnership with the Dover Housing Authority (DHA) through Mrs. Ami Sebastian-Hauer, Executive Director, and the organization's buildings were donated or loaned to them by the DHA, and he thanked God for them. He stated that Pastor Grimes had been doing a great job in the community and they would be using the Solid Rock Baptist Church's location for tutoring and for their Saturday academy. Dr. Walker stated that the MLK Jr. Educational Community Center, Inc. locations in Manchester Square, Senate View, and the Dover Community Outreach Center were reaching the demographic where many negative things are occurring. Dr. Walker assured member that they were here in full force to talk to the Committee and to the budget committee to hopefully find some type of solution to make Dover better again.

Mr. Alex Cropper, Vice President of the MLK Jr., Educational Community Center, stated that Councilman Anderson had been to a couple of their community events and heard directly from the constituents where the area of concerns lay. He noted that a lot of the residents spoke on job training and jobs and that their program offers those things. He explained that they were looking to implement programs in the community that will help. Mr. Cropper acknowledged that safety was a concern but felt that job training, jobs, and education, etc., were needed to make these individuals vital again. He believed that with the help of the center, the City, and other agencies, and with the community coming together for that cause, Dover could be made safe again.

In terms of strategic planning, Mr. Anderson questioned what types of resources should be available and if there was a lack of resources, whether it was a building location or a program. He questioned where a partnership could happen and what the priority should be. Responding, Mr. Cropper noted that a lot of individuals do not have access to job training in their community. He suggested adding job training and workforce development right in their community to show them they can be successful in life.

Ms. Smith stated her belief that it was essential to partner with employers, which was included on their list of things to do. They would ask them to adopt the employee. Ms. Smith stated their desire to ask the employee about their needs and try to satisfy those needs by preparing people to have skills. In addition, Ms. Smith stated that they would be looking at incorporating families to support employees, since the family plays an important role in the success of an employee.

Dr. Ira Roach, Director of Adult Education, MLK Jr., Educational Community Center, Inc. stated that they would like for everyone to participate in their high school diploma program; however, people have to pay. With private payments, they had 105 people graduate last June and, with partnership, Dr. Roach felt they could possibly pass that number.

Mr. Caldwell stated that people need assistance with preparing for a job and being motivated to go out and do the job without giving up.

In response to Mr. Lewis, Mr. Cropper stated that they had been in existence since March 2015, noting that they came together after an incident in Simon Circle and had been meeting since then to put this program together.

Responding to Mr. Lewis regarding their success rate, Mr. Cropper stated that the high school diploma program was the only program that had been implemented and it had a 100% success rate. Everything that they would be doing would be staff-driven and data-driven to measure the success of the program. Mr. Cropper stated that, through the partnership with DHA, they had access to every resident in that neighborhood to track, monitor, and measure success. He looked forward to exceeding their success with the high school diploma program and reporting their success with other areas.

Responding to Mr. Lewis, Mr. Cropper confirmed that the organization was non-profit.

In response to Mr. Lewis, Dr. Walker stated that there were currently no employees since staff was volunteering their time and finances were coming from their own pockets. He noted that they had spent $7,000 since implementing the program and they were interested in obtaining funds. Dr. Walker indicated that he was from the Banneker Heights Apartments in Milford, De., and had seen what a young man can do if he receives the proper education. Dr. Walker stated his belief that he was the first Ph.D. that came out of his housing development 30-40 years ago, noting that there were organizations like the MLK, Jr. Education and Community Center when he was coming up that helped but were not there anymore. He felt that there were several Dr. Walkers in these developments right now and expressed the desire to reach these young men and women and adults to show them success and that somebody cares. He indicated that they had formed partnerships with the Capital School District, local Greek fraternities and sororities, the Interdenominational Ministerial Alliance (IMA) and other agencies to get the mission accomplished.

In response to Mr. Hutchison regarding partnerships with the new school system to identify students that are dropping out, Dr. Walker stated that he had a meeting scheduled with the Dr. Sylvia Henderson, new Assistant Superintendent in the Capital School District, this week. Coming from a Milford School District, he estimated that there is a dropout rate of approximately 5%.

Mr. Hutchison thanked those present for their volunteer work and stated his opinion that the number one problem facing this country, and every city across the land, was the loss of family and family values. Noting the drug problems, he stated that law enforcement cannot solve all problems. Mr. Hutchison stated that he was unfortunate as a young person and knew what is was like to be touched by the values of people who cared about him. He stated that if he could do it, everybody could do it. Mr. Hutchison expressed the need to reach out to every single person, no matter where they come from.

Dr. Walker stated that an article about Mr. Hutchison when serving as Chief of Police 20 years ago had inspired him as a young man and he thanked Mr. Hutchison for that. He noted that Mr. Hutchison had come from the Elizabeth W. Murphey School home.

Mr. Hutchison stated that he serves on the board for the Murphey school, which had been in existence for 97 years. Over 5,000 young men and women had gone through that program and almost every one had been a success story. Mr. Hutchison stated that this was what the MLK, Jr. organization was trying to do. He indicated that they were touching a lot of people and expressed his support.

Ms. Horsey applauded their efforts 100%, noting that education was the ticket that everyone needed every day. She questioned how much it cost to obtain a high school diploma through their program. Responding, Dr. Roach stated that it was approximately $200 since they were trying to keep the cost low so everyone could pay by payments, but $1,000 per student would help to cover everything and include a career certificate or career diploma as well. He stated that they were trying to push getting more than a high school diploma, noting that everyone does not go to college, but at least getting a certificate in culinary, dietary aide, or construction would help.

Ms. Horsey suggested including information in the brochure about the cost of getting a diploma, and another level for culinary, etc. This would help people wishing to contribute.

Dr. Walker stated that they had missed the grant season, but their ultimate goal was to provide these services for free through grants. He explained, when dealing with a certain population, mentioning a dollar amount deters them. Dr. Walker noted that their staff was all experts in different fields, himself in education; Mr. Cropper as a certified drug and alcohol counselor; Mrs. Smith in hospitality at Delaware State University, and retired Dr. Roach was the educator in the diploma program. He reiterated their desire to give back to the community.

Mayor Christiansen stated that he knew these individuals were going to be winners from the moment they stepped into his office and told him what their dream and initiative was because they had that certain fire. He expressed his pleasure that they partnered with the Delaware State University School of Business and the DHA. Mayor Christiansen noted that they had not just talked about what they were going to do, they were doing it and were going to be a success. He felt that if people would look to the MLK Center as a template of how to take care of the entire city, Dover could not be anything but successful, indicating that they had his support and would continue to have it because their organization was a winner.

Ms. Denise Tolliver, 109 Garden Gate Road, Camden, stated that she was impressed with this group and their efforts; however, she felt that they were asking for financial support from the City of Dover and a commitment of seed money. She indicated that NCALL gave a presentation and had received $750,000 from the Wells Fargo Foundation. Ms. Tolliver stated that the program had a youth component and asked where the City was on supporting this start-up group with seed money, which it seemed they were asking for. Responding, Mayor Christiansen stated that he did not think they were asking for this, noting that they were seeking out grant monies.

Dr. Walker stated that they had perceived it to be loosely put in the budget that the City was going to do something. He stated that attended the Special City Council Budget Review meeting and he indicated that if something could be allocated through the City's five (5) year strategic plan, they would appreciate it being in the budget.

Ms. Tolliver questioned what was needed in terms of dollars from the City of Dover to carry them over until they got grant money. Responding, Dr. Walker stated that to get going with six (6) programs, they were looking at approximately $100,000. Mr. Lewis stated that this was a lot of money. Ms. Tolliver agreed that it was, but stated they were ready to provide a proposal and have the City respond to it.

Mr. Anderson stated, in the overall scheme of things, this was not much compared to the social costs. He indicated that the Committee could deal with coordination, networking, facilities, and a lot of that had been done so far. Mr. Anderson expressed the need to do more and to keep working together, stating that the City would help as best they could to find some of those grants.

Dr. Walker expressed appreciation for the efforts and stated that they would keep moving forward and hope that they could come to some agreement in terms of partnering with the City.

Mr. Anderson suggested that when they are implementing and developing some of their programs, such as tutoring and after-school programs, they might consider marketing the in the City. He noted that the City has different programs, but there are gaps.

Dr. Walker questioned where they could get the names of these different organizations, stating that they have a partnership with the food bank to feed these individuals after the tutoring program, a place to have it, and certified teachers tutoring, but zero dollars. He indicated that he was paying rent for certain buildings, although some buildings were donated, and they must pay their electricity and things of that nature. Noting the time constraints and an additional agenda item, Mr. Anderson stated that these things could be discussed "offline."

Ms. Tolliver questioned if there was financial support available through the City of Dover to support the MLK Jr. Education Community Center. Responding, Mr. Anderson stated that he could not answer that at this point because that would have to be part of a budget process. He stated that they were trying right now to establish the strategic plan, ideas, and partnerships needed, because this would inform the budget process.

Ms. Tolliver questioned the process for being formally considered to be part of the budget or strategic process. Responding, Mr. Anderson stated that the City Manager has a grant-in-aid form. He suggested that they look to see if the program would fall within the Community Development Block Grant (CDBG) program. Mr. Anderson indicated that they should not expect to see most of this money coming from the City because of the budget process, noting that this was just a reality. Mr. Anderson advised that they would have to get into the grant-in-aid and community development processes. He indicated that the State had some opportunities; however, it typically takes three (3) years before the State would kick in and this organization was new. He indicated that he was sure the organization's partnership with the City would continue.

Mr. Anderson questioned if the Committee had any comments or recommendations in regard to the plan. Noting the time constraints of the meeting, Mrs. Horsey stated that she would like to have another month to review it.

Mr. Anderson thought that they should start recommending some of the items, such as looking at indoor restroom facilities at the two (2) major parks, which people had requested more often than anything, as well as exercise paths and training stations, which were things that people were requesting that did not cost a lot of money.

Mr. Lewis stated that he could come up with 10 items right now if there was funding, but it was all about the funding, which he felt was the major question.

Mr. Anderson stated, looking at this year's budget, that there were several items included over the next five (5) years, but the question was what should be the first priority. He questioned whether indoor facilities, outdoor amenities, another building, a splash park, or a skate park should be put in. Mr. Lewis reiterated that it would come to funding, stating that he would not commit to anything at this juncture until he saw the figures in paper. Mr. Anderson stated that there were projects in the budget and the question was where members wanted to head next year.

In response to Mr. Caldwell, Mr. Anderson stated that the splash park was in the long-term budget. Next year would be the design phase and the year after that would be the implementation.

Responding to Mr. Lewis, Mr. Anderson confirmed that this had been voted on and approved; however, this could be changed. He felt that the question was where it should be put. He suggested that everyone review the capital budget and Recreation Needs Assessment, talk with constituents, and come back with their top five (5) ideas and set priorities. He stated the desire to finish this next month.

Update on Lincoln Park Walk Through

Mrs. Ann Marie Townshend, Director of Planning and Community Development, advised members that on August 20, 2015 there was a walk through of Lincoln Park with a group or residents from the area. She noted that there was a good exchange between staff, elected officials, and residents. Staff took point data and started to create a spreadsheet of a number of things that need to be done. Mrs. Townshend indicated that a lot of the easier issues had been completed and many items were things that the Public Works Department needed to follow up on. She advised members that Public Works crews removed and disposed of what seemed to be chemical containers at the corner of Slaughter and Clarence Streets. Paper alleys that had been overgrown had been mowed and maintained, and overgrowth had been cut back in the areas where it was impeding the street.

Mrs. Townshend stated that there were a number of longer-term issues that needed to be dealt with, including the lack of sidewalks on Slaughter Street. There were driveway violations and parking on the grass violations in that area. Staff was working to come up with interim guidance on parking because they did not want to have people spend a lot of money to put in expensive driveways and aprons and then come have the sidewalk projects come through, so staff would be doing interim compliance on the driveway issue with the anticipation of developing a capital project to install sidewalks within the next several years.

Mrs. Townshend advised members that there was a vacant house on Davis Circle that some residents said had a lot of cat activity. Enforcement staff had checked the residence and stated it was secured and they did not see anything concerning, but it had been vacant for over six (6) years. She assured members that staff would start the process to move it into the dangerous building queue since a number of residents had expressed concern. Mrs. Townshend indicated that the Electric Department had changed out an electrical transformer that was found to be rusted, and a number of active cases had been started on code enforcement issues in response to what they heard from the residents.

Mrs. Townshend explained that speeding had been discussed, and Representative Sean Lynn had funded an electronic radar speed sign that Public Works was working on getting installed. A resident had pointed out one (1) house where there were concerns about criminal activity. Mrs. Townshend contacted the police and it was

determined that it was not a candidate for the Safe Communities program because there had not been any documented activity. She explained that Lincoln Park residents were told about the need to call the police if they see problems because if there is no documentation, action cannot be taken by code enforcement or the police. Mrs. Townshend explained that staff was continuing to work through the issues and could update the Committee periodically.

Mr. Lewis stated that there were speeding issues in his district and there had been an electronic speeding sign erected there for years. He had witnessed people speeding down that street with no remorse. Mr. Lewis suggested getting together with the police chief to see if they could utilize officers to perhaps do something such as weekly speed traps, because it was a severe safety issue. He indicated that he had been approached by 10 constituents in his district regarding this problem on East Loockerman Street. Mrs. Townshend stated that staff could follow up on this.

Mr. Anderson expressed thanks for Council President Slavin's leadership and staff for their efforts in coming together regarding Lincoln Park, stating that he had been hearing a lot feedback from residents there who had indicated that things were getting done after waiting for years. He stated that people had been giving up on the neighborhood, and now there was new life and they seemed ready to take it back.

The Committee recommended acceptance of the report.

By consent agenda, Mr. Hare moved for approval of the Committee's recommendation, seconded by Mr. Lewis and carried by a unanimous roll call vote.

By consent agenda, Mr. Hare moved for acceptance of the Parks, Recreation, and Community Enhancement Committee Report, seconded by Mr. Lewis and carried by a unanimous roll call vote.

UTILITY COMMITTEE REPORT - SEPTEMBER 14, 2015

The Utility Committee met on September 14, 2015 with Chairman Hutchison presiding.

Annexation Request - Easterly side of Nixon Lane and 121 Acorn Lane, owned by Paul C. Phillips and Theresa HoShue

Mr. Scott Koenig, City Manager, reviewed a Petition to Annex and Zone Property located on the easterly side of Nixon Lane (Lot 1), consisting of $0.5171^{+/-}$ acres, and 121 Acorn Lane (Lot 2), consisting of $0.4609^{+/-}$ acres, owned by Paul C. Phillips and Theresa HoShue. He explained that the property on Nixon Lane is currently a vacant lot, and the property owners would like to have a single-family house on the property. Mr. Koenig informed members that this is a Category 1 area which is a high-priority annexation area. He stated that there are public utilities, both water and sewer, available in Nixon Lane. Mr. Koenig explained that the property on Nixon Lane is not contiguous to property within the City of Dover limits, which is a City requirement for the annexation of property. As a result, the owners have also

requested the annexation of 121 Acorn Lane, which is currently a residential lot with City of Dover electric, water, and sewer. Mr. Koenig stated his understanding that the owner currently pays out-of-City rates and, if the property is annexed, they will pay in-City rates.

Staff recommended that the City proceed with annexation of the subject properties.

Referring to the site map for Application No. AX-15-01, dated August 14, 2015, Mr. Blakeman questioned whether the property located at 121 Acorn Lane was contiguous to the City, noting that it appeared that both properties were surrounded by properties within Kent County. Responding, Mr. Koenig explained that 121 Acorn Lane was contiguous to the right-of-way of Acorn Lane. In regard to the Nixon Lane property, he stated that both sides of the road are out of City limits; therefore, it was not eligible for annexation without the annexation of 121 Acorn Lane. Mr. Koenig noted that the bold, black line indicated the City of Dover boundary and that the line on Acorn Lane should have been depicted in the center of the road but the mapping was slightly off.

In response to Mr. Anderson, Mr. Koenig explained that the annexation of these properties would create an additional sawtooth effect on Acorn Lane; however, annexation would expand the City limits.

Responding to Mr. Anderson, Mr. Koenig stated that both of the property owners were in favor of this annexation.

The Committee recommended approval of staff's recommendation to proceed with annexation of the subject properties.

By consent agenda, Mr. Hare moved for approval of the Committee's recommendation, seconded by Mr. Lewis and carried by a unanimous roll call vote.

Evaluation of Proposals - North American Electric Reliability Corporation (NERC)/ Reliability First Corporation (RFC) Support and Internal Audit Review (RFP 15-0032EL)

Mr. Scott Koenig, City Manager, advised members that the Electric Utility was scheduled for a North American Electric Reliability Corporation (NERC) internal audit by its contractor, Reliability First Corporation (RFC), in April 2016. Given the high turnover rate in the Electric Department supervision over the last three (3) years, staff recommended that the Utility Committee and City Council approve the request for audit/consultation services for the regulated aspects of the electric operations. While the City provides monthly, quarterly, and yearly audit material/evidence to RFC to prove its compliance, the annual items that RFC requests material for are only a snapshot of the total standard list applicable to the City of Dover's current registration as a Distribution Provider (DP) and Load Serving Entity (LSE). Mr. Koenig stated that this is a very difficult technical audit, and in order to ensure 100% compliance with all regulatory standards, this audit consultation would provide

standardized, clear, and concise documentation to prove the City does what is does, offer a path forward to implement a viable self-improvement and assessment program, and also avoid any possible findings that may result in fines for non-compliance.

Mr. Koenig explained that the Electric Department issued a Request for Proposal (RFP) 15-0032EL, NERC/RFC Support and Internal Audit Review to solicit external auditing agencies for their services in preparation of the NERC/RFC compliance audit slated for calendar year 2016. Proposals were received from 11 prospective vendors, with quotes ranging from $28,100 on the low end to a high dollar quote of $614,000. Mr. Koenig stated that the senior management of the Electric Department reviewed all the proposals and ranked them in preference order based on completeness of proposal, company experience, estimated hours, cost per hour, travel cost additions, and total costs. The list of 11 vendors was narrowed down to three (3) finalists. Teleconferences and in-person meetings were conducted to ask a base set of questions to help decide the most qualified vendor for the City of Dover. After careful deliberation, staff recommended the approval of the proposal from NAES Corporation for an amount not to exceed $116,285. This company offered the best mix of experience in both the operational and compliance arenas of the electric utility with 160+ audits. Their proposal also met all of the criteria in the RFP and they have full-time personnel located in New Castle, Delaware.

Staff recommended awarding the contract to the NAES Corporation in an amount not to exceed $116,285.

In response to Mr. Hutchison, Mr. Koenig stated that the last audit was performed in approximately 2010.

Mr. Hutchison asked how long the audit would take to complete. Responding, Mr. Harry Maloney, Electric Director, explained that the consultant would be helping staff over the next three (3) to four (4) months. He stated that on January 18, 2016, he will receive a letter indicating that the City has 30 days to fill out what NERC/RFC wishes to audit during the operation and maintenance audit. RFC will request documentation for certain items, so staff and the consultant have a lot of work to do in the next three (3) months.

Mr. Maloney stated that the consultant will also help the City be in compliance with cyber infrastructure protection (CIP). He noted that this is different from the CIPs in the City's budget process. The cyber infrastructure protection is related to cyber security, computers, networks, and relaying. Mr. Maloney informed members that the CIP standards were approved over one (1) year ago, and the City will have to be in compliance with CIP one (1) year from now. He noted that the consultant would provide the standards and some staff training. Mr. Maloney stated that the big utilities, such as Delmarva and Philadelphia Electric, had to be compliant this year; however, smaller utilities, like the City of Dover, do not have to be compliant until next year.

In response to Mr. Hutchison, Mr. Maloney stated that he was comfortable saying that staff could have everything done and be ready to go by January with the consultant's help. He explained that there is a lot of writing and documentation involved in the process, which involves pulling documentation out of the City's procedures to show what the City has been doing and putting everything in the correct format for the liability standards.

Mr. Hutchison asked how often the City should be completing an audit. Responding, Mr. Maloney stated that the City is forced to audit every six (6) years. He noted that the auditors now look at how the City's compliance culture is done. Once the City has a compliance culture set up and gets things rolling, maybe in about three-and-one-half years, the City would ask someone to come in to do an internal spot audit to see where the City stands. In another six (6) years, by 2022, the City will be better prepared. Mr. Maloney noted that there is a learning process as staff goes through an audit.

Mr. Neil asked whether the City would have a chance to make corrections to satisfy the audit, if staff finds that there is something that is not being done that should be. In response, Mr. Maloney stated that the City would have a chance to make corrections if the City self-reports. Mr. Maloney explained that, as the City's compliance officer, if he finds that the City has missed something that is really bad, he has to self-report and then the City will have to implement the Find, Fix, and Track (FFT) procedure. He stated that, through the FFT, the City would set up a procedure for how long to be in compliance and then submit that on a regular basis until the City comes into compliance. Mr. Maloney noted that it is better for the City to catch itself than for the auditor to catch the City because the auditor figures that the City would just sit back and wait, and hope to get away with it; whereas, if there is a compliance culture, staff finds something and reports it.

Responding to Mr. Neil, Mr. Maloney stated that if staff or the consultant find something that is really bad within this three-month period leading into January, he will self-report it. He noted that he had to self-report when he was previously employed in Vineland, New Jersey, which went a lot easier than getting caught and going through the documents. Mr. Maloney stated that NERC/RFC do not come down as hard on you when you self-report.

Mr. Neil asked what would happen if the staff misses something and NERC/RFC finds it. In response, Mr. Maloney explained that it would depend on the scenario and how bad it is, for instance, has it really affected transmission; is it moderate in severity; what could it do to the grid; or can it knock out the peninsula - which is the worst scenario. He advised members that if the City did not do something that could knock out the whole peninsula, it would be a pretty bad situation; however, the City only has the Cartanza interface and a couple of relays, so it is not that bad. Mr. Maloney stated that those things are kept up on and the rest are minor scenarios. He explained that if NERC/RFC finds something, they will implement the FFT and,

hopefully, the severity would be really minimum and they would not fine the City, noting that they would rather help the City get in compliance than to give fines.

Mr. Anderson questioned why Burkard & Associates ranked so low. Responding, Mr. Maloney stated that Burkard & Associates were mainly a New England company and, when staff looked at their background and expertise, it was determined that they are a small company and did not seem to be a good fit for Dover and being in the PJM RFC footprint. Mr. Maloney noted that NAES listed double the hours of Burkard & Associates, and reminded members that the City only has three (3) months to get help to get in compliance.

In response to Mr. Neil, Mr. Koenig advised that there was $175,000 included in the budget for these types of services and this request was for $116,285.

The Committee recommended awarding the contract to the NAES Corporation in an amount not to exceed $116,285, as recommended by staff.

By consent agenda, Mr. Hare moved for approval of the Committee's recommendation, seconded by Mr. Lewis and carried by a unanimous roll call vote.

Overview of Hedge Program

Mr. Scott Koenig, City Manager, provided an overview of the City's Hedge Program, noting that the Hedge Program is discussed by the Risk Management Committee, which is comprised of him; Mrs. Donna Mitchell, Controller/Treasurer; Mr. Harry Maloney, Electric Director; and the City's advisers from The Energy Authority (TEA). Mr. Koenig explained that the purpose of the Hedge Program is to help the City accurately predict what power supply costs will be in the future. The Hedge Program is a paper transaction that happens when the City buys forward power purchases in small quantities, such as five (5) megawatts, eight (8) megawatts, 15 megawatts, etc. He stated that the program was currently scheduled for five (5) years into the future, with laddered down hedges.

Mr. Koenig advised members that for the current year the hedge target is 80% of the City's total power supply cost, and the target decreases by 20% for each out year and then rolls forward as the City moves in to the next year. He stated that staff is always looking into the future and the Risk Management Committee considers the recommendations of TEA analysts and experts, and asks them to explain the basis for each recommendation prior to the Committee voting to secure the hedges. Mr. Koenig stated that, in recent months, TEA has been able to buy power for slightly less than the price that was quoted in their recommendation to the Risk Management Committee, explaining that the Committee may have voted to buy power at $32 and then it only cost $31 or $31.50 in the market. He noted that there is never a guarantee in this market. Mr. Koenig reiterated that the purpose of the

Hedge Program is to manage the City's risk and, when setting the customer rates, to know exactly what power will cost next fiscal year. He stated that, over the next few months, staff will be developing a good idea of what most of the City's power will cost next year.

Mr. Koenig noted that, as indicated in the TEA Reports, it was interesting that this year, even in the summer months when they predicted that it would be really expensive to buy energy, it was relatively cheap due to very low gas prices. He indicated that during the last Risk Management Committee meeting, members discussed whether or not to alter the City's forward purchases to take advantage of the current, historically low, gas prices and asked TEA for additional information regarding these purchases. Mr. Koenig stated that it is not an exact science and difficult to know whether the City has made a good purchase until the actual power year.

Mr. Koenig stated that the market depends on what is happening in the world and the idea of buying the hedges is so that the City is not at 100% risk in the market. He informed members that during some of the polar vortex days, prices were as high as $1,700 or $1,800 per megawatt; however, most recently, the City had bought hedges four (4) or five (5) years out for approximately $32 per megawatt. Mr. Koenig stated that the numbers are all over the board some days but, over the last four (4) years, he had really seen a decline in the costs of the City's composite hedge, the sum of all of the purchases for the current power year, which is why the City has been able to adjust the power rates down over the last few years.

Mr. Koenig stated that the Hedge Program is considered a confidential program because, in the power supply business, nobody wants anyone to know what they are actually paying for power. He noted that was why the power purchase agreements are considered confidential; however, being a public entity creates a bit of a conflict for the City in this regard.

Mr. Koenig informed members that the Risk Management Committee receives monthly calculations regarding the value of the City's hedges and how much risk has been reduced as a result of the hedges. He stated that the Hedge Program allows him to bring forward a budget with confidence that the range for what the City will pay for power supply is accurate because the City bought a lot of it already. If the market drops and power becomes extremely cheap, then there could be times when the City's hedges are more expensive than buying from the market and that would not be good; however, there is no way to predict three (3) or four (4) years out whether the prices will drop.

Referring to the Risk Management Summary in the July TEA/NAES Report (Page 17 of the Utility Committee Packet), Mr. Blakeman stated that the Hedge Ratio for Power Year (PY) 2019-20 was now at 5% and the Monthly Change ($/MWh) reflected at negative $0.20. He noted that it was at 0% in the June TEA/NAES Report and questioned if something had precipitated this change. Responding,

Mr. Koenig advised that last month was the first month that the City could buy power for 2019-20 and the City bought 5% of the total for 2019-20. He did not know why it reflected a negative $0.20 change, but stated that he would ask.

Mr. Neil asked if the City's deal with Calpine is basically to make sure that the City has access to power if it is needed, as opposed to what the cost of the power is. In response, Mr. Koenig explained that the City has a capacity purchase agreement with Calpine which is different from this discussion related to energy purchasing. He stated that the Calpine deal is to replace the 34-megawatts that are retiring with Units 1 and 2 for capacity, plus additional capacity because staff expects some load growth and believes that the City needs the 50-megawatt deal.

Referring to the table of the most recent settlement prices for Pennsylvania Solar Renewable Energy Credits (SRECS) in the July TEA/NAES Report (Page 17 of the Utility Committee Packet), Mr. Blakeman noted that the 2014/2015 SREC Balance was 2,687 and this balance decreased to 292 for 2015/2016, which is the lowest number the City has seen. He asked if that was going to be a crucial date for having to give up SRECS. Responding, Mr. Koenig stated his belief that this has to do with the City's renewables and that would be the year that the City has to bring on additional renewables, which is why there is a decrease in the SRECS.

In response to Mr. Blakeman, Mr. Koenig stated that the City would have to replace the SRECS with something else and noted that the City would be building facilities, having facilities built, or partnering with facilities.

Mr. Hutchison stated his understanding that the City got slammed one (1) particular month last year and asked Mr. Koenig to explained what happened. Responding, Mr. Koenig informed members that there were two (2) instances in the last two (2) fiscal years. He stated that the polar vortex occurred in fiscal year 2013/2014, and the City experienced a similar problem in the month of February last year, where there were very high energy prices, very high demands, and the City had to buy extra on the market. Mr. Koenig recalled that the first year, the bill was approximately $5M extra for the month of February and, this past year, it was approximately $2M extra. He reiterated that this was the result of extremely cold weather and extremely high demands, and the City did not overbuy because the weather cannot be predicted that easily. Mr. Koenig explained that if staff had tried to figure the weather into the hedge purchasing, overbought the energy and did not sell it, the City would have had to absorb the expense.

Mr. Koenig noted that Delaware Electric Cooperative is very good at their Beat the Peak programs for the summer and winter. He stated that as the City discusses how to manage its load in the future, for both the summer and the winter peaks, there is a need to get a better handle on how to get customers, if appropriate, to be able to adjust their use. Mr. Koenig explained that in the winter time it is a little more difficult because people do not want their pipes to freeze but they could lower their thermostats slightly to save on energy demand. He advised that it is a very difficult

program and there is a lot of work involved in getting a good energy management program in place because it requires the customer to change their behavior rather instantaneously.

Mr. Koenig informed members that the City's bill comes in quickly from the PJM so the City has to pay cash out and the money coming in from the customers is a little behind when the PJM bill is paid. He explained that, in both instances when the City had really high demands, the City had to transfer money from the Rate Stabilization Fund, at least on a temporary basis, to make the cash flow work. Mr. Koenig advised that one (1) of the purposes of the Rate Stabilization Fund is to have the cash available to make payments on time, in case the City experiences these very high spikes in the market and in demand.

The Committee recommended acceptance of the overview of the hedge program.

By consent agenda, Mr. Hare moved for approval of the Committee's recommendation, seconded by Mr. Lewis and carried by a unanimous roll call vote.

TEA/NAES Report *(July)*

The TEA/NAES Monthly Report for July 2015 was provided to members to enable them to monitor electric sales and revenues received, which will provide a better understanding of any fluctuations that occur and allow the opportunity to make improvements if deemed necessary.

Mr. Scott Koenig, City Manager, reminded members that this was the first period of the fiscal year. He stated that the City's power supply costs were below budget for the month of July and the City was actually able to generate more revenue than anticipated. Mr. Koenig explained that the City generated $533,638 in net generation revenue versus a $492,400 estimate. Referring to the Budget Report (Page 18 of the Utility Packet), he informed members that the power supply cost was approximately $1.1M under budget and the total utility cost was approximately $1.5M under budget. He stated that the City's total cost of service was budgeted at $71.27 and it actually came in at $52.74. Looking at just this portion of the budget, from a power supply standpoint, July was a good month for the City. Mr. Koenig noted that the goal is to be slightly in the black at the end of the year as a result of forecasting correctly over the 12-month period.

Mr. Koenig stated that all of the other items seemed to be in line with the current budget, reiterating that this was period one (1) of 12.

Referring to Appendix 1 - PJM Invoice (Pages 34-37 of the Utility Committee Packet), Mr. Blakeman stated that TEA's summary of the PJM settlement was extremely good. He noted that, on the last page, the total receivable was listed as $84,000; however, that was really the receivable for one (1) month. Mr. Blakeman stated that it would be helpful and more clear if the total receivable for the month was included, explaining that, for July, it was actually $282,000 as opposed to the

$84,000 listed in the report. He acknowledged that the total receivable for the month was only $282,000 because of the credits the City gets. Mr. Blakeman explained that the charges were $1.4M but the credit was $1.1M, so the City ended up writing a check for $282,000 instead of millions of dollars. He stated that it really stands out when written that way and it would be very helpful if TEA would add the total receivable for the month.

Responding to Mr. Blakeman, Mr. Koenig noted that, when it is all said and done, it is a good deal. Mr. Blakeman noted that the City could not do much better than that.

Mr. Anderson asked if there was an expiration date on the SRECS or if they are good as long as the City holds them. In response, Mr. Koenig stated his understanding that the SRECS do expire. Mr. Maloney noted that members did not need to worry about the SRECS expiring because they will be running out shortly. He explained that the City does use the oldest ones first and he believed that the City had built up some SRECS at first because there was not a requirement. Mr. Maloney informed members that the requirements have been kicking in and each year they notch up. He reminded members that the City only bought 15% of the SRECS from the Solar Park, so the City will either have to build or purchase. Mr. Maloney noted that the Delaware Municipal Electric Corporation (DMEC) was working with the City and DMEC helped the City with this year's bill, which includes wind, solar, etc.

Responding to Mr. Blakeman, Mr. Maloney confirmed that the City was still getting credits for the solar panels on the administrative building at the plant.

The Committee recommended acceptance of the TEA/NAES Monthly Report for July 2015.

By consent agenda, Mr. Hare moved for approval of the Committee's recommendation, seconded by Mr. Lewis and carried by a unanimous roll call vote.

Updates

Green Energy Funding and Programming and Dover Sun Park

Members reviewed details regarding Green Energy Funding and Programming, and the White Oak Solar Park Incremental Cost.

Mr. Scott Koenig, City Manager, noted that the report only included information for the first month of the budget year. Mr. Koenig stated that the City would be under increased pressure regarding renewables, and informed members that Mr. Harry Maloney, Electric Director, is working on an integrated resource plan that will likely identify additional solar projects that the City may undertake. Mr. Koenig stated that the City will be looking for partners. He noted that he was not sure if the City is really in a wind zone that can help from the wind stand point; however, one (1) of the things that is being discussed and seems promising is potentially battery storage.

Mr. Koenig advised that there are a number of renewable technologies that staff will be looking at over the next few years to see how the City can comply with the laws and keep the costs manageable.

Noting that Mr. Koenig was reaching out to the major utility users, Mr. Hutchison asked if staff was specifically talking to them regarding this issue. Responding, Mr. Koenig informed members that staff had a group meeting with the City's largest electric customers, all of whom have very different needs and focuses. He stated that the one (1) customer that is probably in the best position to do significant energy efficiency and possibly green power projects is the Air Force Base. Mr. Koenig expressed his hope that the City will be able to develop a unique partnership with the Air Force Base over the next couple of years to help them meet their goals, as well as the City's goals as far as renewables, noting that the Air Force Base is under pressure from the federal government to get green energy and efficiency projects underway.

Mr. Koenig stated that for a couple of the other customers it is purely numbers-driven, whether they think that they can upgrade their facility economically and get a return on their investment. It was his understanding that Bay Health was one (1) that is potentially interested in some energy efficiency projects, since they said that they are committed to the community, they want the City to keep costs as low as possible, but are interested in things in addition to the electric rates to make the community better.

Mr. Koenig noted that a couple of the other larger users are interested in time of day use and had indicated that they are willing to modify the behavior of their businesses to help reduce higher costs. He reiterated that each of the City's five (5) largest users are unique; however, each of them is interested in how to control their power costs. Mr. Koenig informed members that there were a lot of good things that came out of that discussion and the City has a lot of work to do to see if the City can tailor rates to address some of the concerns of the largest users.

In response to Mr. Hutchison, Mr. Koenig stated that the Chamber of Commerce did participate in the meeting with the City's largest utility customers.

Mr. Blakeman stated that some of the farmers might be possible candidates for this kind of stuff, noting that they have large fields and are interested in cutting their energy costs, and the City could get the Solar Renewable Energy Credits (SRECS).

Garrison Oak Technical Park Project Updates

Mr. Scott Koenig, City Manager, provided the following updates:

City Infrastructure

Mr. Koenig informed members that the infrastructure construction was starting to wind down at the Garrison Oak Technology Park, noting that they were in the last 5% to 10% of construction. He stated that the base coat of the road was completely

done all the way around; however, there was one (1) portion of the horseshoe that was not yet open to traffic because they are still trying to clean up some things and get the area between the curb and sidewalks graded.

Calpine Energy Center

Mr. Koenig stated that the Calpine Garrison Energy Center had been in commercial operation since early June. Calpine is finishing up all of their site work and the opening ceremony for the facility is scheduled for October 1, 2015.

Mr. Koenig stated that the Uzin Utz facility has scheduled their ceremonial opening for September 25, 2014.

Mr. Koenig informed members that the City's contractor was beginning to clean up the construction equipment, and noted that the large soil piles had been removed. He stated that the water tower top was up and it is progressing through construction. Mr. Koenig explained that the primary coat of paint had been put on the tower, noting that it was blue, which would not be the final color.

Mr. Koenig stated that they are in the process of making the final link of the sanitary sewer to the small pump station further east on White Oak Road, which will be abandoned as part of this project.

Mr. Koenig explained that the City had begun asbestos abatement at the old farmhouse and the demolition bids for that structure, as well as some of the ancillary structures around the old farmhouse, were scheduled for later this month. He expects that the City will be completing the land transaction for Lot 13 in late October.

Mr. Koenig noted his expectation that all or most of these contracts will be closed out by the end of the year and final payments will be released to the contractors.

Mr. Blakeman asked if the old farmhouse would be a candidate for a fire burn for the Fire Department. Responding, Mr. Koenig reminded members that the old farmhouse had asbestos in it; therefore, staff did not propose burning it. He also noted that staff did not want to jeopardize the brand new industrial facility at the site.

Mr. Blakeman asked if the City had made progress on Route 1 access to the site. In response, Mr. Koenig stated that the Garrison Oak Connector Road was included on the transportation prioritization list which was scheduled for consideration by City Council at their meeting being held later in the evening. He noted that a lot of the right-of-way was in place; however, the funding for the road was not and there was currently not a user generating enough traffic that needs access to Route 1 to warrant the road. Mr. Koenig explained that all of the current users seemed to be content with the existing road structure. He stated that if the City were able to land a large employer that would generate the necessary traffic to push the Delaware Department of Transportation (DelDOT), staff would hope that the project would move up the priority list, noting that it was on the radar for DelDOT.

Mr. Hutchison asked what the total cost of this project was. Responding, Mr. Koenig stated that he did not have that information with him; however, he believed that the all-in numbers were approximately $14.2M, which includes the roads and storm sewers, the water mains, the sanitary sewer mains, the new pump station at Garrison Oak, the upgrading of White Oak 5 Pump Station adjacent to White Oak Farms, the new 1.5M gallon water tower, all of the street lighting, the distribution power lines along the road, approximately $500,000 cost to move the 69kV line routed around the entrance to the east. He expressed his hope that the cost would decrease slightly, noting that the contracts seemed to be coming in slightly under budget.

Mr. Hutchison stated his believe that $14.2M was well above the number that was projected. In response, Mr. Koenig informed members that the original request from Calpine was $6M and the total $14.2M had been accounted for in all budgets since the initial request. He explained that the initial request for Calpine was about $6M which, early on, would have built approximately half of the road and the other infrastructure associated with it; however, the City sold the lot to Uzin Utz which required the City to build the rest of the infrastructure. Mr. Koenig stated that the City also built the water tower anticipating the entire build-out of the park, noting that it was constructed to be able to handle demand associated with blocks 1 and block 2 of the Garrison Energy Center as well as the full build-out of the park. He advised that, as of today, the City over built the infrastructure with the anticipation that the additional development would levelize the City's investment.

The Committee recommended acceptance of the report.

By consent agenda, Mr. Hare moved for approval of the Committee's recommendation, seconded by Mr. Lewis and carried by a unanimous roll call vote.

By consent agenda, Mr. Hare moved for acceptance of the Utility Committee Report, seconded by Mr. Lewis and carried by a unanimous roll call vote.

CRITICAL REPAIRS - U.S. 13 EAST PUMP STATION #7 - SOLE SOURCE VENDOR

Mr. Scott Koenig, City Manager, informed members that on July 7, 2015, the programmable logic controller (PLC) failed at U.S. 13 East Pump Station #7. This failure made all three (3) wastewater pumps inoperable. Temporary bypass pumping was installed to maintain continuity of service for the sanitary sewer pump station. Bypass of the PLC has occurred, as necessary, to maintain operations at the station. Only two (2) of the three (3) pumps are available until permanent repairs are complete.

Staff had two (2) options for repairing this failure: Option 1 was to repair the existing PLC. The issue with this option is that the existing PLC is original to the station and is considered out of date by industry standards. Additionally, the software at this station is the only one (1) in the pump station inventory for the City of Dover. Option 2 is to replace the existing PLC with an up to date software package, which will mimic other packages in the pump station inventory. This option will increase operational consistency with our internal staff. For the above mentioned reasons, staff is recommending Option 2 for the permanent repair of this failure.

Per the City of Dover Purchasing Policy & Procedure, regardless of price, all sole source procurement requires Council approval. The above referenced repairs will be paid out of the Capital Improvement Plan budget.

Staff recommended authorizing the necessary repairs to be installed by Freemire & Associates, Inc. in the estimated amount of $96,880.

Responding to Mr. Neil, Mr. Koenig, City Manager, stated that, although he did not have the exact figures with him, Option 1 (repairing the PLC) was probably 50% less than Option 2 (replacing the PLC and the upgrading the software). He noted that Option 1 would not bring them up to current standards, and it could very well be wasted money if the repair fails in the future because there would not be a warranty on the repair.

Mr. Anderson questioned why there was a need to transfer funds from the Inflow & Infiltration (I & I) Removal account if money had been set aside for the repair. Responding, Mr. Koenig advised that the budgeted repairs are typically less than $25,000 and are included in the operating budget. Because this repair is more than $25,000, it falls into the capital upgrade category and will need to be funded out of the capital plan. Mr. Koenig stated that the FY 16 appropriation for the I & I account was between $750,000 and $1M and this repair will reduce it by approximately 10% - 12%.

Mr. Neil moved to authorize the necessary repairs to be installed by Freemire & Associates, Inc. in the estimated amount of $96,880, as recommended by Staff. The motion was seconded by Mr. Anderson and carried by a unanimous roll call vote.

UTILITY COMMITTEE REPORT - SEPTEMBER 28, 2015

The Utility Committee met on September 28, 2015 with Chairman Hutchison presiding. Except for the following time sensitive issue, the Committee Report from September 28, 2015 will be presented to Council during their Regular Meeting of October 12, 2015 for review and consideration.

Critical Repair - VanSant Exhaust Plenum

Mr. Scott Koenig, City Manager, stated that due to time constraints, this item had been placed on the City Council agenda for the meeting being held later in the evening.

Mr. Koenig informed members that the VanSant Frame 6B Combustion Turbine (CT) exhaust plenum, transition piece, and expansion joint have degraded over time and now require replacement. Since beginning commercial operation in 1991, there have been occasional upkeep repairs made to the referenced components with the latest repairs in the fall of 2014 and the summer of 2015. He stated that an Infrared Thermograph Inspection Report was completed by Compliance Environmental, Inc. Mr. Koenig advised that the depleted condition of the plenum wall(s) allows heat infusion into the CT compartment which has started to cause damage to the ignitors, flame scanners, and other associated control wiring instruments, which could affect the unit reliability and availability. He explained that the exhaust system was not properly ventilating the heat generated from the CT due to the age of the parts.

Mr. Koenig indicated that the repair would be completed during the current outage. He stated that staff was requesting expedited processing of this request to allow North American Energy Services (NAES) to complete the necessary engineering, obtain contractor quotes, and make the contractor selection to manufacture the new plenum and install the plenum, transition piece and expansion joint before the 2016/2017 PJM Capacity Performance operational period, which begins in the spring.

Mr. Koenig stated that a Request for Proposal (RFP) package was advertised by NAES and NAES is currently reviewing the submissions. He explained that this work is an Original Equipment Manufacturers specialty item with a limited number of organizations familiar enough with the installation requirements to support the City's desired replacement schedule. The estimate received for the above work is from the original manufacturer of the plenum for VanSant, Braden Manufacturing, LLC. The preliminary estimate from Braden, in the amount of $430,000, did not include replacement of the transition piece or expansion joint. In addition to Braden Manufacturing, LLC, NAES will obtain at least three (3) proposals from other contractors familiar with this work, Consolidated Fabricators and Universal Acoustics and Emissions Technology. NAES will continue to research additional resources capable of performing this work to ensure the best capable contractor and cost estimate(s). NAES would like approval and permission to proceed and select the highest evaluated bidder to immediately award the project once the bids are received and reviewed. This request is only to promulgate the expeditious manufacture of the material component parts necessary to perform these repairs, without further review by City Council. The proposals will be evaluated using cost, experience, and completeness of bid to select the contractor who will perform the work, and all work must be completed prior to June 1, 2016.

Mr. Koenig reminded members that staff was requesting authorization from City Council during their meeting being held later in the evening because of the time line associated with the repair; however, staff felt that it was important to advise members of the Utility Committee as well.

Mr. Koenig advised that, to fund this repair, the City would delay the inspection and repairs on the Unit 3 cooling water line, noting that these critical repairs at VanSant were more important in the hierarchy of the utility than the cooling water lines. He explained that the Unit 3 cooling water line repair was budgeted at $469,000, and that money would be moved to fund the proposed replacement of the parts associated with the CT unit, which was currently estimated at $430,000.

Staff recommended delaying inspection and repairs on the Unit 3 cooling water line and funding the critical repairs needed on the VanSant exhaust plenum, transition piece, and expansion joint in accordance with the completion date of June 1, 2016.

Mr. Neil asked how critical the Unit 3 cooling water line problem would be if it were deferred, questioning whether it would need emergency repair in the future.

Responding, Mr. Koenig explained that the inspection and repairs for the Unit 3 cooling water line was routine maintenance, and staff would keep an eye on it. He stated that the VanSant exhaust plenum was a higher priority and, as the City finishes projects this fiscal year, staff will determine whether there is additional money for the Unit 3 inspection and repairs. Mr. Koenig noted that if there is not funding available this fiscal year, the Unit 3 inspection and repairs would be re-budgeted next fiscal year.

In response to Mr. Blakeman, Mr. Koenig stated that he did not think that there was evidence that this problem was as critical in the fall of 2014. He explained that some repairs were completed in the fall of 2014 and then there were additional problems in the spring of 2015. Mr. Koenig informed members that this was becoming more important because the utility is changing. Generation assets are changing and, in the past four (4) years, the City had gone from a more passive running of the system to a more active engagement of running the system. He noted that the City now wants these generation assets to run whenever the economics say that the City can get a return on its investments and the City is actively pushing both The Energy Authority (TEA) and NAES to ensure this happens.

Mr. Koenig advised that the VanSant repairs were on the horizon but, as the market has changed and this unit has deteriorated more since last fall, these replacements and repairs have become more critical. He explained that there used to be a little more float in whether entities could produce or not, noting that if an entity had an issue and could not, they probably would not get penalized as long as another entity could pick up the loss; however, as the market tightens up and the new capacity requirements come in to play, if entities cannot run, they will get penalized.

Mr. Blakeman noted that the $430,000 estimate did not include the additional equipment that may be required and asked what the estimated cost of the additional equipment would be. Responding, Mr. Koenig stated that the $430,000 included the plenum, the transition piece, and the expansion joints; however, it did not include any type of instrumentation that may have been damaged by heat, since staff did not currently know whether there was additional damage.

In response to Mr. Blakeman, Mr. Koeing stated that the additional equipment had not yet been priced and it was his understanding that, in some cases, the different contractors may be able to provide all three (3) components.

Mr. Blakeman, referring to the seven (7) repairs listed as critical on the Infrared Thermography Inspection, asked if there were any previous indications that there were that many critical problems or if they were only detected with this inspection. Responding, Mr. Harry Maloney, Electric Director, explained that the steel inside the exhaust stack was corroding and very thin, so it was patched as best as possible and put back together. After that, the unit did not run very much and the problem was not realized until after staff started testing for the newly installed water injection system. He stated that staff ran the unit a lot and then, all of a sudden, it would not start,

which they realized was because the flame scanner was melted. After the water injection was installed and the unit ran more frequently, they realized the patches were not holding. Mr. Maloney stated that staff did some other minor repairs, patched more holes, and moved some things around this past August and September.

In response to Mr. Blakeman, Mr. Maloney stated that he did not know which problems were category one (1) or category two (2); however, he did know that it was leaking and they could not start the unit. He explained that it is a fast start unit; however, repairs are necessary to enable it to start within ten or fifteen minutes instead of an hour.

Mr. Blakeman agreed that the problem is critical and has to be fixed; however, he expressed concern with using the money for the cooling water line repairs for Unit 3. Responding to Mr. Blakeman, Mr. Maloney stated that the cooling water line pipe was a 40-year old, four (4) to six (6) foot, cast-iron pipe that was in the ground and corroding inside. Mr. Maloney stated that he had briefly discussed this problem with Mr. Vince Scire, former Plant Manager, McKee Run Generating Station, before he left, and Mr. Scire indicated that this type of problem was typically addressed by putting in a liner.

Mr. Blakeman informed members that this pipe had leaked before at the joints. Referring to Page 194 of the FY 2015/2016 Budget, he informed members that the Capital Investments Plan (CIP) stated that "delaying this project beyond 2016 will increase the risk of a failure causing extended unit outage to repair or replace the failed pipe, as well as incurring water spillage to the surrounding ground. Additional budget dollars will need to be allocated to make the repairs of the failed piping." Mr. Blakeman noted that no estimates were provided for these additional costs. He shared his concern that if the City cannot cool the water, the unit cannot be run and the City would be taking out 102 megawatts (MW). He asked if there was another funding source for the repairs to the VanSant exhaust plenum that would not delay the Unit 3 cooling water line repairs.

In response to Mr. Blakeman, Mr. Maloney stated that he would revisit the CIP and talk to Mrs. Donna Mitchell, Controller/Treasurer, about other funding sources and the possibility of postponing or moving a less critical project. He indicated that it was mainly a matter of accelerating the repairs, noting that the money would eventually be in a future budget; however, the City was running out of time.

Mr. Blakeman noted that, years ago, the City had scuba divers go through this pipe and it is a huge pipe with a lot of water. He stated that if this pipe leaks, it will flood the field out and shut the unit down.

Mr. Hutchison asked if, in the future, the City would be required to use the VanSant plant more often than not. Responding, Mr. Maloney stated that the way Dover is situated, the CT should be a quick start unit since it gets dispatched first for unusual circumstances. He explained that staff typically knows a day ahead of time when the

steam unit will need to run. Mr. Maloney reiterated that the CT is dispatched for emergencies and, although it currently takes an hour to start, it should be a ten-minute start, which he is working on changing. He stated that it is important to be able to get the CT on line in a hurry because it might end up with more run hours than the 100 MW unit and noted that it has to be set up correctly so it does not burn itself out, which is currently happening with the equipment.

Mr. Blakeman noted that although PJM does not call the VanSant Unit on that often, it must be available when called upon. In response, Mr. Maloney stated that the use of the VanSant Unit has increased because the City is able to get 500 dekatherms (Dth) of gas for it, which is more efficient to dispatch because the City does not get enough gas to run the 100 MW unit.

Responding to Mr. Hutchison, Mr. Koenig reiterated that Staff recommended delaying inspection and repairs on the Unit 3 cooling water line and funding the critical repairs needed on the VanSant exhaust plenum, transition piece, and expansion joint in accordance with the completion date of June 1, 2016. He stated that if the Committee endorses Staff's recommendation, Staff would then look at the CIP again, in case the re-prioritization of Unit 3 is necessary, and bring forward any changes that need to be made.

In response to Mr. Hutchison, Mr. Koenig explained that the City's contract with Calpine is for capacity, and does not take effect until the City takes Units 1 and 2 offline.

The Committee recommended delaying the inspection and repairs on the Unit 3 cooling water line and funding the critical repairs needed on the VanSant exhaust plenum, transition piece, and expansion joint in accordance with the completion date of June 1, 2016, as recommended by Staff.

Mr. Neil moved for approval of the Committee's recommendation, seconded by Mr. Hutchison and carried by a unanimous roll call vote.

COUNCIL MEMBERS' ANNOUNCEMENTS

Council President Slavin reminded members of the Fire Department Open House on Saturday at Legislative Mall from 10:00 a.m. to 4:00 p.m. He also wished Councilman Hosfelt a belated happy birthday and Councilman Sudler a happy birthday.

Mr. Sudler thanked everyone who participated in the OktDoverFest on Saturday. He noted that it was really amazing to see everyone come together without any kind of incident and he indicated that a few state representatives said they would be willing to support the City in its efforts to continue providing this type of event in the future.

Mr. Koenig announced that the downtown cleanup was held several weeks ago and a number of Council members and staff members participated. He also noted that there was significant participation from the community and some of the area community organizations. Mr. Koenig

advised that it gave staff members an excellent opportunity to get out in the community and see what types of things are happening in the street and to visit parts of the community that they may not see very often in their jobs. He felt it was a very productive day and he thanked all of the participants.

Mr. Hosfelt moved for adjournment, seconded by Mr. Neil and unanimously carried.

Meeting adjourned at 8:02 p.m.

TRACI A. McDOWELL
CITY CLERK

All ordinances, resolutions, motions, and orders adopted by City Council during their Regular Meeting of September 28, 2015, are hereby approved.

ROBIN R. CHRISTIANSEN
MAYOR

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