REGULAR COUNCIL MEETING

The Regular Council Meeting was held on March 23, 2015 at 7:30 p.m. with Council President Bonar presiding. Council members present were Mr. Anderson, Mr. Dixon, Mr. Perza, Mr. Slavin, Mrs. Williams, Mr. Hare, and Mr. Hutchison.

Council staff members present were Police Chief Bernat, Mrs. Mitchell, Mrs. Townshend, Fire Chief Hall, Mr. Koenig, City Solicitor Rodriguez, and Mrs. McDowell. Mayor Christiansen was also present (departed at 8:04 p.m.).

OPEN FORUM

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

Mr. George Gaudioso, 167 Maple Glen Drive, stated that he would like to make a comment and expound on a question that was asked and answered at the last Council meeting pertaining to the form of government of the capital cities in our neighboring states. In the interest of clarity, he wanted to give additional information that he believed was pertinent to that question and the answer that was provided.

Mr. Gaudioso advised that Trenton, New Jersey has a strong mayor-city council form of government and that its population of approximately 85,000 is more than double that of Dover. So the population comparison does not work. He advised that the Mayor, Tony Mack, whose salary was $125,000, was indicted in 2013 and convicted of bribery, fraud, and extortion in 2014. He was sentenced to more than four (4) years in prison for his part in a kickback scheme involving city-owned land. At one point he even used his veto power and, with support of a few council members, tried to keep his salary in that position for an extended period; however, it failed in the end. Mr. Gaudioso stated that this kind of situation is unfortunate, but all too common in some of the cities of New Jersey. He noted that the city recently reached a $350,000 settlement with a former city employee who claimed to have been unfairly let go for refusing to participate in the Mayor's schemes.

Mr. Gaudioso advised that Harrisburg Pennsylvania also has a strong mayor-city council form of government with a population of slightly under 50,000. He noted that it is a major transportation hub between several major highways that intersect the city and divide it into distinct districts. According to the Wall Street Journal, in October of 2011 the City of Harrisburg filed for bankruptcy under Chapter 9. The State of Pennsylvania legislature stepped in and passed a law that negated the ability of Harrisburg to file for bankruptcy. Under seven-term Mayor Steven Reid, who governed from 1982 to 2010, Harrisburg had a long love affair with borrowed money, using it to spur projects of dubious value. The city invested millions of dollars in a stadium in the late 1980s to attract a minor league baseball team. When the Harrisburg Senators threatened to leave in 1995, the city bought the team with borrowed money. In 2009, it sank another $45M, including $18M of borrowed money, into that stadium. The team was attracting a fan base of 2,488 fans per game.

Mr. Gaudioso stated that the Harrisburg Authority, a city agency directly controlled by the mayor, floated much of the city's debt. Because of a whole series of financial missteps, the City of Harrisburg's financial burden grew to over $440M. Eventually the State of Pennsylvania stepped in and took over the city's finances for approximately two and half years.

Mr. Gaudioso thought these examples should provide a warning as to granting too much power and influence to any one (1) person and to carefully structure how the mayor's position will function in our municipal government.

Mr. Edward Christian, Jr., 9 Pennwood Drive, noted that the City would be losing a brain trust, Councilman Perza, who cannot be replaced. He felt that those who follow Councilmen Perza and Lynn would both have learning curves. Mr. Christian stated that he hopes that Councilman Slavin will not wither under the additional weight. He stated that he thought someone could hold the police chief and his department accountable but could not supervise them.

Mr. Christian acknowledged the knowledge and competence of the City Manager and Planning Director, both of whom, at times, remain muted and handcuffed in front to stay out of the politics of the elected officials. He stated that the Council members have their skill sets and talents; however, some should consider self-imposed term limits to get some fresh air and to gather new views and perspectives, for when we remain too long we lose sight that we have structured ourselves to be on autopilot or cruise control.

Mr. Christian suggested that Council have an exchange with the Open Forum speakers, or an exchange among themselves, to generate interest among the citizens of Dover to participate in government and not just a selfish self-interest.

Mr. Christian stated that the City is operating with a Charter that is 86 years old and it is dealing with an increase of special interest groups, with the onslaught of needed City services, with reduced finances, income, with new ideas, and new technologies and they want to manufacture a hybrid of something that needs to have a burial ceremony.

Mr. Christian noted that he had not heard nor read any comments from the Mayor or Fourth District Councilmen about the situation at Dover High School. He referenced the unconscious ignorance of himself and those in attendance and non attendance who think they know what constitutes how the City functions and operates. That is why the nine (9) elected Council members have a responsibility to do what is best for the entire City without politics.

The invocation was given by Bishop Thomas L. Holsey, followed by the Pledge of Allegiance.

AGENDA ADDITIONS/DELETIONS

Council President Bonar requested that item #2-B - Presentation of The American Institute of Architecture Delaware 2014 Honor Award be deferred until April 13, 2015.

Mr. Hutchison moved for approval of the agenda, as amended, seconded by Mrs. Williams and unanimously carried.

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

ADOPTION OF MINUTES - REGULAR COUNCIL MEETING OF MARCH 9, 2015

The Minutes of the Regular Council Meeting of March 9, 2015 were unanimously approved by motion of Mr. Slavin, seconded by Mr. Dixon and bore the written approval of Mayor Christiansen.

CERTIFICATE OF RECOGNITION - JUDAEA CLARKE

The City Clerk read the following Certificate of Recognition into the record:

WHEREAS, Ms. Judaea Clarke, a South Dover Elementary School second grade student, noticed that her fellow classmate was choking during lunch, and acted quickly to dislodge a piece of celery; and

WHEREAS, due to the courage and quick thinking exhibited by Ms. Clarke, the life of another individual was saved; and

WHEREAS, Ms. Clarke was recognized as a South Dover Superhero, as her actions serve as an example of the importance of South Dover's "4 Be Rules" (Be Responsible, Be Respectful, Be Your Best, and Be Safe!); and

WHEREAS, Ms. Clarke's heroic efforts exemplify the model behavior encouraged at South Dover Elementary School and throughout the City of Dover.

NOW, THEREFORE, THE MAYOR AND COUNCIL OF THE CITY OF DOVER, DELAWARE, do hereby award this Certificate of Recognition to **JUDAEA CLARKE** on this 23rd day of March 2015.

On behalf of the Mayor and Council, Mayor Christiansen presented Ms. Clarke with the Certificate of Recognition. He noted that the City was very proud of her and that her grandfather is Councilman Wallace Dixon.

CERTIFICATE OF RECOGNITION - DANIEL GODWIN

The City Clerk read the following Certificate of Recognition into the record:

WHEREAS, on December 29, 2014, an employee of the City of Dover began choking while eating dinner during his night shift at the Dover Fire Department; and

WHEREAS, Mr. Daniel Godwin, a 17 year old high school senior, probationary member of the Dover Fire Department and student in the EMT program at the Delaware State Fire School, observed the incident and quickly responded by performing the Heimlich Maneuver until a piece of steak was dislodged; and

WHEREAS, due to the courage and quick thinking exhibited by Mr. Godwin, the life of another individual was saved; and

WHEREAS, Mr. Godwin's heroic efforts exemplify the model behavior encouraged throughout the City of Dover.

NOW, THEREFORE, THE MAYOR AND COUNCIL OF THE CITY OF DOVER, DELAWARE, do hereby award this Certificate of Recognition to **DANIEL GODWIN** on this 23rd day of March 2015.

On behalf of the Mayor, Council, and citizens of Dover, Mayor Christiansen presented Mr. Godwin with the Certificate of Recognition.

DOVER PUBLIC LIBRARY FIRST STATE LEGO LEAGUE

Ms. Jackie Smagala and Ms. Kerri Holly Day, Library Assistants and First Lego League coaches, along with team members Allison, Camille, Jadon, Taylor, Amandalyn, and Logan and robotics mentor, Keith Power, provided a PowerPoint presentation (***Exhibit #1***) of the First Lego League Championships held on February 14, 2015. The Library's team, Continent Crafters, competed alongside 35 of the best teams from Delaware and surrounding states and won two (2) awards at the qualifier event: the Robot Performance Award for having the top score in the robot game and the Presentation Award for the skit they performed when presenting their project to the judges. It was noted that the team put in a lot of hard work and it paid off. Ms. Smagala noted that other team members, Dylan, Terra, and Summer, were unable to attend the Council meeting.

2014 ANNUAL REPORT - DOVER POLICE DEPARTMENT

Police Chief Paul Bernat provided a PowerPoint presentation (***Exhibit #2***) depicting highlights of the report. He noted that some of the challenges they faced last year were sporadic shootings, four (4) bank robberies, a serial burglar and, just recently, they attained national accreditation for the sixth time. (*City Clerk's Office Note: Subsequent to the Council Meeting, a revision was made to correct the graph depicted on page 20 of 2014 Annual Report and page 14 of the PowerPoint presentation. The corrected presentation has been included as Exhibit #2.*)

Responding to Mr. Hutchison, Chief Bernat advised that the department seeks re-accreditation every three (3) years and, during that time period, 465 standards, or policies and procedures, have to be achieved. Chief Bernat stated that there are only four (4) or five (5) accredited agencies in the state of Delaware. Mr. Hutchison stated that the accreditation speaks well of the men and women of the department and thanked them for a job well done.

Responding to Mrs. Williams, Chief Bernat stated that, although he did not have the exact numbers, he thought the juvenile crime rate was close to the previous years' rate.

Responding to Mr. Hutchison, Chief Bernat advised that five (5) new officers started the Police Academy on March 9, 2015 and 12 candidates were being interviewed for the Cadet Program. He noted that there were 36 applicants for the Cadet Program and 25 of them passed everything. Of the 25, all but 12 had been eliminated.

Mrs. Williams moved to accept the report, seconded by Mr. Hare and unanimously carried.

PARKS, RECREATION, AND COMMUNITY ENHANCEMENT COMMITTEE REPORT - MARCH 9, 2015

The Parks, Recreation, and Community Enhancement Committee met on March 9, 2015 with Chairman Dixon presiding.

Community Development Block Grant (CDBG) Application Review

Mrs. Tracey Harvey, Community Development Manager, noted that members would be serving as the Community Development Block Grant (CDBG) Review Panel for the CDBG Applications for a five-year grant period Fiscal Years 2015-2019. As such, members were provided a list of applicants, a CDBG Interview Schedule, a breakdown of federal resources available for use and the total amount of grant funds requested, CDBG scoring criteria, a 2015 CDBG Review Panel Scoring Sheet for each applicant, and staff reports summarizing each application. Mrs. Harvey requested that members summarize their evaluation of each application on the CDBG Grant Application Review Sheet and provide a score based on the information presented. Members were advised that the numbers in parenthesis next to each measure indicated the maximum score for a given category and that the maximum total points was 100. Mrs. Harvey advised members that the applicants were scheduled in 15 minute intervals, 10 minutes for presentation and 5 minutes for questions, and asked members to try to stay within the scheduled times allotted due to the number of applicants.

Mrs. Harvey advised members that the total amount of grant funds available for activities was $229,271 and explained the allocation requirements of the grant, as follows:

CDBG Funds Allocation	$220,717
Anticipated Program Income	$ 8,554
Total Grant Allocation	$229,271
Public Service activities cannot exceed	$229,271
15% of the grant	x.15
	$34,391
Grant Funds Available for Activities	$229,271
Total Grant Funds Requested by Applicants	$304,976

Mrs. Harvey cautioned that, according to CDBG requirements, funds awarded for public service activities could not exceed 15% of the total grant allocation ($34,391).

Verbal Presentations

Each applicant was provided an opportunity to make verbal presentations before the committee, as follows:

Dover Interfaith Mission for Housing

Ms. Jeanine Kleimo, Chair, Board of Directors, Dover Interfaith Mission for Housing (DIMH), reviewed a grant application in the amount of $32,500. She explained that DIMH is an interfaith community organization which provides shelter, meals, and assistance to homeless men from the greater Dover community. Ms. Kleimo indicated that DIMH's shelter at 684 Forest Street can accommodate up to 36 lodgers. She noted that they are permitted by the City to take in a few extra people when the weather is extremely cold to keep people off of the street and out of the dangerous temperatures.

Ms. Kleimo explained that the CDBG funds being applied for will be applied to operation and maintenance of the shelter, particularly utility costs and repairs and maintenance of the building.

Ms. Kleimo advised that the organization began in 2008 and sheltered more than 1200 men, resulting in reduction of crime, loitering, etc. She stated that during calender year 2014 they sheltered 180 men. Mrs. Kleimo explained that the organization has maintained a success rate of approximately 60% in transitioning men from the shelter into permanent employment and private housing, with an estimated impact of approximately $1.5M on the local economic community and the growth of greater Dover.

Ms. Kleimo stated that within the last CDBG cycle they received $27,500, which they combined with $12,500 from the Delaware State Housing Authority (DSHA) and that nearly covers the operating and maintenance costs for the shelter.

Ms. Kleimo said most of the staff is made up of volunteers, including herself, with a limited number of staff whom are funded by other grants. In addition to the shelter, in January 2015, DIMH began operating a daytime resource center where homeless individuals can get assistance. Ms. Kleimo stated that they have provided service to as many as 70 people a day since it opened, including those that have been served by the "Code Purple" sanctuaries for emergency cold weather shelter. Ms. Kleimo reiterated that both of those programs, the daytime resource center and Code Purple, are staffed entirely by volunteers. Also, Ms. Kleimo advised that DIMH recently opened a 30-bed congregate housing facility that is not supported by grant funds but aids in facilitating the transition from shelter to independent living by providing a very affordable residence with continued access to programs and case management.

Ms. Kleimo stated that the organization receives significant support from local faith communities, businesses, and private citizens of Dover, particularly through the provision of dinners for the members and providing a venue to dispel some of the stereotypes of homelessness.

In response to Mr. Hutchison, Ms. Kleimo advised that the average age range of men that utilize their services is about 25 ranging from late 20's to mid 40's.

Responding to Mr. Caldwell, Ms. Kleimo stated that she had a great deal of success stories she could share but the most recent involved an addict that had been in prison who, after seeking the services of DIMH, now has his own home who he shares with a friend, is a sous chef at Dover Downs Hotel & Casino and is pursuing an education in cooking and counseling at Delaware Technical and Community College.

In response to Mr. Kirby Hudson, Assistant City Manager, regarding seeing an increase in those seeking their services and if she felt that was due to an increase in population of the homeless in the area or awareness of the programs available, Ms. Kleimo stated that she did not see an increase, although they have had a significant demand for the Code Purple sanctuaries this winter; however, there is a transient population of men who have lost employment, residency, and seek their assistance in becoming re-established. In addition, they provide re-entry assistance for men leaving prison in hopes to reduce the recidivism by helping them acclimate to society and educate them with the resources available to them, noting that those who do seek their services have a much lower rate of recidivism than those who do not. Responding to Mr. Caldwell, Ms. Kleimo stated that they are seeing a lot of Veterans, on average 4-6 Veterans at any given time, stating that DIMH is now a part of the Mayor's Challenge to end Veteran's Homelessness.

Mr. Dixon expressed appreciation for the work performed in the community by DIMH.

In closing, Ms. Kleimo made note that she was proud of the statistic that in spite of a budget of zero, the shelter serves more than 12,000 plates of dinner a year thanks to the generosity of the community.

Connections Community Support Program

Kathy McKay, Chief Executive Officer, explained that Connections serves extremely low income individuals that have been chronically homeless for one year or more. The grant request is for $15,000 to provide rapid rehousing and rental assistance services for households whose most recent address is inside the City limits. The program will assist renters with the security deposit and up to the first three months' rent for affordable rental housing. Funding will also be provided for utility deposits as needed.

Ms. McKay stated that Connections is state-wide organization and has 1,300 employees throughout Delaware. She stated that in addition to assisting the homeless, they also participate in healthcare efforts in Delaware's Unified Correctional System providing primary healthcare, behavioral healthcare, and re-entry planning in all of the jails and prisons in Delaware. The only facility in the City of Dover is Morris Correctional Institute which is a level IV (work release) facility.

Ms. McKay stated that they had two main facilities in Dover, one on Division Street which provides treatment programs for serious mental illness and previously institutionalized individuals and one on Bay Road that is an integrated clinic that provides primary care, mental health, and substance abuse treatment for individuals. Ms. McKay noted that the Division Street location also provides supportive services for Veterans and their families.

The request for CDBG is for emergency solutions, specifically providing financial assistance for short-term rental subsidies, including security and utility deposits for people in need of housing who do not have those resources up-front. In some cases Connections is able to provide longer term rental subsidies out of other possible funding such as Housing and Urban Development (HUD) grants, but those grants do not pay for deposits, which is important because while some individuals may have a source of long term assistance, they have been unable to pay their utility bills in the past and are not able to secure services without a security deposit or may still have outstanding balances that are preventing them from securing future services, which in itself can prevent them from obtaining housing which causes them to remain homeless. Connections provides emergency solution grants for Wilmington, New Castle County, and Delaware State Housing Authority; however, the CDBG grant will enable them to focus on the City of Dover specifically.

Responding to Mr. Hutchison, Ms. McKay advised that if the inmate is on a work release programm they are sometimes alerted to their release; however, due to various circumstances, they are not typically informed ahead of time when they are released.

In response to Mr. Hutchison regarding the background of the individuals that seek Connections services to obtain housing or employment, Ms. McKay advised that they are less desirable as tenants or employees and that their background often includes either drugs, alcohol, mental illness, or criminal activity and incarceration; however, it is their philosophy that those individuals are in the community so it is in everyone's best interest to try to provide them with the support and assistance they need to make improvements and to be aware of where they are located within the community.

Responding to Mr. Caldwell, Ms. McKay explained that some people that have sought the services of Connections continue to be a problem within the community; however, it is not their role to police the behavior of the individuals but to help them. Ms. McKay stated that, in some cases, Connections is able to work with Probation and Parole if the individual is on probation. She explained that, due to the Truth-In-Sentencing Act, Delaware does not have a Parole program because once the inmate serves their prison sentence they are released without parole. Ms. McKay stated that there are cases when the original sentence includes a probation period upon release from the institution or in some cases, typically involving drug use, the sentence is one of probation.

In response to Mr. Anderson regarding the temporary hotel program where individuals are supplied vouchers, Ms. McKay advised that the program had been phased out after it was determined locally, and later confirmed nationally, that it proved to be ineffective at ending homelessness. Ms. McKay explained that once the temporary fix expired and there was no permanent solution, the individuals returned to being homeless. Ms. McKay stated that over the last 5-6 years, Federal Research has indicated that the best method to end homelessness among people who have been homeless more than one time is to help them get permanent housing and provide support to help them remain in that housing.

Mr. Anderson asked how a mother, father, and five children living in Capital Green, determined to improve their living conditions and leave that complex, started their own business and then were asked to leave just as they started to do well and have enough money to relocate, would benefit from this program. Ms. McKay explained that is the ideal scenario for why the program was created. Ms. McKay said that often the only resource a family like that would have is Connections because they would likely not qualify financially for many other subsidy programs. Ms. McKay stated that this program is not well suited for individuals or families that are chronically homeless and never demonstrate the ability to maintain residency or employment, because it is often too short-term and they are not able to secure permanent housing or employment. Ms. McKay stated that a family that just needs assistance, such as described by Mr. Anderson, would greatly benefit from the program.

In response to Mr. Anderson, Ms. McKay stated that she felt the State's 211 Intake System was ineffective, noting that homelessness is typically an issue at night and on the weekends and the hours for the 211 Intake System are 8 a.m. to 4 p.m. so it is not available when the people need it.

Responding to Mrs. Horsey, Ms. McKay advised that although they have a great deal of referrals, they have more walk-ins. She noted that they are usually people looking for the Emergency Service Grant (ESG) money, which is the program they are applying for CDBG funding for within the City of Dover. Ms. McKay also advised that Connections assists people with the documentation required to apply for the various funding and resources that may be available. She explained that much of the information and documentation is available online, which enables them to assist more efficiently.

In response to Mr. Hudson, Ms. McKay stated that the Department of Corrections has a sex offender treatment program so they are typically aware of who the pedophiles and sex offenders. She also noted that there are three tiers for sex offenders, which dictates how they handle them. Ms. McKay advised that tiers 2 and 3 require notice be given to landlords and surrounding residents; however, she felt it was best to be upfront in all cases to avoid complications later which may result in an unplanned

eviction. Ms. McKay stated that by helping to place those individuals, they are aware of their locations because they are required to register as a sex offender, if they remain homeless it's not possible to track there whereabouts.

Responding to Mr. Hutchison, Ms. McKay advised that Connections services approximately five-hundred people in the City of Dover a month and approximately 35,000 state-wide. Mrs. Ann Marie Townshend, Director of Planning and Community Development, added that those figures include all services provided by Connections, not just those specifically related to homelessness.

In response to Mr. Dixon regarding sex offenders arriving in Delaware from other states, Ms. McKay said that Delaware has some of the most stringent sex offender laws; however, she also noted that there are not a lot of programs available to treat sex offenders outside of the criminal justice system.

Nehemiah Gateway

Maisha Thoms, Director for the Delaware Tax and Financial Services Tax Campaign, advised that the program is a federally funded IRS Volunteer Income Tax Assistance (VITA) program that provides free income tax return services for low to moderate income individuals and families. Ms. Thoms explained that the thresholds to qualify for the program are $52,000 with dependants and $35,000 without dependents. Ms. Thoms stated that the Nehemiah Gateway Community Development Corporation (NGCDC) is a 501 (c)(3) organization that was founded in 2000 as an outreach initiative of Shiloh Baptist Church. Ms. Thoms shared the HGCDC's mission to work with members of the community that are in the low to moderate income bracket trying to successfully improve their economic well-being. Ms. Thoms said the hope is to increase opportunities for asset building, financial management, and entrepreneurship in the Delaware region. Some of the programs the NGCDC offer are Delaware Tax and Financial Services (VITA) Campaign, VIP Small Business Support Services, which is a program that assists entrepreneurs in the start up of business and sometimes assists with existing businesses, insurance services, and "One Step at a Time" Credit Counseling. Ms. Thoms explained that this program supports the housing and community development goal of the Dover Comprehensive Plan by improving the economic stability of low to moderate individuals and families, more specifically it encourages owner-occupied housing and preserving the existing housing statistics by assisting individuals with access to tax credits without incurring the cost of paid preparers. Ms. Thoms advised that national statistics indicate that, on average, low to moderate income individuals and families receive earned income tax credit for three years or less and they spend those funds locally, which was over $255,000 state-wide last year.

Responding to Mrs. Harvey, Ms. Thoms explained that the CDBG funds would be used for back office support services, stating that there are currently four sites within the City of Dover. She noted that they were unsure if they would consolidate or expand in the future; however, they have one paid position at each site to manage the site and the volunteers.

In response to Mr. Anderson, Ms. Thoms explained that the requested amount of $20,000 was determined by allocating $18,000 for the VITA program and $2,000 for the savings program, which requires hiring individuals to assist with opening saving accounts with Artisans Bank. Ms. Thoms further explained that they get about 700 referrals state-wide for the VITA program and that even after tax season is over, a staff person follows up with each of the referrals and assists them with finding additional resources for saving money, obtaining housing, etc. Ms. Thoms explained that she did not have a more specific breakdown of how the $18,000 would be allocated within the VITA program; however, she stated she could provide the budget information before the end of the meeting.

Responding to Mr. Caldwell, Ms. Thoms stated that the majority of their volunteers come from the various local schools, Delaware State University in particular, and some from the University of Delaware, Delaware Technical and Community College, and Wilmington University. She noted that Wilmington University is actually one of the locations they utilize for the tax preparation program.

In response to Mr. Hutchison, Ms. Thoms stated that the average age of their clients is 35-44; however, they also service senior citizens and younger clients as well. Ms. Thoms noted the VITA program services approximately 7% of the population who receive an earned income tax credit, which is statistically high nationwide. Many other territories are only capturing about 2% of that population.

Responding to Mr. Anderson, Ms. Thoms explained that part of the programs service is to connect individuals seeking assistance with other resources to further educate them on fiscal responsibility and efforts to promote savings onsite when filing taxes.

Responding to Mr. Hudson, Ms. Thoms advised that the program did not have a component to help people who may be in danger of losing their homes or helping them with home ownership; however, she advised that they make referrals to the appropriate agencies, such as First State Community Action, depending on the individual's need.

Ms. Thoms stated that they provide assistance with creating business plans, providing marketing research, insurance, etc. to guide new businesses in promoting their business and being successful. She noted that they also help existing businesses that may require assistance in those areas. Ms. Thoms stated that some of the businesses they are working as many as 10 businesses that are looking for additional space to expand or possibly to move to a new area. Mr. Hudson suggested she direct those people to the workshop being held by the City on Wednesday, March 11, 2015 to hear a presentation on the Downtown Redevelopment District and the various incentives and benefits available.

People's Place

Del Failing, Executive Director, stated that People's Place II is requesting $6,726.46 in CDBG funding to replace 18 windows in their Ruth Dorsey Whatnot Emergency

Homeless Shelter at 381 State College Road in Dover, which is the only shelter in Dover that serves men, women, and children. Mr. Failing explained that it is a 46-bed shelter that has been in operation since 1977, noting that in February 2015 the shelter served an average of 39 people a night. People's Place became the new owner of the shelter, along with Vera's Haven, which is a ten-unit transitional housing facility. Mr. Failing said that in 2014, the Ruth Dorsey Emergency Homeless Shelter provided 10,598 nights of shelter to 710 men, women, and children. He noted that in 2010, People's Place came before this board to request funding to replace the heater at the shelter' noting that they were not awarded the funding at that time. Since then, the heater has been replaced and they are now seeking the funds to make the facility more energy efficient to reduce utility costs.

Responding to Mr. Hutchison, Mr. Failing stated they received a quote from Lowe's on the cost of the project and offered to solicit another quote if that was the Committee's preference in the course of providing funding. Mr. Hutchison advised that he just wanted to ensure that the amount requested for funding would cover the expense of the project.

Mr. Failing noted that the shelter also serves veterans, stating that at any given time they may have two to three veterans at the shelter. He noted that they no longer receive funding from the Veteran's Administration.

In response to Mr. Anderson, Mr. Failing stated that this was a one time request and he did not foresee a reason to come back before the Committee to request additional funding.

Responding to Mr. Anderson, Mr. Failing stated that he felt the States 211 System is problematic because if someone is looking for shelter, they need it immediately and they are not in a position to leave a message or wait for a call back to find placement. He thought the State was working on improving the system.

Responding to Mrs. Horsey, Mr. Failing advised that the facility it is an old Victorian house and they have made every effort to improve the efficiency of the house, which includes two additions that are much more modern and energy efficient.

Responding to Mr. Hudson's suggestion that some stores such as Home Depot may donate materials or labor for the shelter, Mr. Failing stated that they had approached Home Depot and they remodeled the kitchen in 2010.

Veteran Housing Proposal

Dr. Joe W. Burden, Jr., Property Owner and Manager, proposed a Veteran's Housing Complex (VHC) located at 15 Clarence Street in Dover. Dr. Burden described the project as a five-unit complex, each with their own outside access, living room, and two bedrooms with windows. Dr. Burden stated that 10% of all homeless individuals in the United States are Veterans and that Delaware had the highest percentage increase, 34.6%, in the Nation from 2012 to 2013.

Dr. Burden explained that he would be managing the grant and an electrician, a plumber, and a staff of carpenters and other personnel had been contracted to facilitate the project. Dr. Burden explained that he is seeking CDBG funding to renovate the facility for the purpose of housing homeless veterans in the City of Dover, describing it as centrally located, close to the DelDot bus station, City of Dover Police Station, and Bayhealth Hospital.

Dr. Burden stated that the total requested funding for the first year is $21,250.00 and will be allocated to interior renovations. The amount requested for the second year is $5,000.00, which will be used for renovations and repairs on the exterior for a total request of $26,250.00. Dr. Burden stated that $4,250 will be applied to each of the five apartments for interior renovations. Referring to the information provided, Dr. Burden reviewed the work plan with the committee.

Dr. Burden explained that this project fulfills the objectives of the CDBG grant application by providing cost efficient housing to homeless veterans, noting that it will be the first facility specifically for veterans in the City of Dover.

Responding to Mrs. Harvey, Dr. Burden advised that they allotted two months for each of the five apartments and once that portion is complete, they will focus on the exterior the second year. Dr. Burden stated that, based on the grant application criteria, he thought the grant extended over a period and they planned the schedule for renovation based on that criteria. Mrs. Harvey inquired about additional resources being leveraged in the event they did not get enough funding from CDBG. Responding, Dr. Burden advised that they planned to move forward before they were made aware of the CDBG grant money that was potentially available so they will complete the project without the funding if they have to; however, the funds requested would facilitate the completion of the project.

Responding to Mr. Anderson, Mrs. Townshend advised that the location of the proposed Veteran Housing Unit was within the Downtown Development District and, as such, they could potentially qualify for rebates based on their expenses for the rehabilitation project separate from any CDBG funding. Mrs. Townshend further clarified that the $25,000 requirement to qualify under the Downtown Development District for rebates would apply after the applicant spent $25,000, she explained it would not include dollars spent from a grant.

Responding to Mr. Anderson regarding a charity umbrella for the Veteran Housing Unit, Dr. Burden advised that they attended the Mayor's Summit for Homeless Veterans and several other entities have expressed interest in participating in the project. In response to Mr. Anderson's inquiry regarding who would be receiving and managing the funds, Dr. Burden explained that he would be handling the funding from start to finish. He stated that, although they are not a formal charity, they have spent a great deal of their own funds on housing for the low to moderate income community.

In response to Mr. Anderson's concern regarding Dr. Burden's inexperience with the stringent requirements for grant funding and the control mechanisms in place, Dr. Burden advised that he and his staff would stay abreast of the reporting requirements. He added that although he had not received financial grants, he had received academic grants and written several grants. In addition, Dr. Burden noted his experience in records management pertaining to his various housing properties.

In response to Mr. Anderson regarding the minimum amount of funding they would require for the Veteran Housing Unit project, Dr. Burden advised that he deals primarily with low to moderate income clientele and frequently the rent does not get paid on time, or at all, and they still have a responsibility to pay their bills, so any amount of support that the City would be willing to give would be helpful.

Central Delaware Habitat for Humanity

Ms. Jocelyn Tice, Executive Director, explained that the Central Delaware Habitat for Humanity's mission is to put God's love into action by bringing people together to build affordable homes and communities. Ms. Tice explained that they focus on members of the community that are 60% or below the area median income, which is the low and very low income bracket, consistent with CDBG requirements.

Ms. Tice stated that the Central Delaware Habitat for Humanity is celebrating its 25th anniversary, during which time they have housed 38 homeowners. They are finalizing their 39th and 40th homes and have already begun to work on homeowner number 41 on Mifflin Road. Ms. Tice stated that they have seven (7) more projects planned for the City of Dover for this year. Ms. Tice advised that of the 38 homeowners, there have been no foreclosures and four (4) homeowners have paid off their mortgages.

Ms. Tice stated that their mission is to empower and equip homeowners by having them attend financial literacy classes at NCALL Research and providing HUD Certified financial counseling. They also require homeowners to commit to 250 hours of direct activity, 100 of which are spent on the construction site learning how to maintain and repair the home.

Ms. Tice reviewed information obtained through a survey of homeowners that have lived in their homes for more than 6 months demonstrating satisfaction with the home, neighborhood, overall experience with habitat, safety, lifestyle and financial improvements. Of those surveyed, Ms. Tice noted that 95% of the homeowners expressed a positive change, 90% indicated that the 250 hour requirement was very helpful in preparing them for home maintenance.

In summary, Ms. Tice advised that the Central Delaware Habitat for Humanity has built and/or renovated 17 homes in the City of Dover out of the 38 homes overall, last year 14 of those homes contributed to about $5,500 in taxes to the City and while they have not built in Dover in about four (4) years, they now have eight (8) homes planned for the 2015 calendar year.

Ms. Tice stated that all of the projects in the downtown Dover area are consistent with the Restoring Central Dover Plan that was recently released by NCALL focusing on increasing homeownership. She noted that in Kent County 47% of renters are reported to spend more than 30% of their income on housing. Ms. Tice explained that the Fair Market Value (FMV) of a two (2) bedroom apartment in Kent County is approximately $910, while the average mortgage for a home acquired through Habitat is $467. She stated that the average mortgage for the eight (8) homes planned for the City of Dover is expected to be approximately $550 for a 3 or 4 bedroom house with 1½ bathrooms and a garage.

Referring to the Central Dover Housing Initiative map, Ms. Tice explained that Habitat was awarded $672,000 and $191,000 from the strong neighborhoods housing fund in collaboration with Milford Housing and NCALL Research for 12-14 homes. She stated years 1 and 2 of the requested CDBG funds would be applied to renovations in the amount of approximately $50,000 per home and, in years 3,4, and 5 those funds would be allocated more toward a owner occupied repair program. Ms. Tice explained that the first two (2) years are critical due to the requirements for the strong neighborhood funding received, so they are able to acquire property and are seeking CDBG funds to renovate the properties. She stated that the strong neighborhood initiative was to transform areas of high crime, etc. and informed members that they identified the 19 block Proposed Target Neighborhood. Ms. Tice explained that the intent was to buy two (2) homes over the next two (2) years, one (1) each year, to renovate as part of the strong neighborhoods initiative.

Ms. Tice noted that in past years Habitat partnered with the City, County and Diamond State Community Land Trust on six (6) homes through the NSP (Neighborhood Stabilization Program), which has had a successful homeownership rate. Additionally, she stated that Habitat had received government funding from the State Housing Authority Housing Development Fund. Habitat last received CDBG fund in 2010, in the amount of $32,000, to help renovate a home on Jefferson Court. Ms. Tice stated that the program was consistent with the CDBG grant application and the 2010-2014 consolidated plan, rehabilitating substandard housing and also expanding homeownership. She recognized that the number one (1) problem is homelessness, and the second is housing needs.

Ms. Tice explained that program participants are required to live or work in Kent County for one (1) year; demonstrate ability for repayment and a need for housing, which is determined through a volunteer family selection committee; and be willing to partner with Habitat through a commitment to the sweat equity, and attendance of events and speaking engagements.

Ms. Tice advised that Habitat was currently in the process of identifying the properties to acquire through the strong neighborhood funds within the next month, stating that the target area was S. Queen Street. She reiterated that the primary focus is to look at a concentrated rather than scattered area to show a visual transformation and impact. Remaining consistent with the strong neighborhoods funding, Ms. Tice

explained that the CDBG funds would supplement funds already secured. She stated that Habitat would begin negotiations with sellers, identify homeowners at their homeownership seminar in August, and start renovations in the beginning of 2016.

Responding to Mrs. Harvey regarding the $50,000 amount requested for renovations without having first identified the property, Ms. Tice explained that historically Habitat had spent $50,000 and it is a fairly accurate estimate.

Mrs. Harvey questioned how soon the property would be acquired, noting the fact that the funds would be released in July 2015 and that the property must be acquired before the funds can be released. In response, Ms. Tice stated that Habitat was certain they would be able to work within that time frame. She explained that under the strong neighborhood funding, money has to be spent, homes sold, built and renovated within two (2) years (by April 2017), and she anticipates that at least one (1), if not both, homes will be acquired prior to the end of June 2015.

Responding to Mr. Anderson, Ms. Tice stated that Habitat did not currently have a home under contract. Referring to the Potential Properties indicated on the Central Dover Housing Initiative map, she stated that nine (9) homes are available, and stated that they have already begun discussions with the owner of 133 South Queen Street and are also working with a local realtor who provided a list of homes currently on the market in the target area.

In response to Mr. Hutchison regarding each person identified to participate in the program and the training that is required of them, Ms. Tice advised that the financial literacy training is provided by NCALL; however, the selection process occurs within Habitat. She noted that Habitat has a home ownership seminar which participants are required to attend in order to submit an application. Ms. Tice explained that the application includes employment verification, rental verification, a credit report, and a home visit and the appliation is submitted to the board for approval, all of which takes about two to three months. Once approved, they are enrolled in NCALL's financial classes, they attend an all day workshop, and take an on-line e-home money class. Ms. Tice advised that Habitat has begun offering post-homeownership workshops to provide information on budgeting, home repairs, etc. to assist the owners in maintaining homeownership through continued education.

Milford Housing Development Corporation (MHDC)

Mrs. Harvey explained that MHDC applied for two separate grant applications, one for Homeownership Rehabilitation in the amount of $60,000, and one for Emergency Home Repair in the amount of $40,000. Mrs. Townshend advised the Committee that the City of Dover used to do the Rehabilitation Program but have since turned the program over to MHDC, stating that it is something that has always been funded, but used to be funded through the City. Clarifying, Mrs. Townshend assured the Committee that all of the CDBG funds awarded for this program are spent within the City of Dover.

Mr. Russell Huxtable, Vice President and Chief Operating Officer, advised that MHDC is a private, non-profit, housing development corporation whose mission is to provide affordable housing solutions to families in low to moderate incomes. This is accomplished through several programs, including the Homeowner Rehabilitation Program that Ms. Fran Cardaci, Housing Preservation Manager, has been running for the past one and a half years and has been a part of MHDC for almost five years.

Ms. Cardaci explained that the home repair project began in 1991 and ultimately went under the First State Conservation Development Council and, at the end of 2011, moved to Milford Housing. She explained that the home repair project targets very low income homeowners and providing home repairs. Ms. Cardaci said that in the City of Dover low income is considered 80% of the area median income or less whereas other locations are 50% or below median. Ms. Cardaci explained that some of the repairs included in the home repair program include furnaces, hot water heaters, roofs, doors, floors, windows, steps, and wheel chair ramps. She explained that the CDBG program is a higher level, more expensive, type of repair program, such as correcting major code violations. Ms. Cardaci noted that in some cases they are able to combine the two different types of programs to assist the homeowner with minor, as well as major, repairs.

Mrs. Townshend advised the Committee that these programs are a useful tool with code enforcement as they often refer homeowners to these programs to receive assistance to make the necessary changes to resolve the violations and be in compliance.

Responding to Mr. Hutchison regarding how a person qualifies, Ms. Cardaci stated income and ownership. She advised that for the HRP program, the recipient must own and live in the home for at least one year with the intention to stay for at least two years and meet the income requirements. Ms. Cardaci stated that to qualify for the CDBG program, they have to live in the home for three years, it has to be their primary home, and they have to have their taxes up to date. She advised that for the CDBG program, the homeowners sign a lien against the home, whereas, if they sell, move, or abandon the home, there is a recorded lien for repayment.

Responding to Mr. Anderson on identifying an emergency under the Emergency Home Repair Program (HRP), Ms. Cardaci explained that the homeowner has to be qualified in order to receive assistance and, therefore, it is not immediate; however, MHDC assists the homeowner in any way they can, including going to the house to pick up the paperwork in order to get them approved and do the repairs. Ms. Cardaci cited an example of a homeowner who's heater stopped working and requested repairs on Wednesday and by Tuesday of the following week the heater was repaired at no cost to the homeowner.

Responding to Mr. Anderson, Ms. Valerie Miller, Development Director, advised that the funds are leveraged to achieve additional funding; however, the funds from the CDBG program broaden the range of clients because it enables them to assist

people with up to 80% median income whereas in other areas, they are only able to go up to 50% of median income.

Ms. Cardaci advised that the HRP program assisted 131 homes, although the program has not received funding since July 2014. She noted that any funds that were used for homes within the City since then were paid out of other grant money and not the CDBG grant.

Responding to Mrs. Harvey, Ms. Cardaci stated that MHDC has applied for two different grant amounts which equate to half of the CDBG available funding. She noted that they have already qualified six homeowners and have an additional three that have been pre-qualified since the beginning of the year and she is confident the funds will be spent in the required time frame.

In response to Mr. Hutchison, Ms. Miller advised that $60,000 was requested for Home Repair and $40,000 for Emergency Repair.

City of Dover Homeownership Assistance Program

Mrs. Tracey Harvey, Community Development Manager, reviewed a grant application in the amount of $60,000 for the City of Dover Homeownership Assistance Program. She indicated that this program provides first-time homebuyers assistance with down payment or closing costs, allowing them to purchase affordable housing in the City of Dover. Mrs. Harvey advised that since the program was initiated in 1995, they have had 96 home closures using City of Dover funds. Initially the down payment assistance amount was $5,000 and now it is as high as $20,000. Mrs. Harvey advised that 100% the funds were spent annually and, as of 2014, 92% of the funds have been spent.

Responding to Mr. Hutchison, Mrs. Harvey confirmed that if the funds are awarded, the program would provide up to $20,000 in down payment assistance for qualified homebuyers. She reiterated that last year they were awarded $100,000 and 92% of those funds have been expended with six people being able to purchase homes using this funding.

In response to Mr. Hutchison, Mrs. Harvey clarified that the funds would be used city-wide and not just in the downtown Dover area.

Mrs. Townshend advised members that recipients of the program are required to sign a lien on the home stating that they will remain in the home for 10 years if awarded $20,000 in down payment assistance and 5 years if awarded $10,000 in down payment assistance; otherwise, they would have to pay the City back for the funds provided for the down payment.

Responding to Mr. Hutchison, Mrs. Harvey advised that of the other applicants requesting funding today, MHDC requires the recipient to sign a lien against the home requiring repayment of the assistance if they do not remain in the home. Mr. Hutchison expressed his support of that requirement.

Review/Scoring of Community Development Block Grant (CDBG) Applications

Mrs. Harvey advised members that funds in the amount of $304,976 had been requested and only $229,271 was available. She noted that the first three applicants (Dover Interfaith Mission for Housing, Connections Community Support Program, and Nehemiah) are public service projects and are limited to $34,391 (15% of the total grant allocation).

After a period of discussion, members conducted a review of each grant application and provided individual scores on the CDBG Grant Application Scoring Sheet for applicants *(as on file in the Office of the City Clerk)* and staff tallied the scoring sheets.

The Committee recommended awarding the City's CDBG grant allocation for public service activities to Dover Interfaith Mission for Housing in the amount of $27,000 and Connections Community Support Program in the amount of $7,391, with the remaining grant allocation to be awarded as follows: 1) $6,726 to People's Place; 2) $40,000 to Habitat for Humanity; 3) $52,892 to MHDC Homeowner Rehabilitation; 4) $35,262 to MHDC Emergency Home Repair; and 5) $60,000 to the City of Dover Homeownership Assistance Program and that priority be given to the Downtown Redevelopment Target Area as designated in the Dover Code until January 2016, with funding to be re-evaluated at that time to see if there are funds left over for the remainder of the City.

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

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

UTILITY COMMITTEE REPORT - MARCH 9, 2015

The Utility Committee met on March 9, 2015 with Chairwoman Williams presiding.

Acceptance of Wastewater from the Proposed Winding Creek Development (Outside City of Dover Limits)

Members were advised that Winding Creek Delaware, LLC, is proposing to construct a new 208-unit residential community west of the City of Dover. Kent County prefers a central disposal methodology, as opposed to an on-site solution within the development. To meet the requests of the County, it is proposed to provide wastewater service through an on-site pump station that will send the effluent to the City of Dover wastewater system.

A technical feasibility study was conducted by Morris & Ritchie Associates, Inc. (Consulting Engineer) which evaluated the impacts of the projected sewage flow on the existing sanitary sewer system that is owned by the City of Dover and operated by the Department of Public Works. Staff reviewed the technical feasibility study

and has required improvements to existing infrastructure to be made by the developer of the residential community. Said improvements will be the sole financial responsibility of the developer. All system improvements must be complete, operational and approved by the City prior to accepting wastewater flow from the community. Additionally, a legal agreement must be finalized between the City of Dover and Winding Creek Delaware, LLC with respect to service rates and impact fees.

Using current out-of-City rates and fees, staff indicated that the estimated fiscal impact for the 208-unit residential community would be, as follows:

Impact Fees:	$6,184.00 / E.D.U. ($2,100 COD Water, $1,900 COD Sewer, $2,080 KC Sewer, $104 COD Admin Fee) X 208 units = $1,286,272.00 (To be received over a 5-7 year period) - $853,632 to the City of Dover; balance to K.C.
Estimated Monthly Sewer Bill:	208 units X 7 Tgals/month = 1,456 Tgals X $7.82 / Tgals = $11,385.92 + $2.50 = $11,388.42
Estimated Monthly Expenses:	1,456 Tgals X ($2.34 + $1.50 + $2.45 / Tgals) = $9,158.24
Estimated Net Revenue:	$11,388.42 - $9,158.24 = $2,230.18 per month at full build-out

According to the Kent County Department of Public Works, the amount of wastewater produced by this development can be assimilated into the current allocations under the current Contract User Agreement with Kent County.

Staff recommended acceptance of wastewater from the proposed Winding Creek development and that City Council grant authorization to the City Manager to enter into an agreement with Winding Creek Delaware, LLC.

Mr. Scott Koenig, City Manager, advised members that the proposed 208-unit residential community would have a gravity collection system and a private pump station that would connect into the City's existing infrastructure on Chestnut Grove Road and tie-in to the City's pump stations. He stated that staff had discussed this proposal with the Kent County Department of Public Works, and it would allow the new system to tie-in to the City of Dover system, rather than extending Kent County disposal district number 1.

Mr. Koenig explained that this would be a single customer for the City, since the 208-units would flow into a pump station owned by Winding Creek Delaware, LLC, and operated by a legitimate third party provider. As houses are occupied, the community would pay City impact fees, as well as Kent County impact fees, because the wastewater would ultimately go to the County's wastewater treatment plant. The City would bill the entity that owns the pump station on a monthly basis at the out-of-city rate, as described in the estimated fiscal impact.

Mr. Koenig informed members that the City's estimated net revenue of $2,230.18 per month at full build-out was based on the City's cost of transmitting the wastewater less the City's cost to treat it at Kent County. He noted that the out-of-city rate was 150% of the in-city rate. Mr. Koenig stated that, from a financial perspective, this is an interesting proposal for the City since there would not be any out-of-pocket expenses for the City.

Mr. Perza stated that it appeared that this proposal would produce revenue for the City; however, he questioned whether there were any negative aspects that would put the City at risk. Responding, Mr. Koenig stated that the only risk was that the City would be billing an independent third party for the monthly wastewater charge. He explained that it was his understanding that it would be one (1) of the statewide companies that are running these types of systems and there is professional regulation that would govern this system. Additionally, if the system was not working correctly, the Department of Natural Resources and Environmental Control (DNREC) would become involved because there would be disposal problems if the entity did not pay the bill.

Mr. Perza questioned whether there would be any negative consequence to the existing infrastructure and if the entity was paying for the upgrades that will interconnect with the City. In response, Mr. Koenig stated that a technical feasability study was conducted, necessary upgrades for the City's infrastructure were identified, and the developer would take care of those upgrades.

Responding to Mr. Blakeman, Mr. Koenig stated that Winding Creek would own the infrastructure up to the point where they connect to the City's system, and there will be private infrastructure in some cases. He did not believe that any infrastructure would have to be dedicated.

In response to Mrs. Williams, Mr. Koenig stated that future repair, maintenance, and liability would be the responsibility of the third party entity.

Mrs. Williams inquired as to the track record of the third party entity. Responding, Mr. Koenig stated that he had not seen the contract; however, it was his understanding that it was a private company that is charged at the State level of running wastewater systems.

Mrs. Williams questioned whether members had to make a decision without knowledge regarding the third party entity. In response, Mr. Koenig explained that, if members had reservations about the third party entity, the Committee could recommend authorizing him to negotiate the agreement with the stipulation that the final agreement would be brought forward to Council for consideration.

The Committee recommended authorizing the City Manager to negotiate an agreement to accept wastewater from the Winding Creek Development, with the understanding that the final agreement would be presented to City Council for final approval.

Responding to Mrs. Williams, Mr. Koenig expressed staff's hope to complete the agreement within the next few months and that construction would potentially begin in FY 16. He explained that his estimate that the build-out would take 5-7 years to complete was based on 208-units.

In response to Mrs. Williams, Mr. Koenig reviewed a Google Earth map depicting the location of the proposed development, noting that it is easiest to get to the property via Route 8.

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

Proposal to Perform Review and Update of the Electric System Financial Model, Complete Cost of Service Analysis, and Develop Proposed Rate Adjustments

Members were advised that, in light of recent changes in the City's power supply requirements, staff recommended an update to the electric rate study and forecast by Burns & McDonnell, under the continuity of service provision of the purchasing policy. Changes in the City's power supply requirements are, as follows:

1. The changes in the load profile for NRG created revenue shortfalls in FY14. The cost of service rate was previously developed on a lower load and demand profile than they are using today.
2. The forecasted load is flat, therefore rates will need to be adjusted to pick up the fixed cost not being covered.
3. PJM has made recent changes to the capacity performance rules. (A presentation is planned for March 23 to review with the Utility Committee these changes)
4. PJM is now requiring more oil inventory due to last year's polar vortex.
5. The City's commercial rates are not competitive with other public power suppliers in the State and staff is requesting cost of service allocations be validated and updated.

Members were informed that the fee proposed by Burns & McDonnell was the same fee that was paid for the last full cost of service analysis in 2012.

Staff recommended acceptance of the Burns & McDonnell Group proposal.

Mr. Scott Koenig, City Manager, stated that power supply requirements have changed fairly dramatically at times, and reminded members that there was a very large transfer last year from $8M to $10M in the Electric Fund. He stated that, with all that was happening in the electric industry, staff was very concerned that the City's load forecast was relatively flat with escalating baseline costs. Mr. Koenig stated that there are proposed changes to the City's load profile; however, he anticipated that the load would remain flat or even decline over time because people are creating significant efficiencies in their electric use through upgrades to their facilities.

Mr. Koenig stated that a lot of components have the ability to affect the City's rates and reserves; therefore, staff believed it prudent to go back and look at the City's rate levels again to ensure they are competitive in the marketplace and covering the City's legal and fiduciary obligations in the future.

Mr. Koenig explained that staff recommended that the cost of service and rate design study for FY 16 be completed by Burns & McDonnell for continuity of service.

Mr. Koenig stated that the industry was changing and there was more effort being put on the customer charge, to make sure that providers are recovering more capital and operating costs in the base rate charge. He noted that this would be a gradual change. Referring to the issue of competitiveness, Mr. Koenig reminded members that the City was very competitive at the residential level, noting that the City was currently the third lowest residential supplier in the State and, in the summertime, had been as high as second. However, he stated that the City was not competitive in other rate classifications, noting that the City was the second or third highest in some rate classifications. Mr. Koenig informed members that, going forward, staff would like to present Council with options regarding lowering commercial rates to attract businesses or keep businesses competitive; however, he explained that residential rates would have to be adjusted to make up for the differential.

Mr. Koenig stated that the proposed cost of service and rate design study would provide the most updated information available for Council's consideration of the FY 16 budget.

Mr. Koenig informed members that, this past year, $100,000 was originally budgeted for consulting fees in the Electric Fund, approximately $16,000 had been expended, and the approximate balance was $83,000. He stated that the required expenditure for the cost of service and rate design study was $28,500.

Mr. Perza questioned how often the rate studies are typically done. Responding, Mrs. Donna Mitchell, Controller/Treasurer, stated that the goal of the rate studies is to try to keep the rates the same over the 5-year forecast. She explained that when there are changes to the assumptions in the forecast, such as the recent PJM changes, staff determines whether Council is interested in having a new study completed.

Responding to Mr. Perza, Mrs. Mitchell explained that the last study was completed in 2012 for 2013-2017. However, staff was requesting a new study now, instead of waiting until 2017, because the market has changed and the 2012 version is no longer helpful. She confirmed that if the study was completed this year, another study would not be requested until 2020, unless something changes.

The Committee recommended acceptance of the Burns & McDonnell Group proposal, as recommended by staff.

Mr. Blakeman questioned whether a monthly list of all electric utility rates for residential customers in the state was still published for public knowledge and, if so, he requested the inclusion of the list in the monthly report. Responding, Mr. Koenig stated that he did not believe such a list was published for public use; however, he would inquire.

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

TEA/NAES Report *(January)*

The TEA/NAES Monthly Report for January 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.

Referring to the Executive Summary on Page 1 of The Energy Authority, Inc. Monthly Management Committee Update - January 2015, Mr. Scott Koenig, City Manager, stated that the City's Power Supply costs for January were very close to the budgeted amount, noting that the costs had been tracking close to budget for the entire year.

Referring to Page 11, Mr. Koenig explained that the budgeted Total - Utilities Cost was approximately $30M and the actual year-to-date expenditures were approximately $28.2M, which indicated that the City was under budget for the first seven (7) months of the year. He stated that the load was tracking very close to expectations. Mr. Koenig reminded members that several years ago there were very wide gaps and large balances in the City's favor; however, the market had tightened up significantly and, as a result, the City tightened the projections. It was his expectation that this trend would continue for the next couple of years. Mr. Koenig explained that the projections are refined each year and that the rate study would be important in helping to ensure that the City's costs are allocated correctly. He stated

that many of the City's financials are driven by the load calculation and that the cost of service study would help determine what the future load would be. Mr. Koenig noted that a number of the City's bigger customers, including Dover Air Force Base, were looking for efficiencies and, as systems are becoming obsolete, they are reviewing the next round of technology to see if it better fits their performance measures. He stated that there are some real advancements in technology that will help people reduce their energy usage; however, the average price of electricity will most likely go up in the long run because the City will still have to recover base costs.

Referring to Page 3, Mr. Blakeman questioned how the City had zero (0) generation for the month but achieved $370,223 in revenue for generation. Responding, Mr. Koenig stated that the generation payments are projected out over the entire year, and that number reflected the budget that is allocated to each month of revenue. Mr. Blakeman stated that the same number ($370,223) appeared on Page 9 as a credit for the Subtotal - All Generation. In response, Mrs. Donna Mitchell, Controller/Treasurer, explained that the amount is the net between the capacity credit on the PJM bill and what the plant owes. In this instance, the net of those two (2) numbers is a net credit, and they consider that revenue. She confirmed that the City does not receive a check from PJM, instead there is a credit on the bill that is a reduction of the City's cost.

Responding to Mr. Blakeman, Mr. Harry Maloney, Electric Director, explained that the PJM Settlement Bill was typically received approximately one (1) week after the Monthly Management Committee Update. He stated that the February Settlement Bill could be provided to members with the February TEA/NAES Report.

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

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

Garrison Oak Technical Park Project Updates

Mr. Scott Koenig, City Manager, provided the following updates on the Garrison Oak Technical Park (GOTP):

City Infrastructure/Calpine Energy Center

Mr. Koenig informed members that the past few weeks had been very difficult due to a combination of mud, frost, and general weather issues. He stated that A-Del Construction had completed a number of items required to prepare for paving on the eastern portion of Garrison Oak Drive. If temperatures increase enough to melt the frost line, A-Del Construction will complete the final grading of the road over the next few weeks, pave the eastern portion later this month, and transfer construction traffic to the east side, so they can begin utility construction on the west side, nearest

to Uzin Utz. Mr. Koenig stated that the curb lines and sidewalks have been installed on the east side of the road, and the tower construction is starting to come up out of the ground.

Mr. Koenig expressed his opinion that the Calpine Plant was nearing the final stages. He stated that there was a very large delivery of a backup motor last week, "shake out" testing processes of the plant have begun, and the plant operators were finishing their training. Mr. Koenig informed members that, late last week, the City received notice from Calpine that they would begin testing of the wastewater pumps that are coming off of the holding tanks that they have.

Mr. Koenig stated that the pump station was currently in by-pass with George & Lynch, and they were finishing up all of the final testing of the pump station. He expressed his hope that the pump station would be in service before the next meeting update.

Mr. Koenig informed members that the water system on the east side was now in service to the 16-inch line running from White Oak Road back to the plant, and the City was very close to having full utility service to the Calpine Plant. He stated that the plant was still on schedule for commercial operation in June 2015; however, as they start bringing the systems up in the plant, they will be producing "test power" that will be sent to the grid over the next few months. Mr. Koenig explained that as soon as Calpine completes all of the requirements and protocols to turn on a power plant, such as internal testing, air permit testing, etc., and received authorization, the plant will go into commercial production.

Referring to the Uzin Utz property on the west side, Mr. Koenig stated that a lot of the metal panels were up on the building, and they were beginning to fill-in the windows and other parts of the structure; however, he noted that there was a significant amount of infrastructure that still needed to be completed on the west side. He explained that as soon as the construction traffic was moved over to the east side there would be multiple crews working on water lines and sanitary sewer extensions, and the completion of the west side road over the next few weeks.

Mr. Koenig informed members that, in general, public construction was behind schedule due to the recent weather. He anticipated that there would be a lot of activity related to the A-Del contract, and finishing up the George & Lynch contract. Referring to the Chicago Bridge and Iron contract, Mr. Koenig stated that the tower would start coming up out of the ground significantly over the next few months. He stated that the City would be ready for commercial operation of the center in accordance with what was promised, noting that it had been a very long construction project.

Responding to Mr. Blakeman, Mr. Koenig recalled that Calpine planned to have approximately 25 full-time jobs.

In response to Mrs. Williams, Mr. Koenig expressed his belief that tours of the Calpine Plant would be offered and anticipated that there would be a grand opening once the plant is operational since the plant was the template for President Obama's clean power initiative.

Responding to Mrs. Williams, Mr. Koenig stated that the grid would be the recipient of the testing electricity, explaining that the energy coming out of the Garrison block goes straight into the line that leads out to Cartanza.

Dover Sun Park
Members reviewed the Electric Revenue Fund FY15 - White Oak Solar Park Incremental Cost.

Mr. Hutchison questioned whether there was any update from Mr. Kirk Betts, the City's Utility Attorney, regarding Calpine. Responding, Mr. Koenig stated that Mr. Harry Maloney, Electric Director, and Mr. Betts had been discussing a potential agreement with Calpine in greater detail and Calpine's interest level had increased over the past few weeks. Mr. Koenig was hopeful that he would be able to provide more information in the near future.

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

LEGISLATIVE, FINANCE, AND ADMINISTRATION COMMITTEE REPORT - MARCH 9, 2015

The Legislative, Finance, and Administration Committee met on March 9, 2015 with Chairman Slavin presiding.

Report of Independent Public Accountants on Applying Agreed-Upon Procedures to the City of Dover, Delaware

Mrs. Donna Mitchell, Controller/Treasurer, referenced the joint memorandum from her and Paul Bernat, Police Chief, dated February 26, 2015, regarding Agreed Upon Procedures Engagement - Cash Review. She noted that the memo indicated that steps that had been taken to address some of the items in the Report of Independent Public Accounts on Applying Agreed-Upon Procedures to the City of Dover, Delaware For the Year Ended September 30, 2014 prepared by SB & Company, LLC, the City's auditor. Mrs. Mitchell stated that Chief Bernat was still working on evidence procedures with the new evidence technician.

Mr. William Seymour, SB & Company, LLC, advised members that City management had responded to the report through the memorandum referenced by Mrs. Mitchell and that SB & Company had received the full cooperation of management during the procedures. He stated that this was different from a typical audit, as management had asked them to perform certain procedures in different departments around policies and procedures related to cash receipts and other processes. Mr. Seymour stated that SB & Company, LLC looked at the Parks and

Recreation Department as well as the Police Department and a number of results came out of it, including some differences in the evidence room and with parking tickets, all of which management had responded to during the course of the audit. Mr. Seymour stated that auditors are required to maintain skepticism for fraud and did not note any incidences of fraud; however, he indicated that this was not a fraud audit, which would have been different in the scope and procedure.

Mr. Seymour stated that SB & Company, LLC worked with management on some recommendations, one (1) of which was for management to consider the implementation of an internal audit function. This would allow audits to be done periodically by an internal and independent body to review different departments for controls, performance, concerns around budget amendments, or any other areas that may be of concern to Council or management. These audits would be done by someone on the City payroll who would report to different members of Council or the administration. Mr. Seymour advised members that this is a "pretty standard item" that most municipalities have and is a best practice, especially as the City continues to grow and more transparency is being required or sought.

Mr. Anderson asked whether SB & Company, LLC handles performance audits. Responding, Mr. Seymour stated that SB & Company, LLC performs the City's financial statement audit as well as the federally mandated single audit, which is a compliance audit under federal funds; however, SB & Company, LLC does not currently conduct a performance audit.

In response to Mr. Anderson regarding whether SB & Company, LLC performs this function for entities other than the City of Dover, Mr. Seymour indicated that this service is available, but noted that, from a financial statement perspective, SB & Company, LLC must maintain their independence, and the term and nature of a performance audit could result in "robbing Peter to pay Paul." Currently, SB & Company, LLC had not been asked to do this and had only performed agreed upon procedures more focused around policies and procedures.

Mr. Anderson questioned the scope and level of evidence handling procedures. Responding, Mr. Seymour indicated that SB & Company, LLC looked at the policies and procedures in place and performed testing to determine whether or not this was actually what was occurring during the course of the period with the year ending September 30, 2014. It was found that there were some gaps with respect to entry into the evidence room and the potential for wrongdoing to occur, although they did not note any wrongdoing. Mr. Seymour said that they tested what the balances should be in each of the moneybags and counted what was in those bags, and the two (2) amounts did not reconcile. For example, a bag that was supposed to have $100 had $75 in it, but the next bag was supposed to have $75 and had $100 in it. It was their understanding that the count was not being performed by bag but in total. He explained that there were also differences with the sign-out or destruction of various property in the evidence room in regard to whether items were to be auctioned, destroyed, or otherwise returned to the owner. Mr. Seymour said that there were discrepancies in the record-keeping for those items.

Mr. Anderson asked whether it was possible that someone just did not follow through or claim items that were said to be auctioned, so they were still in the Department's possession. Mr. Seymour indicated that this could potentially be true; however, SB & Company, LLC tries to represent just what the facts are. For example, he stated that an Ipod was found in an auction bin but was believed to have been destroyed and the report said it was gone. Human error occurs and there is a host of reasons why it could be there, but the auditors do not get into the speculation of why, only what happened. Mr. Seymour indicated that these items are designed to help to define where there are potential issues, to allow management to continue to refine and improve processes to, hopefully, avoid bad things from occurring in the future.

Mr. Anderson asked whether the auditors were finding that things were actually missing or some things were just not where they should have been or funds not properly allocated. Mr. Seymour indicated that he could not say whether or not things were missing because they did a sample of transactions, not a 100% audit, so inferring that there was nothing missing would be going beyond the scope of what was done. He stated that what they found was that there were opportunities for that to occur. For example, he explained that if someone put $1,000 in the evidence room and someone stole $1,000 from the evidence room, the auditors would not know this from the scope of procedures done. They were only able to identify the possibility for this to occur because the controls were not operating in full effective during the course of the procedures performed.

Mr. Sudler inquired if SB & Company, LLC provides additional services that could help the City do a better job with the audit process, in addition to fact finding. Responding, Mr. Seymour stated that, as auditors, they cannot be placed in management's decisions; however, any level of internal controls is inherently a cost/benefit analysis. He indicated that the City could have great internal and redundant controls and go bankrupt or, conversely, no controls, which would save money but might result in the City being "robbed blind" and, again, the City could go bankrupt. Mr. Seymour stated that SB & Company, LLC can provide recommendations, but ultimately the decisions rest with management. He felt that having an internal audit position in place would strike a happy medium, since an internal auditor would not need to have the same level of independence because they would report directly to the City. They would be an employee of the City who is there every day to understand the balance that the City is trying to meet and then design procedures to determine whether or not each of the departments is carrying out their responsibilities to those levels.

Noting that the Dover Police Department is nationally accredited, Mr. Hutchison inquired if the accreditation program addresses any of the concerns or issues that referred to by Mr. Seymour. In response, Mr. Seymour stated that the auditors were made aware of the different levels of accreditation that the Dover Police Department had received; however, were not part of the process to determine what was looked at as part of the accreditation to be able to relate that to the work that was performed or not performed. Mr. Seymour noted that this is a prestigious award, it was "great" that the Police Department obtains it and that SB & Company, LLC would

recommend that they continue to pursue it; however, he would be unable to correlate what the auditors did to the accreditors because he did not know what they specifically looked at.

Mrs. Williams asked why SB & Company, LLC was called in, and questioned if this had happened before. Responding, Mr. Seymour stated that as part of their financial statement audit and single audit, SB & Company, LLC had different levels of findings from a compliance standpoint for certain grants. His understanding was that before SB & Company, LLC was selected as the City's auditor, other audit reports performed had different levels of concerns with different departments. Mr. Seymour indicated that he would let management speak to that. It was his belief that there was not a "red flag" or specific item in those cases, rather the intent was to go through and peel back the layer one (1) additional step further and say whether or not the different departments have policies and procedures in place and, if so, were they following those policies.

In response to Mrs. Williams, Mrs. Mitchell stated that the review was asked for due to concerns from old problems and was a culmination of the A-133 audit the past couple of years, federal forfeiture funds, and confiscated monies. She stated that what it brought to light was that there is not a review of what is happening in other departments. Since staff there are all not accountants or finance people and "we do not have any oversight in those other departments," the agreed upon procedure was requested to have Mr. Seymour come in and look at how the departments are handling their cash and cash management procedures and practices. In this way, she stated, "we can reach out and try to help them get problems corrected", if there are any problems.

Mrs. Williams asked if Mrs. Mitchell would prefer to have a joint venture between the Finance and Police Departments to come up with practices with a staff member as an in-house auditor or to go out and have a performance or detailed audit done specifically for this purpose. Responding, Mrs. Mitchell said that she did not want to go out and have a detailed audit done, but was planning to discuss with the City Manager an action plan that could be brought back before the Committee to either have an internal audit function or find some way to bridge this through other means.

Responding to Mrs. Williams regarding how longstanding the problems were, Mrs. Mitchell stated her belief that they had been present since 2010 or 2011. In response to Mrs. Williams as to whether five (5) years was a long time to know there were problems without a solution, Mrs. Mitchell indicated that as problems were discovered they were fixed, and then something else would come up. She indicated that each time A-133 audit is done and something comes up, staff addresses it at that time. Mrs. Mitchell stated that this was the first time she had sat down with Mr. Seymour and he had made recommendations on how to move forward with an internal audit function.

Mr. Anderson thanked Chief Bernat for his cooperation in dealing with these long-term issues. He stated that most of the items brought forward had already been addressed, but the area of the evidence room and the like were still under study. He asked if there had been any progress since the time the meeting packet was distributed. Responding, Chief Bernat stated that this would be a tedious project, noting that the Police Department had many other things going on, and the evidence technician was new, so they were letting him get acclimated to his new position and would then head up with the new evidence procedures.

Mr. Anderson asked if procedures that existed already but had not been followed would be part of the training. In response, Chief Bernat stated that the things that Mr. Seymour was saying were unbeknownst to him. Chief Bernat indicated that he found out later, through investigation, that the evidence technician at the time was taking money out of various envelopes and dumping it in a pile; then he would count it up and it would be off; however, the total amount did match, or came very close, so it was not that bad. Chief Bernat stated that another example was the Ipod under discussion. He indicated that he was not saying that it was done correctly, because it clearly was not and should have said "ready for auction" or something to that effect. Chief Bernat said that they were working on this. He stated that every six (6) months or annually the Department receives a list of everything that each officer has put into evidence with the case number and all the information. Each officer goes through this and runs it by the case number. If the case is adjudicated, they contact the Attorney General's Office and request to destroy, meaning it is intended to do away with the property. Chief Bernat said that they would not want to say "request to auction," since this would not sound "as kosher" as a request to destroy. He explained that items that have value are auctioned and those that do not have value are destroyed, and some officers may have 50 items, while others may have 300. When the officers sign-off on that list, there is one (1) signature; however, Chief Bernat stated that it was his understanding that Mr. Seymour wanted two (2) signatures. Chief Bernat informed members that the evidence technician would have the power to go through the items and decide what needs to go.

Mr. Seymour stated that two (2) levels of signatures were proposed. He noted that the report that Chief Bernat mentioned is a secondary control that would indicate, "Here's everything that is left over for the year. Now we need to go and look at these items individually." Mr. Seymour explained that they would be relying on different levels of memory. He noted that if someone took a watch and there were 500 things listed on the report, chances were that it might not be remembered that a watch should have been destroyed and was now missing. For this reason, it was recommended that when evidence is removed, there should be a dual control review. He explained that, as mentioned earlier, the City ultimately makes the decision on what level of risk and controls is desired. The job of SB & Company, LLC is to say "If I were going to break this, this is how I would break this." With a single signature, staff would rely on one (1) person; however, with dual signatures, in order to beat the system, there would have to be collusion.

Mr. Shevock indicated that it sounded as though the Department did have procedures in place and it was his understanding that Mr. Seymour was suggesting enhanced procedures. Responding, Mr. Seymour explained that the Department did not have specific procedures for cash handling in some areas but they had now been developed. He stated that no audit work had been performed on the new procedures. Mr. Seymour informed members that there were other areas where the Department did have procedures in place, and SB & Company, LLC advised management of risks in the current way that they were being operated. He noted that in some instances what was occurring exceeded procedure, and recommended that this be documented so staff can take credit for it. However, in other cases they determined that the procedure, as written, would not capture all errors or possibilities, or may not be operated in the manner that it was designed. Mr. Seymour stated that they found that there were opportunities for improvement in both cases.

The Committee recommended acceptance of the report.

By consent agenda, Mr. Slavin moved for acceptance of the Committee's recommendation, seconded by Mr. Dixon and carried by a unanimous roll call vote.

By consent agenda, Mr. Slavin moved for acceptance of the Legislative, Finance, and Administration Committee Report, seconded by Mr. Dixon and carried by a unanimous roll call vote.

CONFIRMATION OF POLICE PENSION ELECTION - RETIRED CAPTAIN JOHN SIGLER (TO FILL THE UNEXPIRED TERM OF RETIRED SERGEANT JAY UNTERKOFLER) - TERM TO EXPIRE JANUARY 31, 2016

The recent death of Retired Sergeant Jay Unterkofler left a vacancy on the Police Pension Board. Pursuant to Chapter 62 - Law Enforcement, Article III - Pension Plan, Division 2 - Retirement Committee, Section 62-102(c)(2), notice of an election was given to all plan members. Only one (1) nomination was received, therefore, no election was held. Chief Bernat nominated Retired Captain John Sigler to fill the unexpired term of Retired Sergeant Jay Unterkofler, term to expire on January 31, 2016.

By consent agenda, Mr. Slavin moved for approval of the nomination of Retired Captain John Sigler to serve on the Police Pension Board to fill the unexpired term of Retired Sergeant Jay Unterkofler, term to expire on January 31, 2016. The motion was seconded by Mr. Dixon and carried by unanimous roll call vote.

EVALUATION OF BIDS - WESTOVER PUMP STATION AND FORCE MAIN REPLACEMENT

Mr. Scott Koenig, City Manager, advised that the Westover Pump Station and Force Main serves the Village of Westover, Cannon Mills, the new Dover High School project, and the apartment complex that's under construction adjacent to the high school. He noted that this Capital Investment Project includes the upgrade of the Smith & Loveless Pump Station and Force Main that was installed in 1994. The pump station's available capacity will be consumed with the build out of the Village of Cannon Mill and will be in need of additional capacity in order to receive additional flow from the west, specifically, the new Dover High School.

Mr. Koenig stated that four (4) contractors submitted bids, with George & Lynch being the low bid at $1,292,295. This project was originally estimated at $703,800; however, due to the addition of a permanent generator, the engineering estimate increased to $811,000. Mr. Koenig advised that during the bid process it was noted that there were three (3) areas where the engineering estimate was significantly under bid price, as follows: mobilization, force main casing, and package pump station installation. The pipe installation estimate was approximately $117,000 less than the bid price. The force main casing and installation estimate from the engineer was approximately $52,000 less than the bid price. Finally, the estimate for installation of the package pump station was $220,000 less than the bid price. All contractors prices were approximately equal and the engineer has concluded that the market conditions have improved, causing the prices to be higher.

Mr. Koenig advised that, in order to move forward with the project, the Capital Plan must be amended by moving approximately $581,600 from the Hazlettville Road Interceptor Sewer project to the Westover Pump Station and Force Main Replacement project. He noted that the pump station and force main replacement project is a much higher priority, especially since this basin is serving the high school and additional housing units. Mr. Koenig advised that staff would be reprogramming the Hazlettville Road Interceptor Replacement Project, either in the final budgets for this year with project savings, or by proposing additional funding or modifications in the Capital Plan for FY16.

Responding to Mr. Slavin, Mr. Koenig stated that the estimate of $703,800 was provided by a consulting engineer and the project was budgeted at $718,000 in the original budget; however, the scope of the project was revised to add a permanent generator, which increased the engineering estimate to $811,000. Additionally, due to the economic environment, bidding conditions changed and the bids came in much higher than anticipated, based on the consultant's review. Mr. Koenig advised that the cost to run the station would not change very much; however, if this project is not completed and the station fails, they would be in emergency bypass pumping and would be paying premium dollars for the service. This proposed upgrade would add an emergency generator, so if power were lost, or if it were necessary to bypass, they would have power on the site.

Mr. Slavin expressed concern with the ongoing issue of underestimating projects, in some instances by more than half the actual cost. He noted that this estimate was approximately $800,000 and the actual cost was close to $1.3M. Mr. Slavin suggested that the difference had more to do with their skills than the economic environment. He also expressed concern with de-authorizing funding for another project to pay for this project and then re-authorizing that project in another budget, feeling that they would also be deferring maintenance with this approach.

Mr. Perza questioned whether there was a possibility that the Hazlettville Road Project would also have the same cost differential, if the same cost estimating procedures were used for both projects. Responding, Mr. Koenig stated that they had just received bids on that project and they were approximately $70,000 over the estimate.

Mr. Perza asked Mr. Koenig if he thought that the economy could push the actual bid returns above the market rates to the extent that it makes sense to do the Hazlettville Road Project in the next six (6) months, when the estimate is $800,000, rather than waiting a year, when it may be $1.1M. Responding, Mr. Koenig stated that he thought it would be better to do it sooner rather than later. He also noted that there were differences in the projects and that the Hazlettville Road Interceptor

Project is all pipe with no mechanical parts, pumps, or generators, which makes it easier to estimate the actual labor.

In response to Mr. Hare, Mr. Koenig stated that much of the estimating for the Public Works Wastewater Capital Plan was done by a consulting engineer last year, with staff checking the work. He advised that they would show the consulting engineers what happened this year and then decide whether they would use that same person for the next year.

Responding to Mr. Anderson, Mr. Koenig noted that the estimates were in place prior to the Capital Plan being submitted for the FY15 budget approximately 14 months ago.

Staff recommended awarding the contract for the City of Dover Westover Pump Station and Force Main Replacement Project, Bid #15-0024PW, to George & Lynch, Inc. for the amount of $1,292,295.

Mr. Hare moved for approval of staff's recommendation, seconded by Mr. Anderson and carried by a unanimous roll call vote.

AMENDING OR RESCINDING THE ACTION TAKEN ON MARCH 9, 2015 REGARDING CITY REORGANIZATION

During the Regular Council Meeting of March 9, 2015 the following motion was approved by members of City Council: *To maintain a full-time Mayor who will be the Chief Executive of the City and that all departments, excluding the City Clerk's Office and the Finance Department, will report to the City Manager who is appointed by City Council and will report to the Mayor*.

Council President Bonar advised members that he requested that this motion be brought back for consideration of either amending or rescinding it. The proposed amendment would read as follows: *To maintain a full time mayor and that all departments, excluding the City Clerk's Office and the Finance Department, will report to the City Manager who is appointed by and will report to City Council*. Mr. Bonar noted that the amendment strikes the words "who will be the Chief Executive of the City" and replaces "Mayor" with "City Council" regarding who the City Manager will report to.

Mrs. Williams moved for approval of the amendment, seconded by Mr. Hutchison.

Mr. Slavin stated that their actions two (2) weeks ago caused a lot of confusion on the part of voters and they were now two (2) weeks closer to the election. He thought that they had caused a certain degree of embarrassment to the City by their actions and now they wanted to undo it and change the course 180 degrees. Noting that there would be at least two (2) new Council Members in May, Mr. Slavin thought that the right thing to do would be to let the incoming Council determine what they want to do regarding City reorganization.

Mr. Anderson stated that he had not heard anything that would make him change his mind; however, he did have an issue with doing something completely different than what was voted on two (2) weeks prior. Mr. Anderson stated that he had heard support for the previous action.

Mr. Hutchison stated that he thought it was important for Council to remember that at one time the Mayor presided over Council, had a vote in the event of a tie, made all Council appointments, and served as a Chief Executive. He noted that is no longer the case and now the Mayor has veto power but no vote. Mr. Hutchison stated that the most powerful elected official in the City of Dover government is the Council President and to continue to have the Mayor be the Chief Executive with no power did not make good sense. With a council-manager form of government, the position of mayor is totally off by itself. Mr. Hutchison stated that he had the privilege and honor of serving this City as Mayor, and he thought the Mayor should preside over the meetings and have a vote; however, that is not how the City is currently structured.

Council President Bonar stated that he brought this issue back for amendment because the action taken on March 9th removed any authority that City Council had over the City Manager, or anyone else with a few limited exceptions, and placed it in the hands of one (1) individual, which is the Mayor. Mr. Bonar felt that the action took away Council's power to do what needs to be done to operate the City. He also felt that the department heads should be answering to the City Manager.

Mr. Hare clarified that the proposed amendment reflects the motion that he intended to make on March 9th. He stated that members should decide what form of government they want and proceed accordingly.

Mr. Slavin moved to table discussion of this issue, seconded by Mr. Anderson.

Mr. Perza requested clarification on tabling this item. Responding, Mrs. Traci McDowell, City Clerk, stated that, according to Robert's Rules, to table is to set aside for a brief period of time during this meeting to address something else that has come up. She suggested that a motion to defer to a certain time or to defer indefinitely may be more appropriate. Mr. Anderson stated that a motion to table could be made at any time and brought back when they decided to lift it from the table.

The motion to table failed by a roll call vote of three (3) yes (Anderson, Dixon, and Slavin) and five no (Perza, Williams, Hare, Hutchison, and Bonar).

Mr. Perza stated that he did not like the action taken by Council on March 9th, noting that if no action were taken tonight it would leave the previous action in place and he did not want that to happen.

The motion for approval of the proposed amendment was carried by a roll call vote of five (5) yes (Perza, Williams, Hare, Hutchison, and Bonar) and three (3) no (Anderson, Dixon, and Slavin).

COUNCIL MEMBERS' ANNOUNCEMENTS

Mr. Slavin announced that the City of Dover Municipal Election would be held on Tuesday, April 21, 2015, between the hours of 7:00 a.m. and 8:00 p.m. The polling place for all voting districts is the Elks Lodge #1903 at 200 Saulsbury Road. For more information about the candidates, absentee voting, and the election, please visit www.cityofdover.com and click on the Election 2015 button.

Mr. Hare reminded everyone that Dover High School would be performing "Footloose" this Friday, Saturday, and Sunday and current and former City Council members had been invited to act in the scene where the Council votes "no dancing." He also offered to help anyone that is having trouble with their line - "no."

Mr. Anderson invited anyone interested in the Youth Advisory Committee to attend an information session on Monday, March 30, 2015 at 6:00 p.m. in the Council Chambers. He stated that they were looking for members and volunteers and that more information, along with the application, were available on the City's website. Mr. Anderson noted that they were looking for input, concerns, ideas, and a vision for the Youth Advisory Council.

Mr. Dixon announced that there would be a meet and greet for the Fourth District candidates the following evening at 6:00 p.m.

Council President Bonar announced that the League of Women Voters would be sponsoring a Candidates Forum on Wednesday, April 15th at 7:30 p.m. and encouraged anyone who lives and votes in the City of Dover to attend.

By unanimous consent, the meeting adjourned at 8:34 p.m.

TRACI A. McDOWELL
CITY CLERK

All orders, ordinances, and resolutions adopted by City Council during their Regular Meeting of March 23, 2015, are hereby approved.

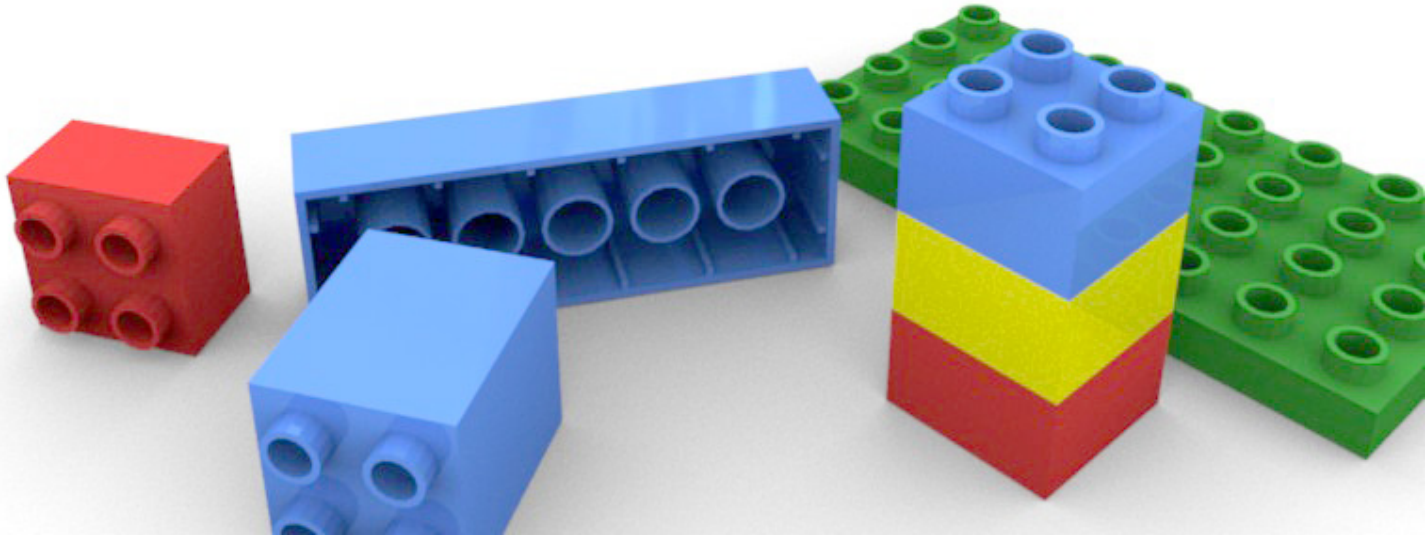
ROBIN R. CHRISTIANSEN
MAYOR

/TM
S:\AGENDAS-MINUTES-PACKETS-PRESENTATIONS-ATT&EXH\Council-Minutes\2015\03-23-2015 - CORRECTED 8-19-15 REPLACE 3-9-15 PR&CE MINUTES.wpd

Exhibits
Exhibit #1 - Presentation - First Lego League
Exhibit #2 - Revised Presentation - 2014 Dover Police Department Annual Report

DOVER PUBLIC LIBRARY

FLL
FIRST® LEGO® League





What is First Lego League?

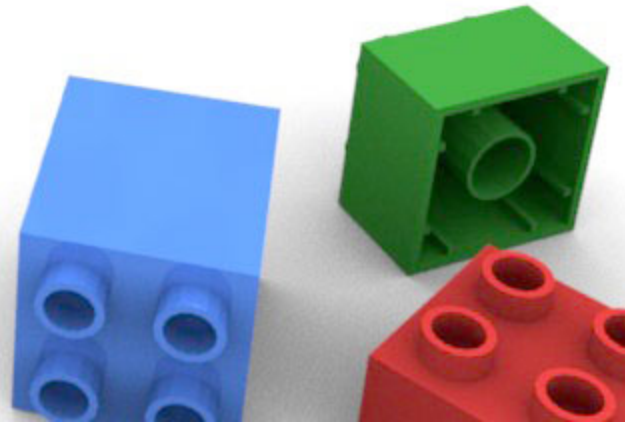
- First Lego League or FLL is an international Lego robotics competition for children between the ages of 9-14.
- The purpose is to get kids excited about STEM.
- Teams use critical thinking skills to find solutions to problems in both the local and global community.





Challenge & Project

- Challenge: Every year FLL releases a Challenge focused on solving real-world problems.
- Project: Teams must research the Challenge and create their own innovative solution.



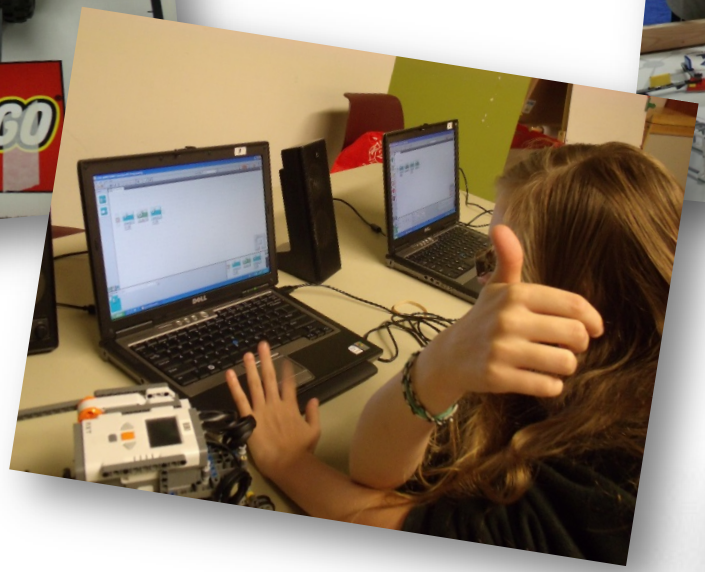


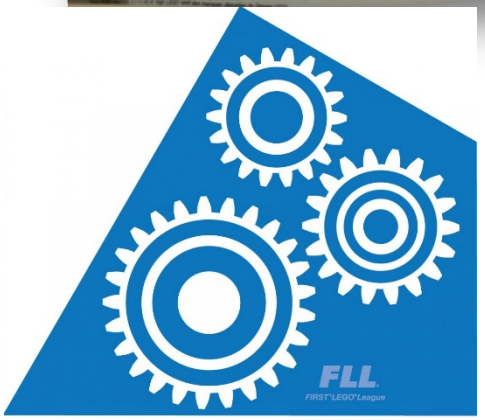
Robot Competition

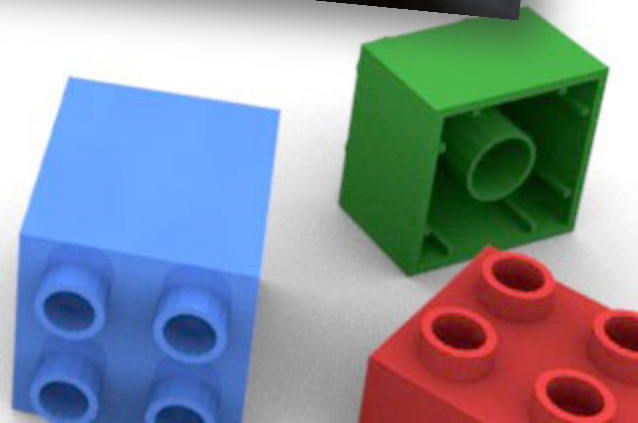
The team practices programming and running missions:









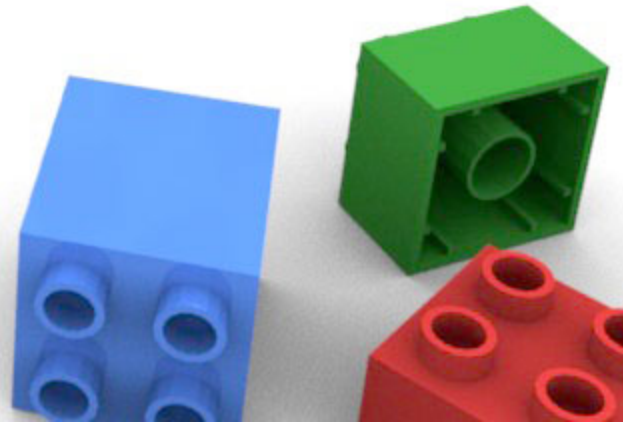




Core Values

- We are a team.
- We do the work to find solutions with guidance from our coaches and mentors.
- We know our coaches and mentors don't have all the answers; we learn together.
- We honor the spirit of friendly competition.
- What we discover is more important than what we win.
- We share our experiences with others.
- We display Gracious Professionalism® and Coopertition® in everything we do.
- We have FUN

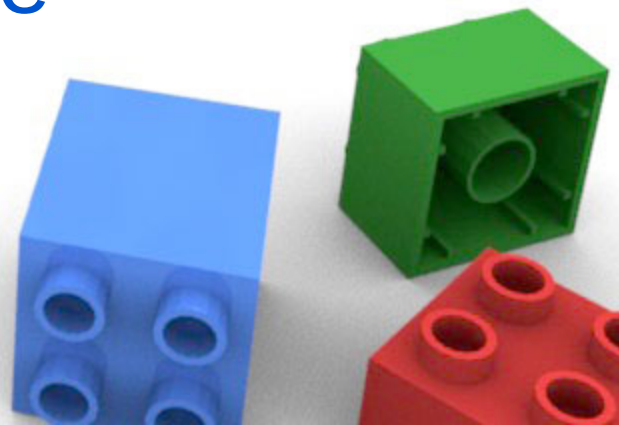






How did the library get involved?

- Awarded grant from First State First Lego League
- Built our team
- Found our mentor
- Discovered the Challenge

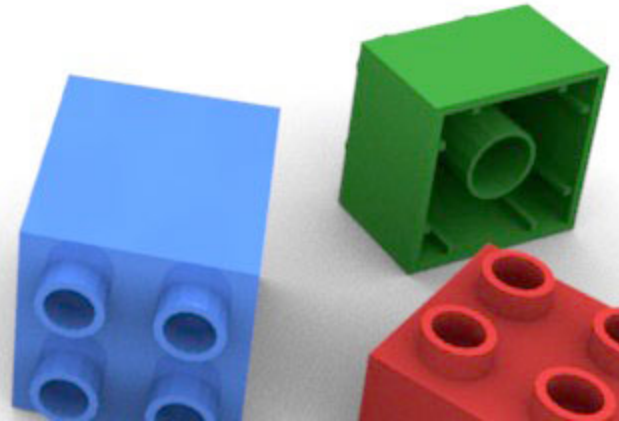




2013-2014 Season

TORNADO TROOPERS

NATURE'S FURY SM

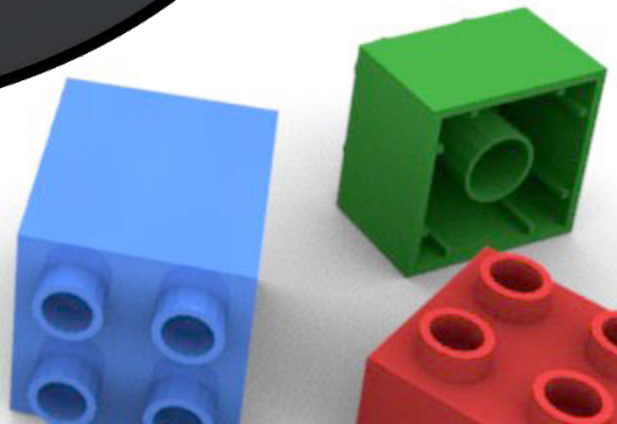




2014-2015 Season



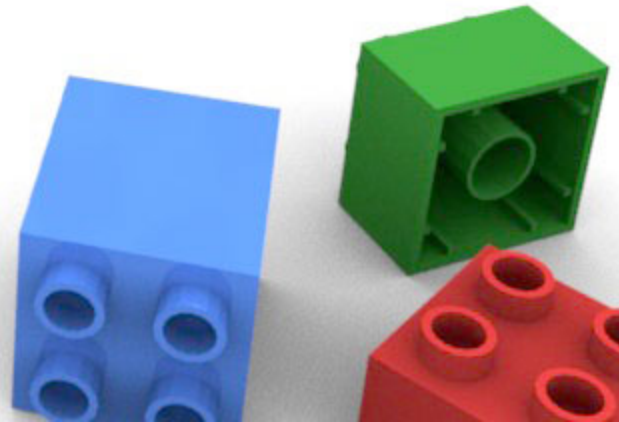
FLL WORLD class℠
Learning Unleashed





Challenge

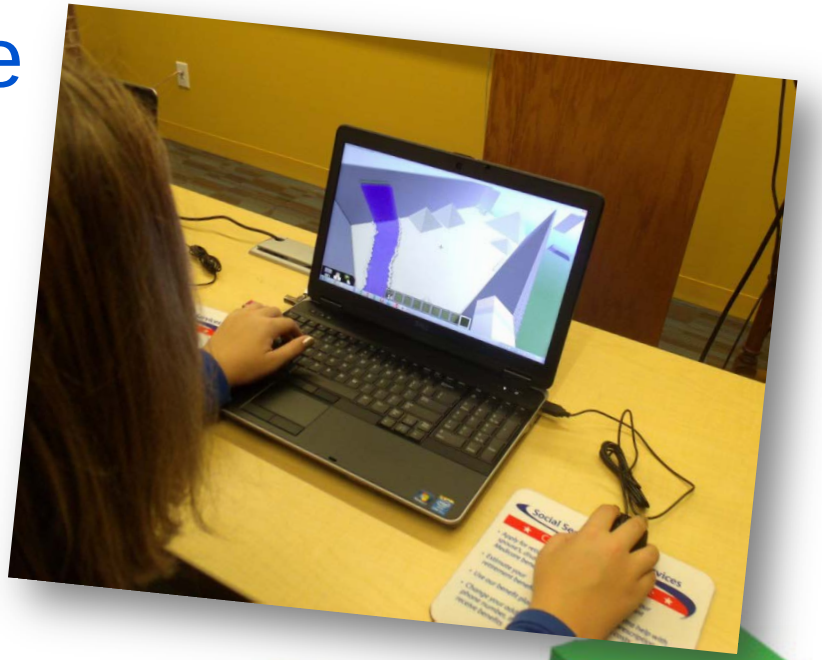
World Class Challenge: How could we improve the way that someone learns [your team's topic]?





Our Project

The Continent Crafters used MinecraftEDU to improve the way kids learn about the continents.









Qualifier Tournament

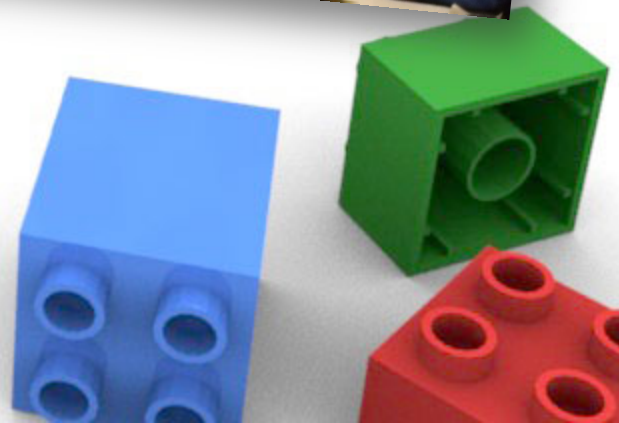




Championship Tournament





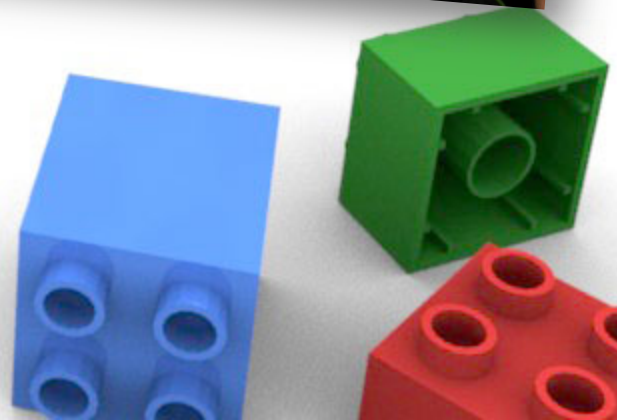




Awards







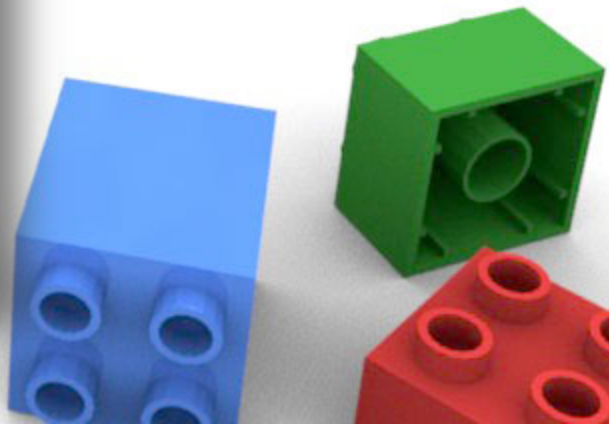
DOVER

PUBLIC LIBRARY

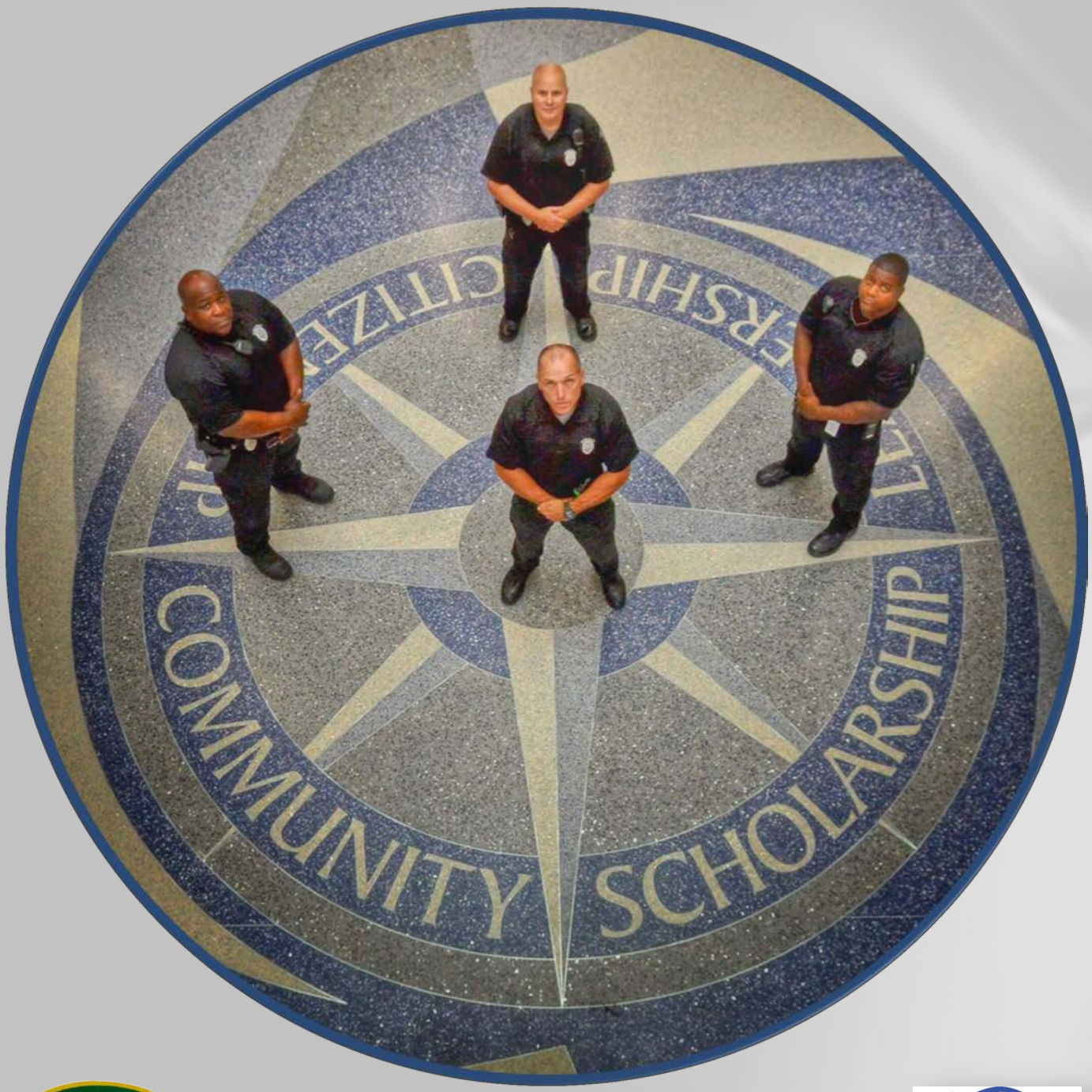


FLL

FIRST® LEGO® League

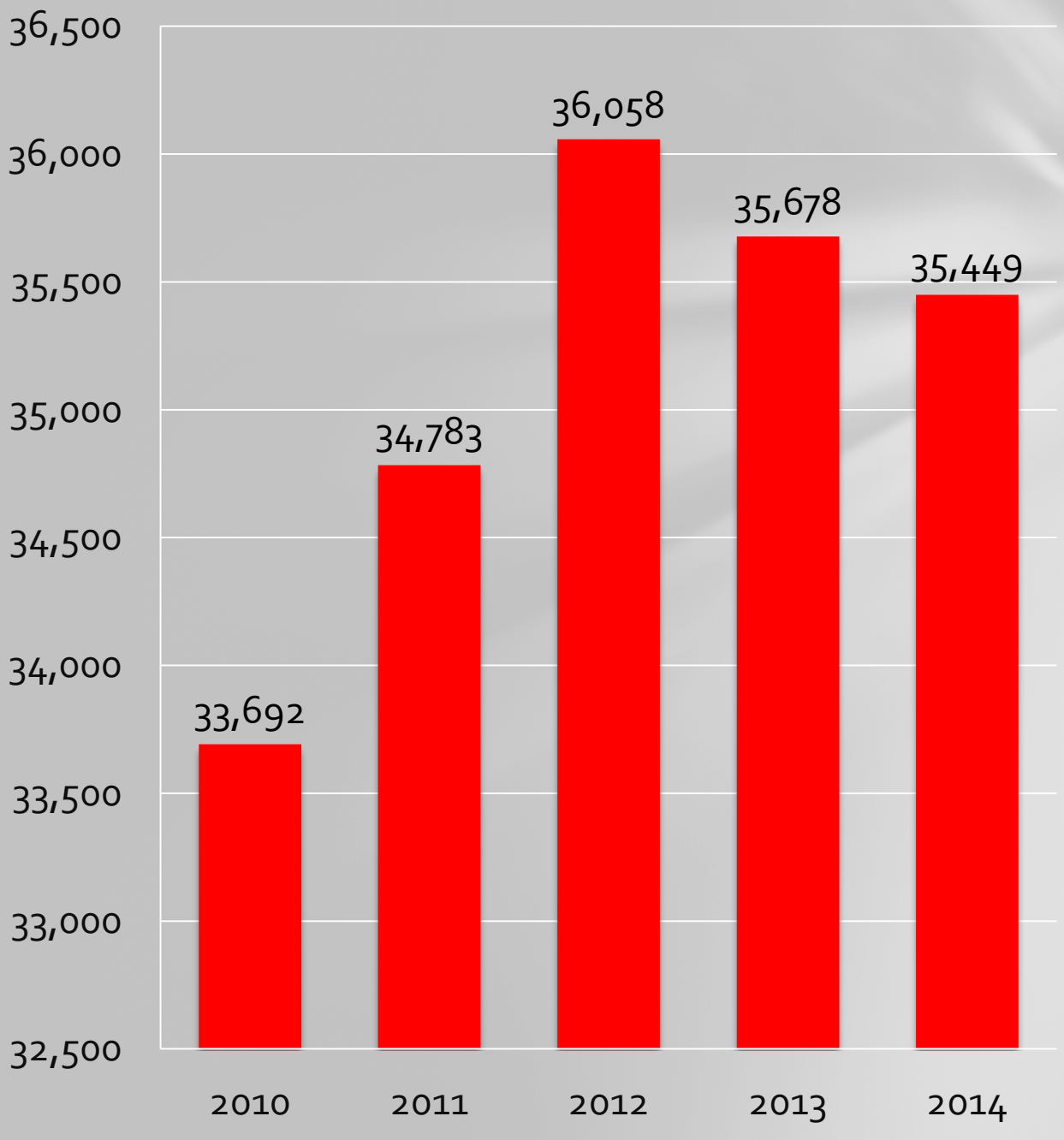


DOVER POLICE DEPARTMENT
2014
ANNUAL REPORT



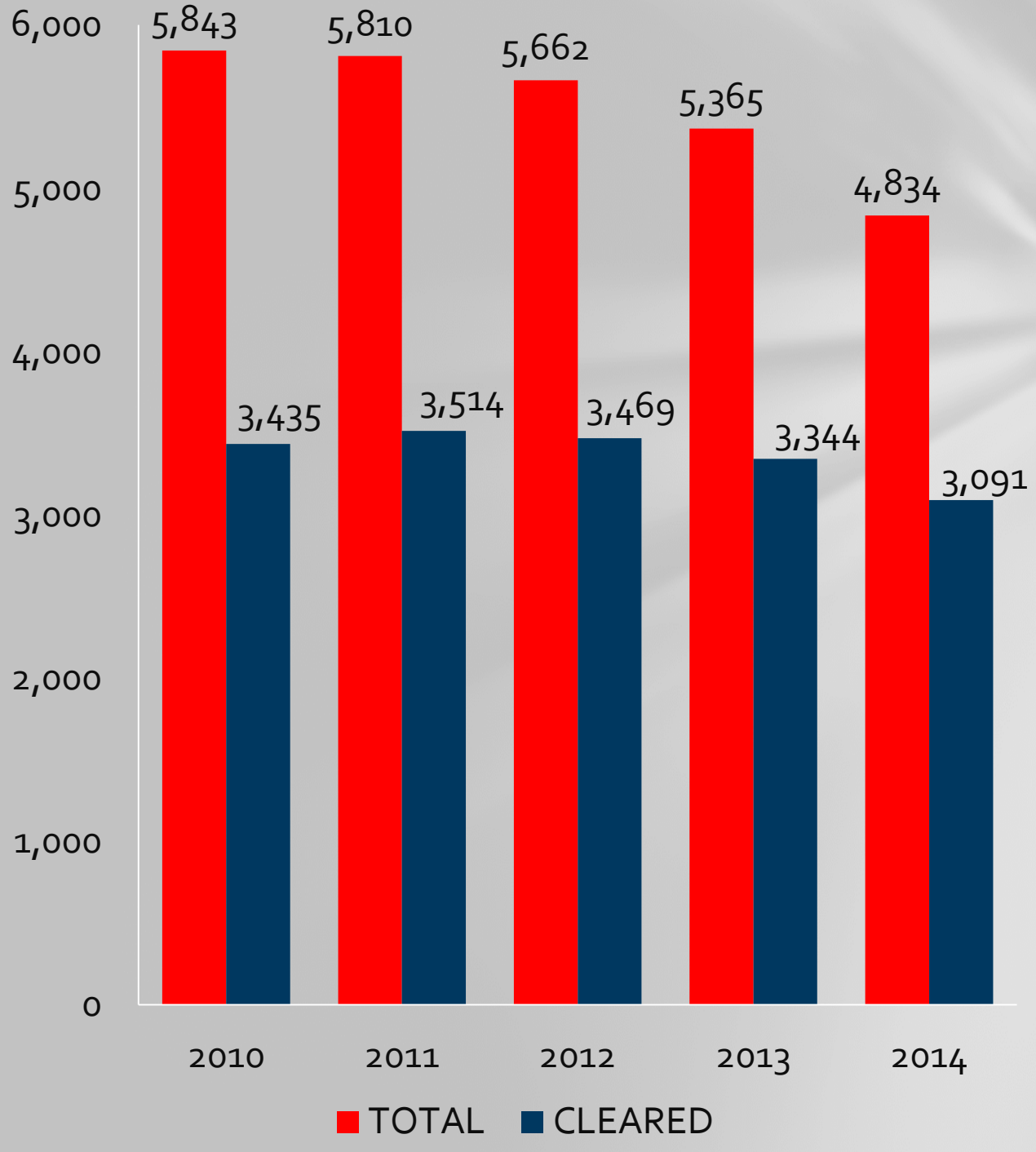
City of Dover Police Department
Annual Report

Complaints
Five Year Comparison



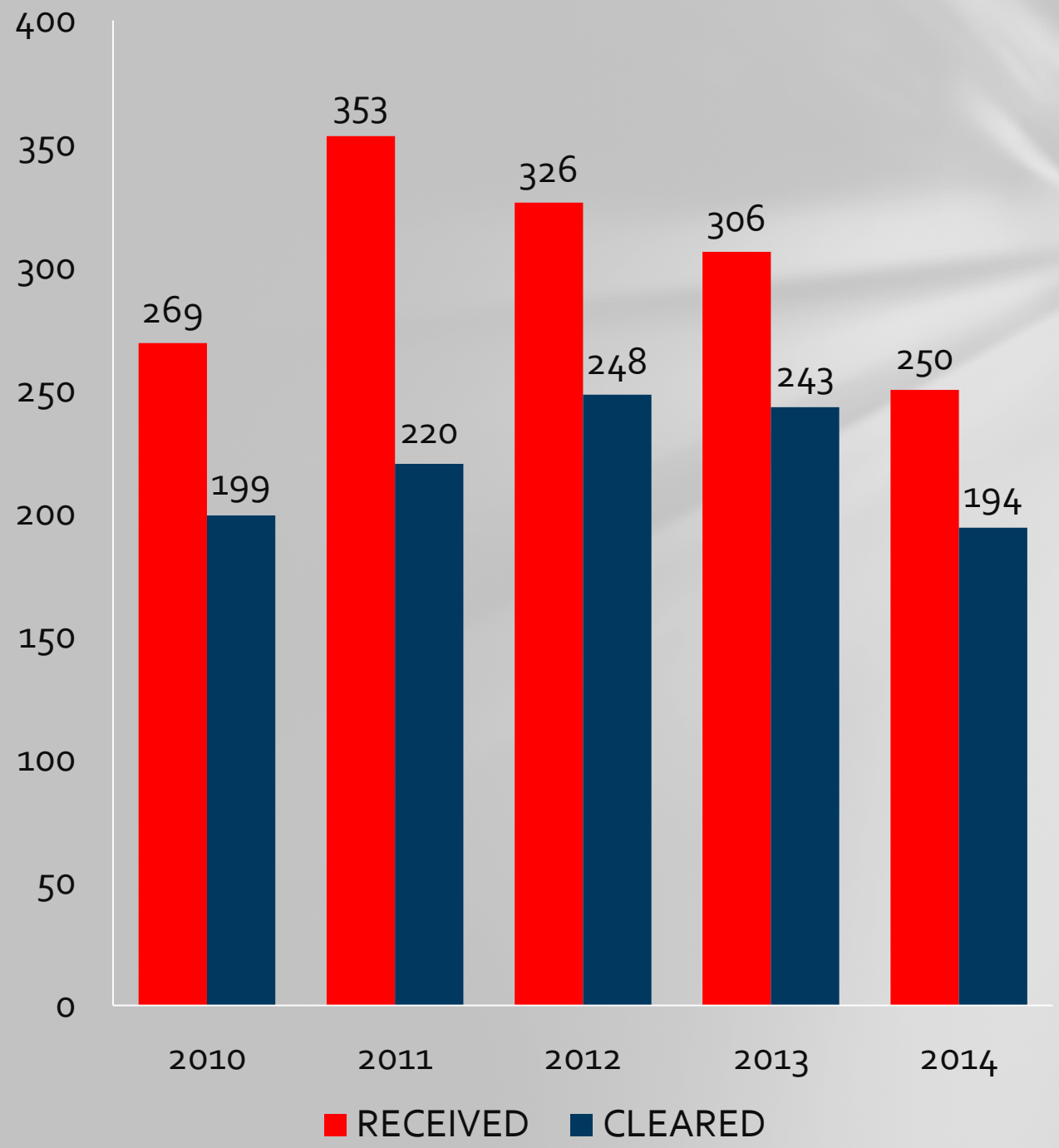
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Total Group A Crime
Five Year Comparison



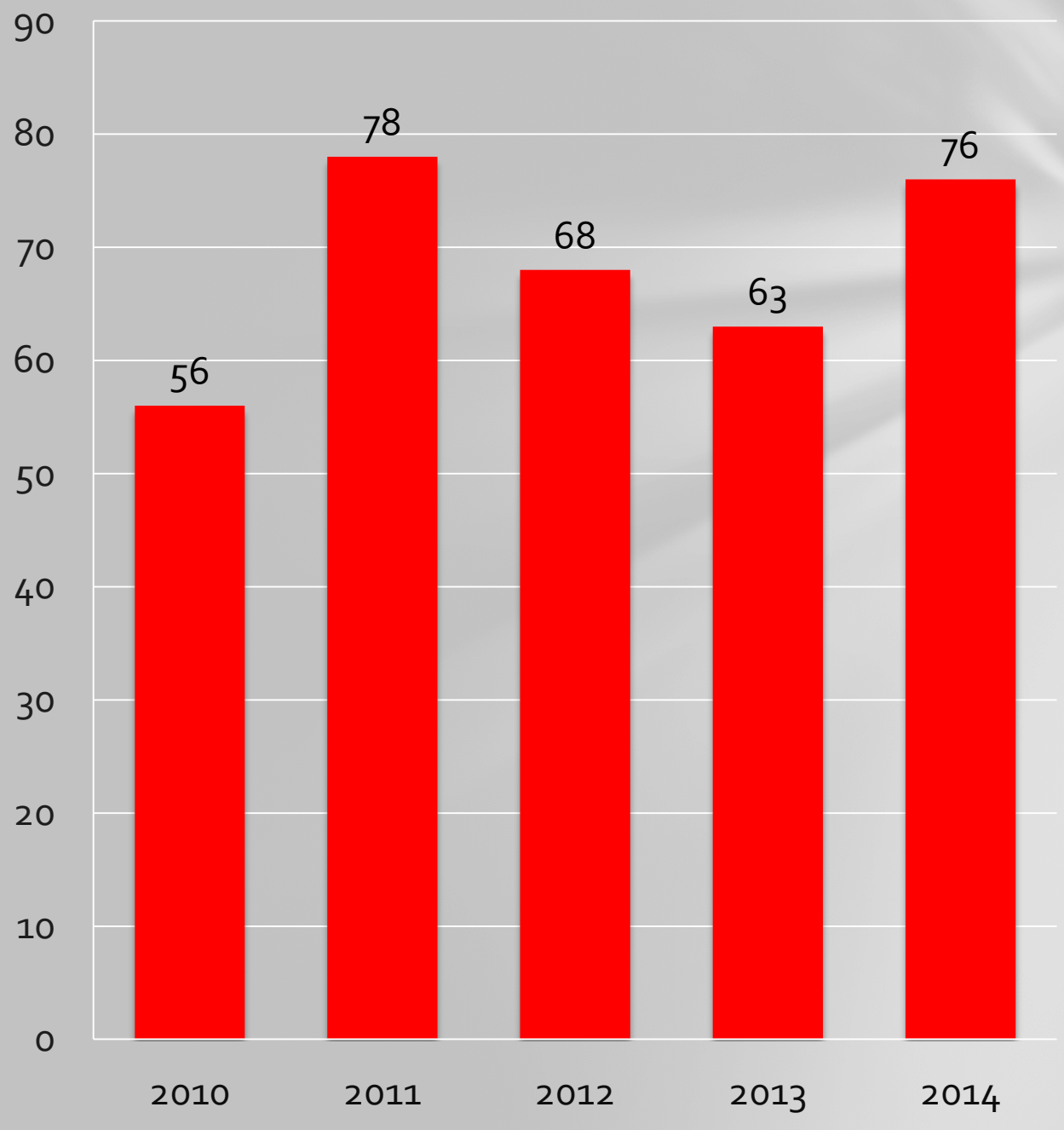
City of Dover Police Department
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Violent Crime
(Murder, Forcible Rape, Robbery, Aggravated Assault)
Five Year Comparison



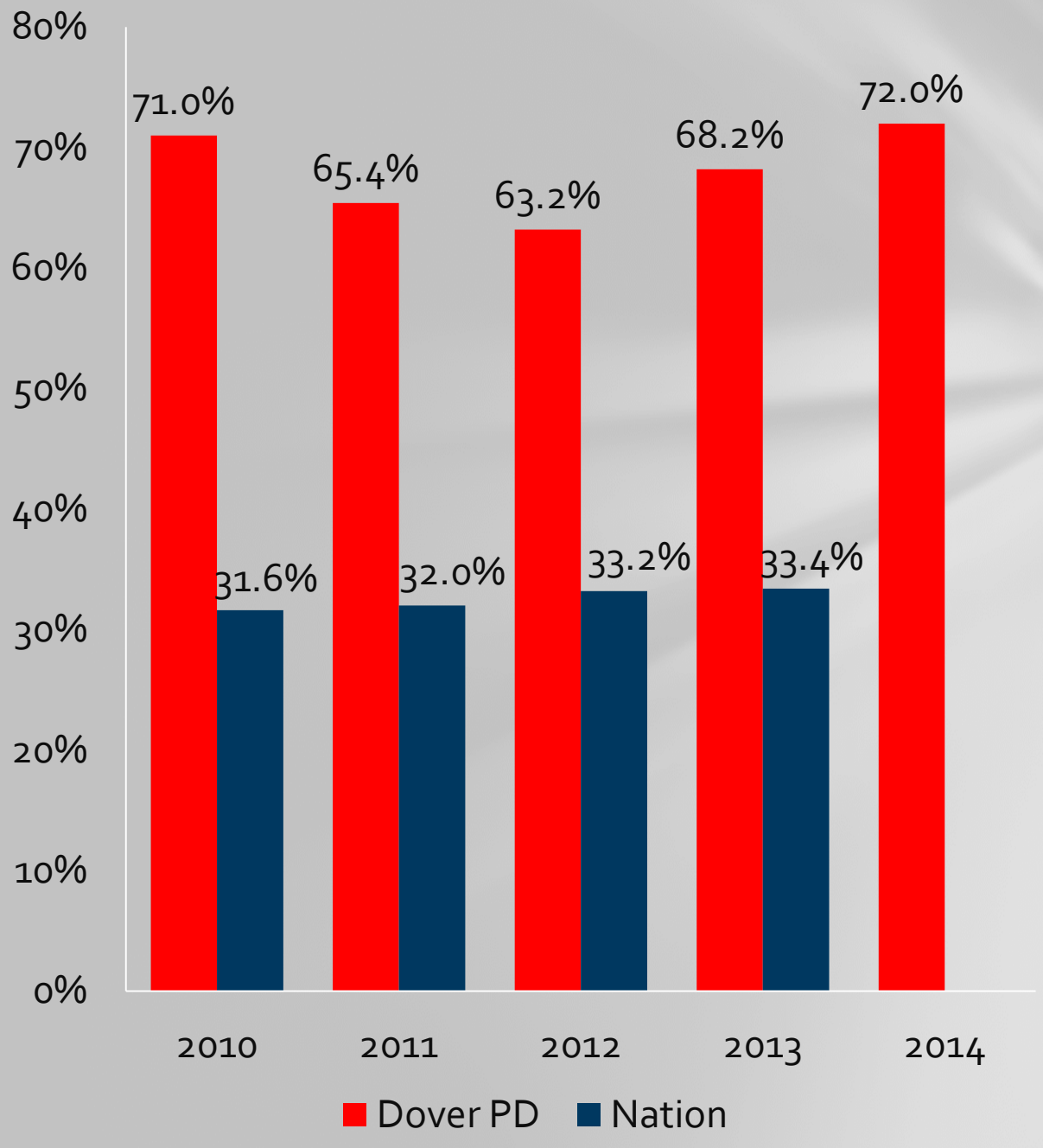
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Robberies
Five Year Comparison



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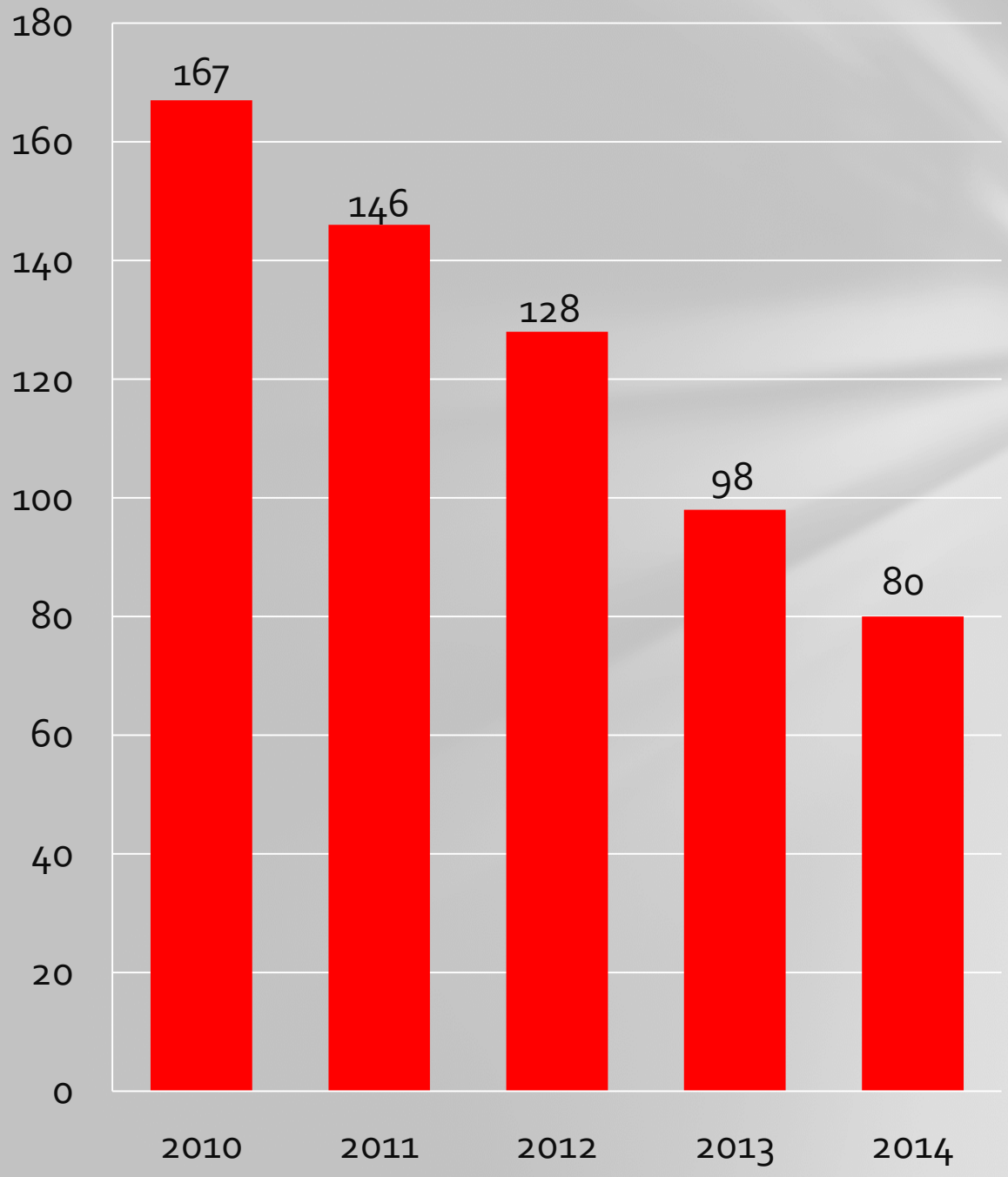
Robbery Clearance Rate
Dover Police Department vs. Nation



NATIONAL FIGURES NOT AVAILABLE FOR 2014

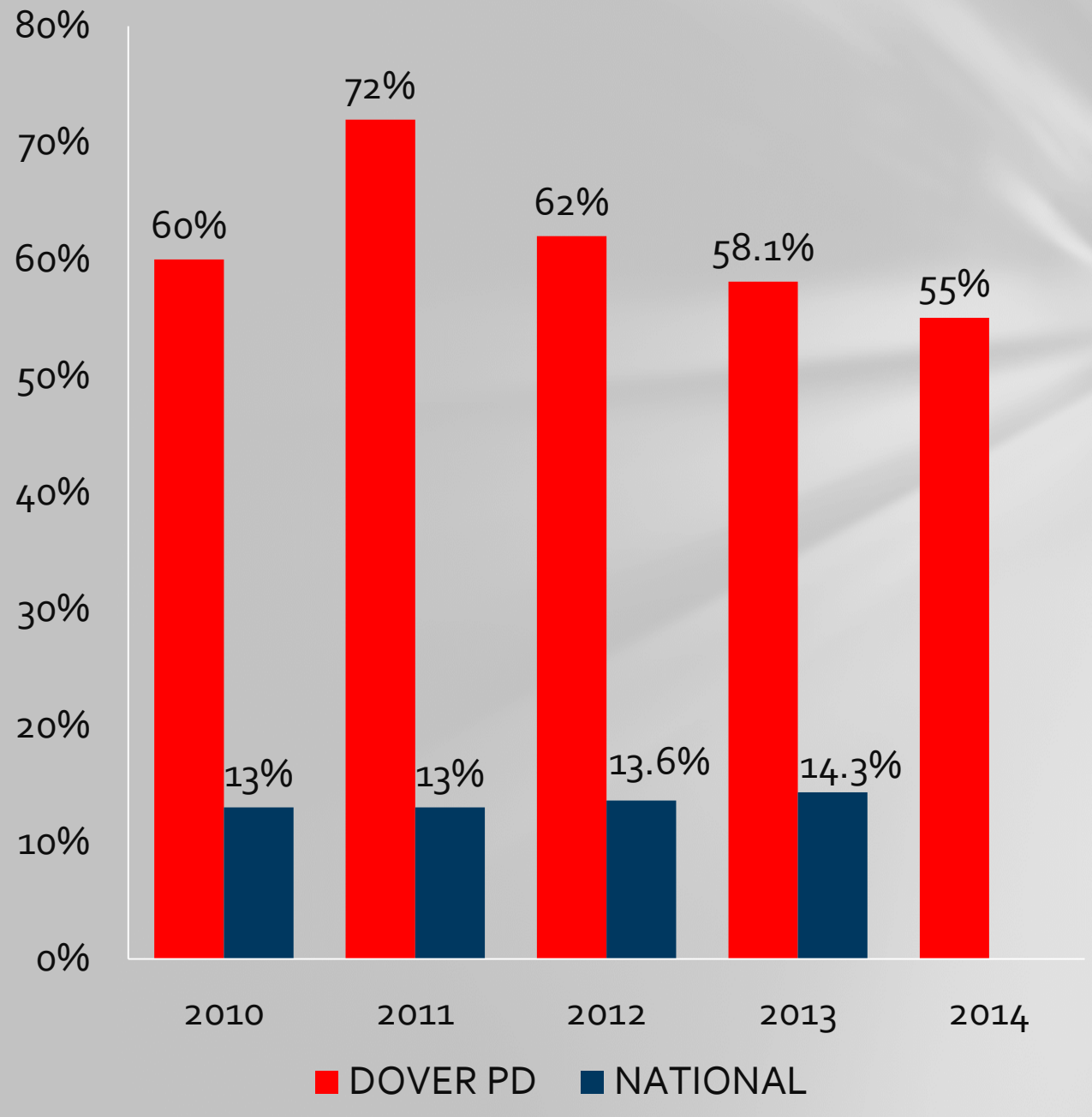
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Burglaries
Five Year Comparison



City of Dover Police Department
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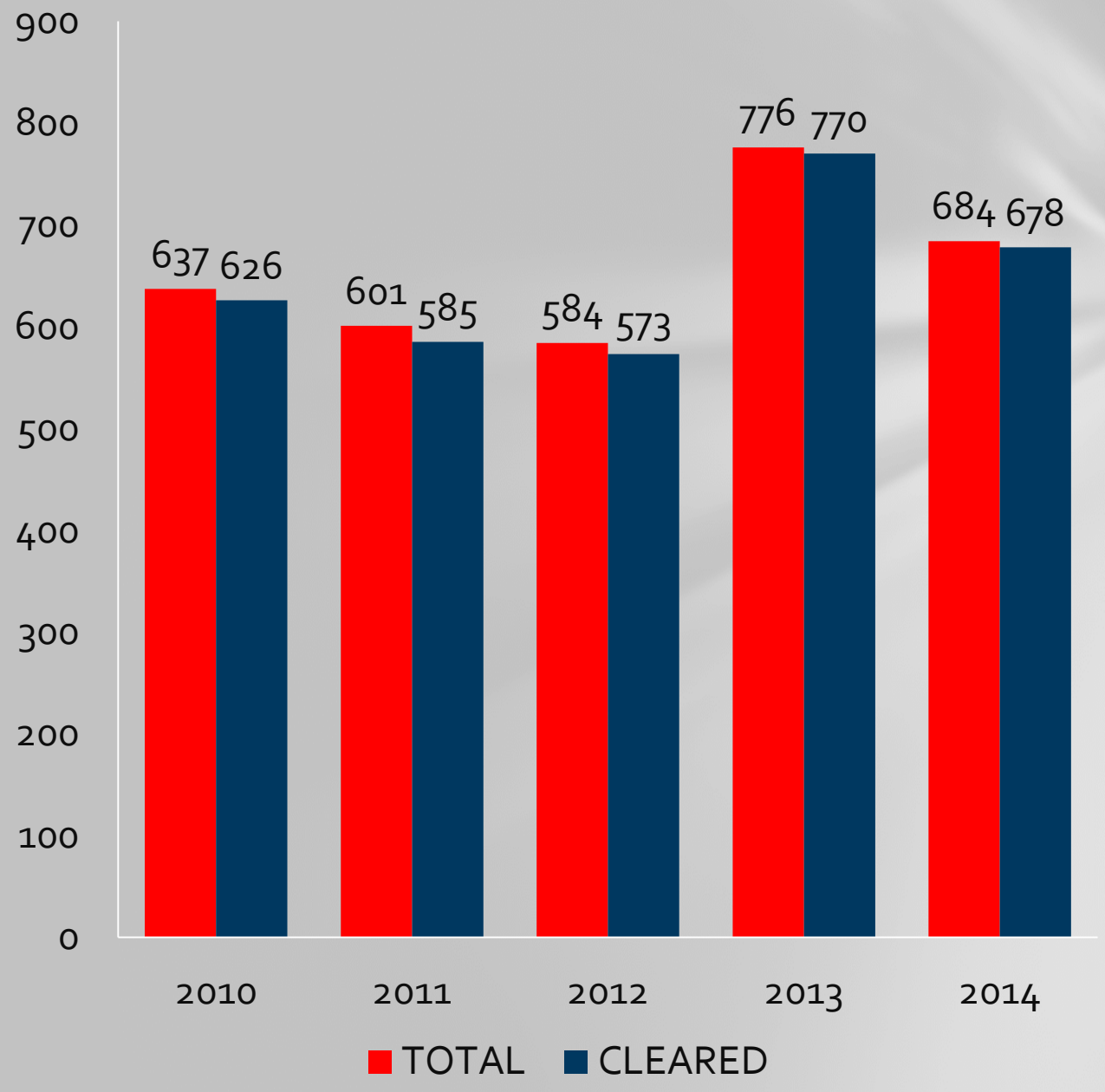
Burglary Clearance Rate
Dover Police Department vs. Nation



NATIONAL FIGURES NOT AVAILABLE FOR 2014

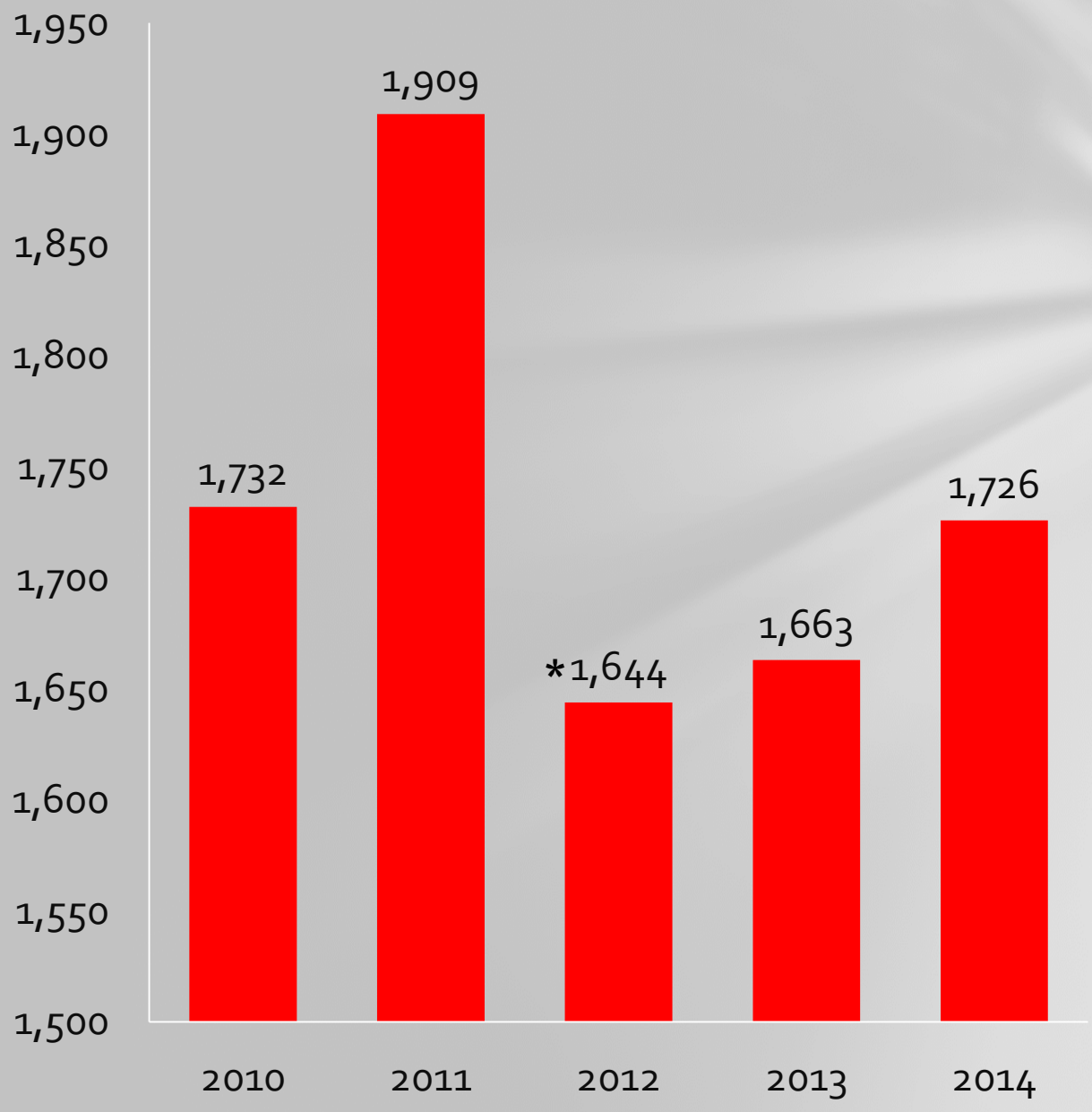
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Drug Offenses
Five Year Comparison



City of Dover Police Department
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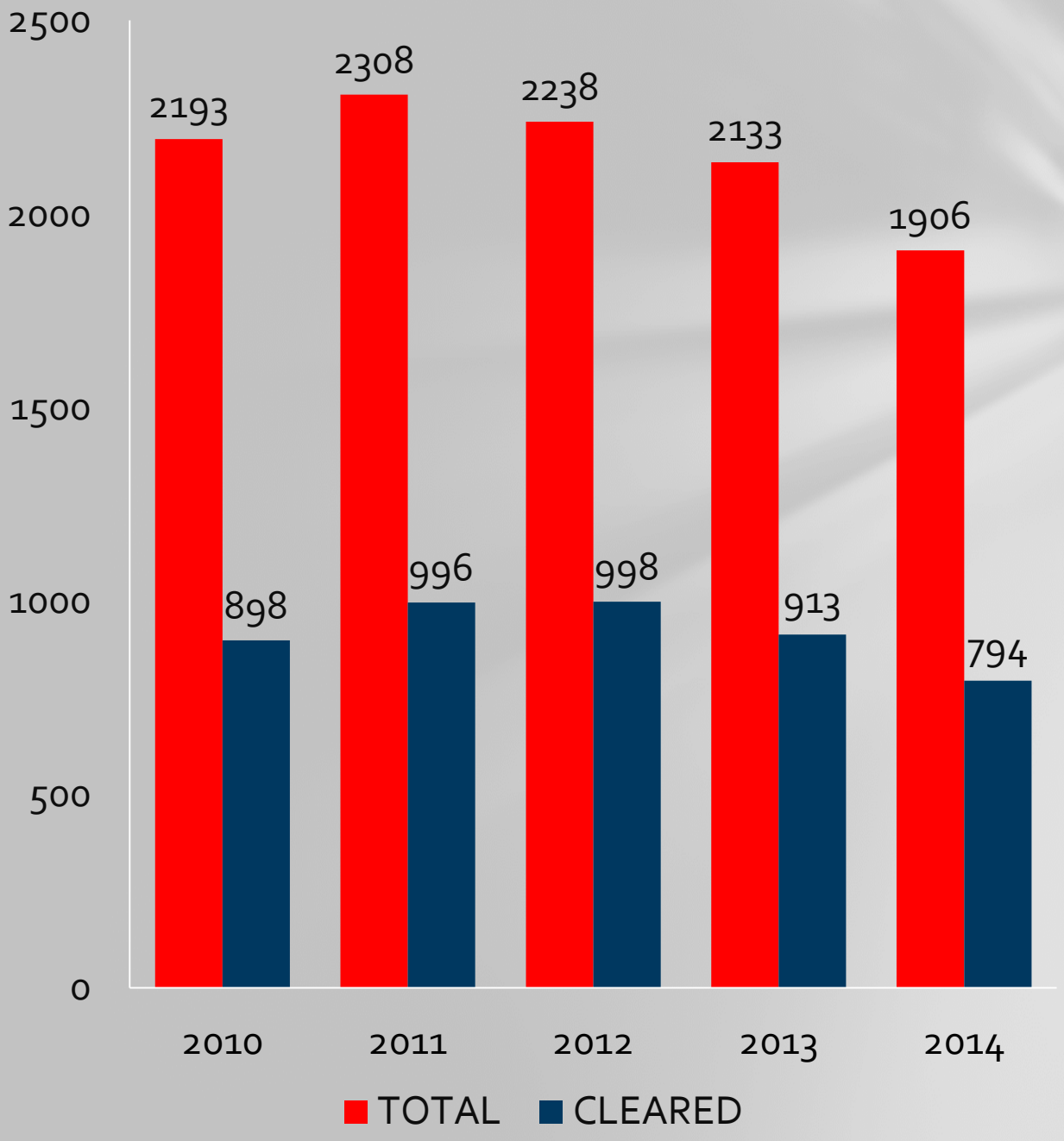
Drug Arrests
By the
Drugs, Vice and Organized Crime Section



*Number of Arrests Dropped Due to Drug Law Changes

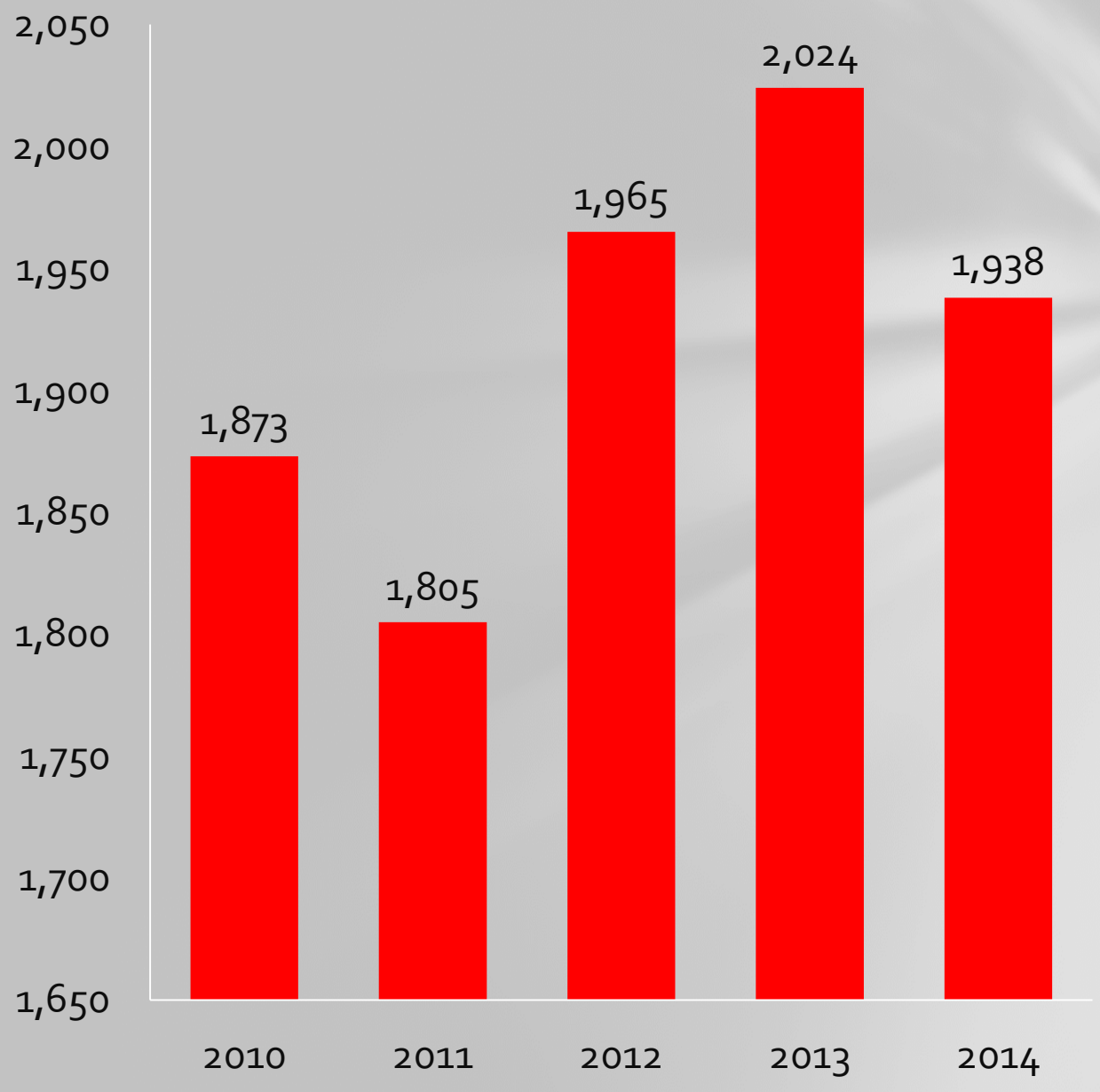
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Property Crime
(Burglary, Theft, Motor Vehicle Theft, Arson)
Five Year Comparison



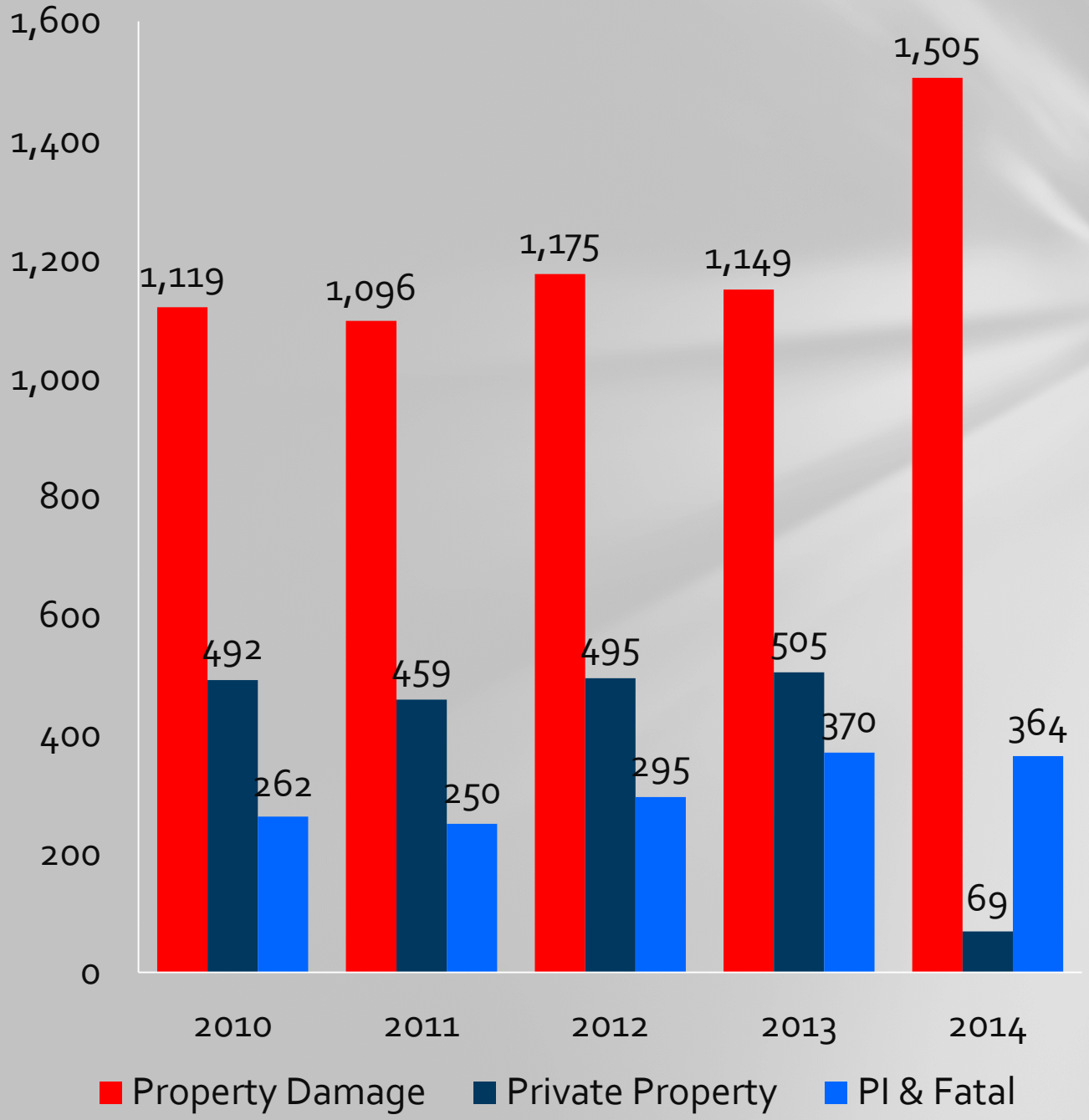
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Crashes
Five Year Comparison



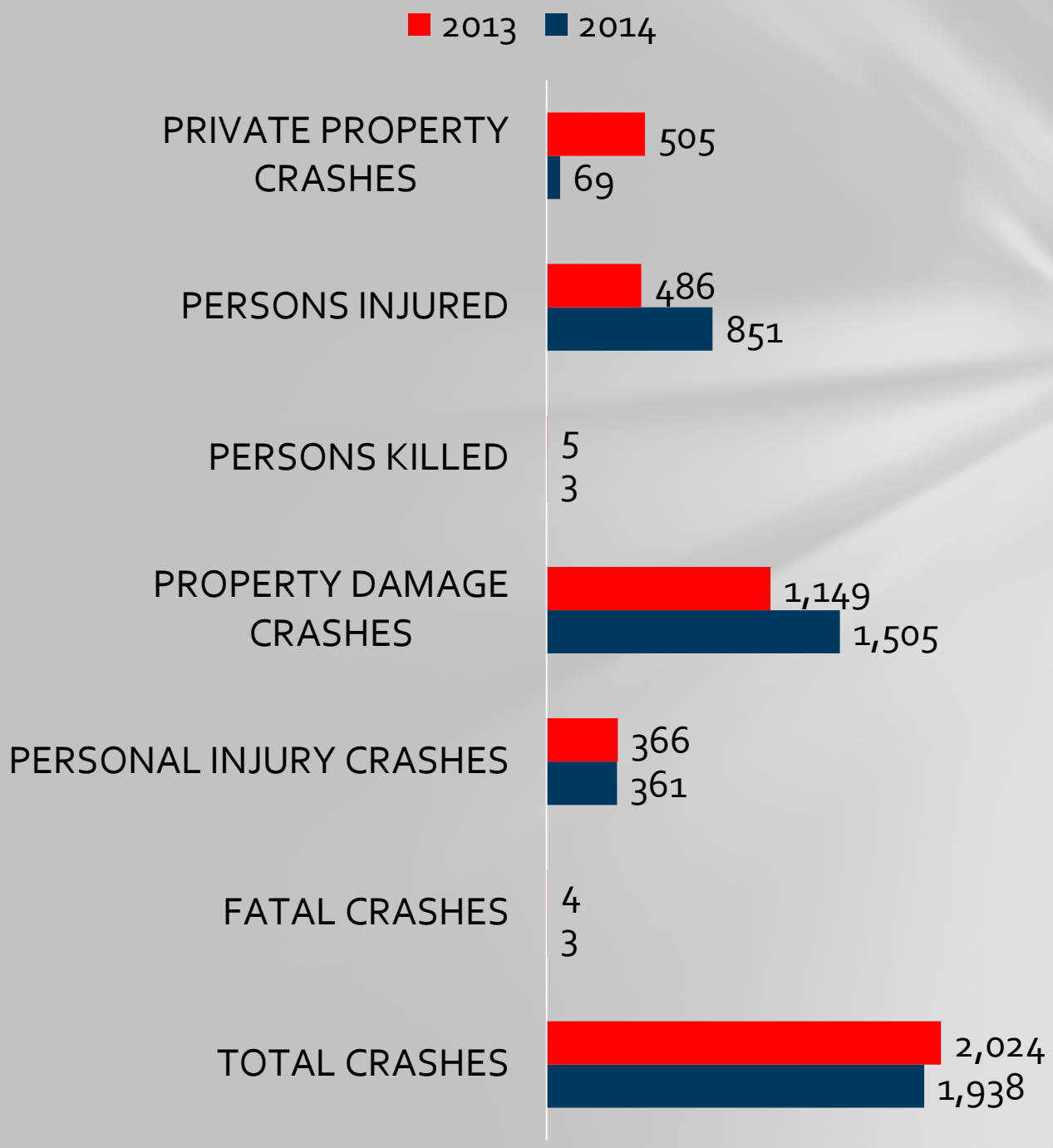
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Crash Breakdown
Five Year Comparison



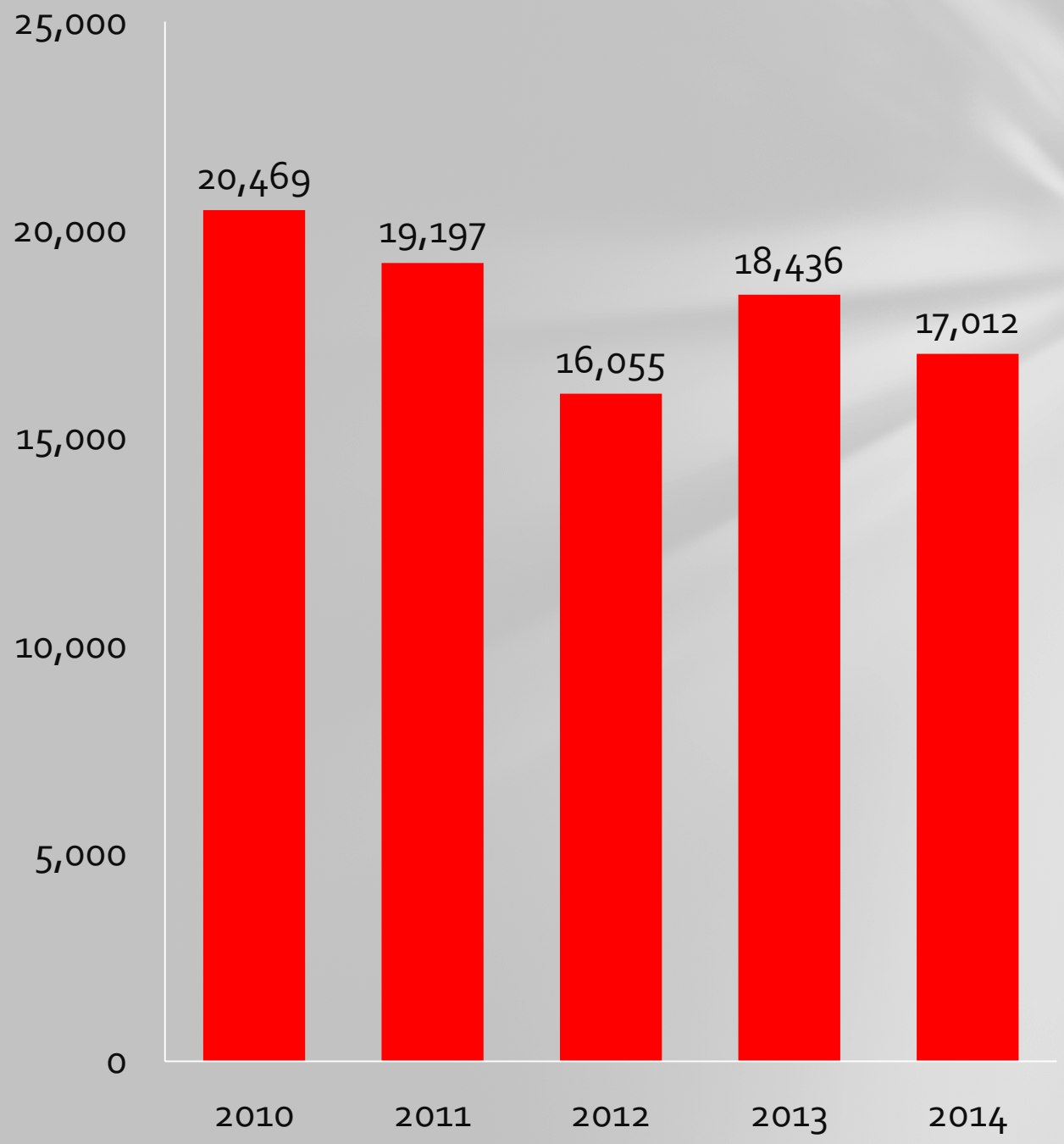
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Traffic Crash Summary



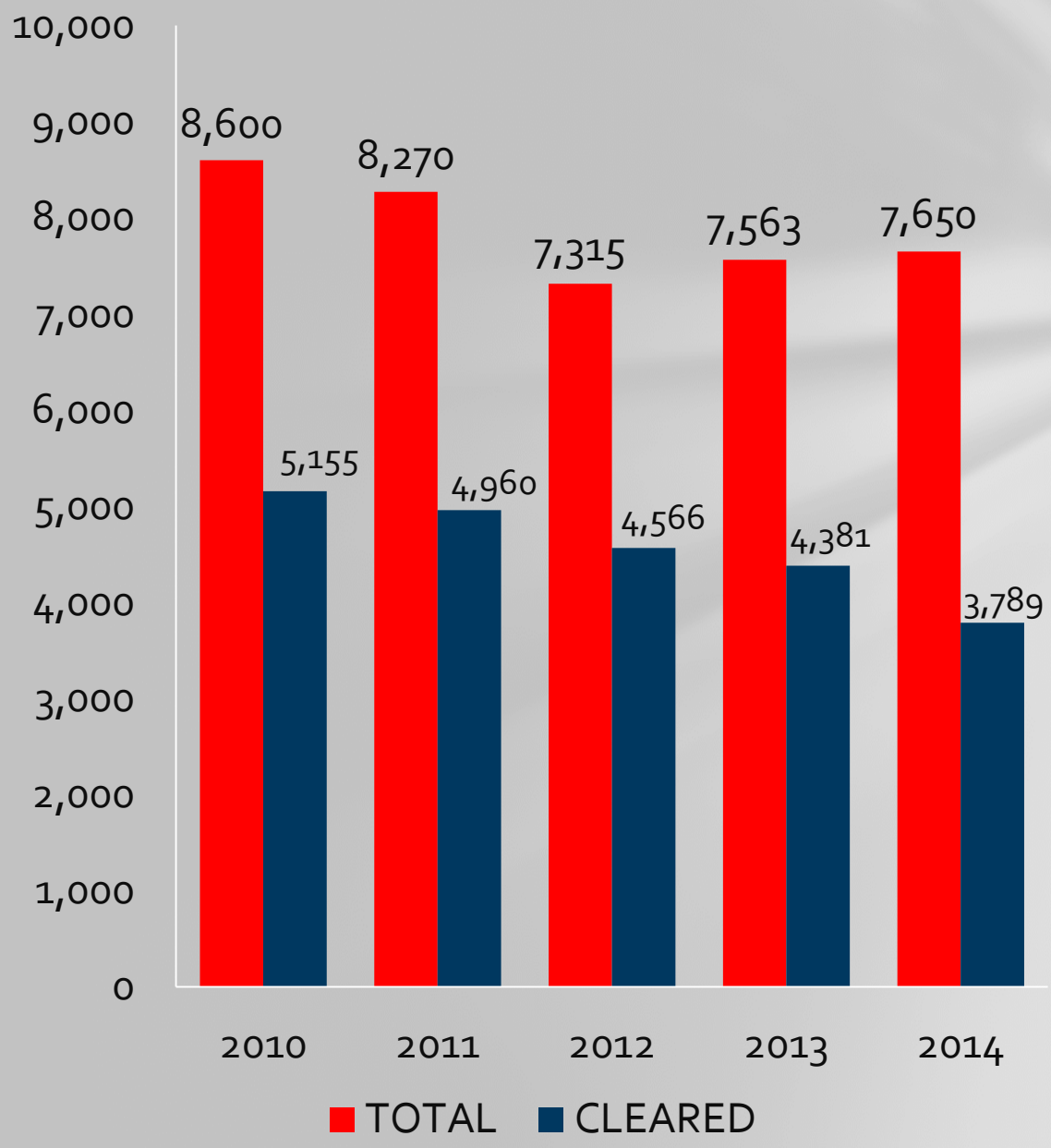
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Traffic Arrests
Five Year Comparison



City of Dover Police Department
Annual Report
City Ordinance Summons
Issued/Paid

Five Year Comparison



Dover Police Department CY2014 Grant Funding Summary

Kent County Levy Court	Totals
Occasionally, Kent County distributes funds to the various police agencies within the county for the services they provide to the citizens in the county. This year, the funds allocated will be used to purchase police equipment and training items for the Special Operations Response Team (SORT), unbudgeted motorcycle lighting and lighting for golf carts used during the several major events held at Dover Downs.	$20,173.00
State Attorney General's Office	
Criminal Justice Council (CJC) Grants – pass-through funding from the USDOJ for special programs and priorities funded by their Byrne Memorial Justice Assistance Program allocation.	
• Funds were provided to fund overtime for monitoring a major drug case, extra duty for other violent crimes and a startup subscription for our social media section.	$16,840.00
State Law Enforcement Assistance Fund (SLEAF) – funding from state drug cases reallocated for supplemental law enforcement equipment & programs. Funds are granted quarterly based on the number of applications received and funds availability.	
• Funds received this year were approved for the purchase of a new K9, kennel and equipment.	12,000.00
State Department of Safety and Homeland Security	
Emergency Illegal Drug Enforcement (EIDE) Grant – funds received for annual allocation of state funding for supplemental law drug enforcement programs. Funds received annually are used for illegal drug enforcement overtime and undercover drug buys.	$13,933.33
Office of Highway Safety Events – Federal pass through funds received from the Office of Highway Safety for extra duty overtime events that target specific program areas in the community.	32,971.40
State Aid to Local Law Enforcement (SALLE) Grants – funds received for annual allocation of state funding for supplemental law enforcement equipment & programs. The annual allocation for this year funded promotional items for Social Media and technology upgrades.	20,516.40
Violent Crimes Fund Grant – supports initiatives to decrease violent crimes in the community. The funds received were used for extra duty overtime enforcement in targeted areas of the city and police equipment.	75,716.48
• In addition, interest earnings from older EIDE, SALLE and Violent Crimes Fund grants were approved this year to fund the start-up costs for the Police Cadet Program that is planned to start in April 2015.	69,968.43
US Department of Justice	
Edward G. Byrne Memorial, Justice Assistance Grant (JAG) – funds received during the year from this recurring federal grant for supplemental law enforcement initiatives.	$21,112.75
US Treasury	
Forfeiture funds received for cases processed through the Federal system - allocated for supplemental law enforcement equipment & programs	$86,758.43
Grand Total	**$369,990.22**

Officer and Civilian of the Year 2014
Dover's Finest

OFFICER OF THE YEAR
PATROLMAN RYAN SCHMID



CIVILIAN OF THE YEAR
DISPATCHER MATTHEW HAWKINS





2014 DOVER POLICE ANNUAL REPORT

Special Thanks to
Sgt. Hermance &
Robert Neylan for the pictures
included in this report.