REGULAR COUNCIL MEETING

The Regular Council Meeting was held on May 27, 2014 at 7:30 p.m. with Council President Bonar presiding. Council members present were Mr. Anderson, Mr. Dixon, Mr. Lynn, Mr. Perza, Mr. Slavin, Mr. Hare, and Mr. Hutchison. Mrs. Williams was absent.

Council staff members present were Police Chief Bernat, Mrs. Mitchell, Mr. Koenig, Mrs. Townshend, City Solicitor Rodriguez, and Mrs. McDowell.

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. Bruce MacGloan, 53 Planters Run Court, referred to a recent newspaper article that indicated that property taxes collected were not sufficient to cover the City's Police Department and his surprise that their budget was almost $14M, representing over $1M per month. He felt that there was a big crime problem in the City and that there should be more effort made to rear young people to become good, law-abiding citizens. It was his feeling that building another basketball court would not be the answer and he suggested a more individual focus of contacting churches in an attempt to reach out to the children before they become teenagers and young adults acting out with violence. He explained the importance of showing children how to live a happy and joyful life and hoped that the City would consider this matter.

The invocation was given by Councilman Dixon, followed by the Pledge of Allegiance.

AGENDA ADDITIONS/DELETIONS

Council President Bonar requested the deletion of Agenda Item #9 - Council President Appointments - 2014/2015 Committees, noting that this item would be considered during the Regular Council Meeting of June 9, 2014.

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

Mr. Hare moved for approval of the consent agenda as presented, seconded by Mr. Dixon and carried by a unanimous roll call vote (Williams absent).

ADOPTION OF MINUTES - ANNUAL COUNCIL MEETING OF MAY 12, 2014

The Minutes of the Annual Council Meeting of May 12, 2014 were unanimously approved by motion of Mr. Hare, seconded by Mr. Dixon and bore the written approval of Council President/Vice-Mayor Acting Bonar.

PUBLIC HEARING - VIOLATION OF THE DANGEROUS BUILDING ORDINANCE - 45 SOUTH NEW STREET - HOUSE OF PRIDE

A public hearing was duly advertised for this time and place to consider a violation of the Dangerous Building Ordinance at 45 South New Street, owned by House of Pride. Mrs. Ann Marie Townshend, Director of Planning and Community Development, stated that the property consisted of a two (2)

story, wood-framed structure. The property was condemned on March 7, 1999 as unfit for human occupancy due to fire damage that occurred earlier that morning. She noted that the property has had minimal utility usage from 1999 to 2014 and that in January of 2004, the House of Pride established utility service but has used no water. On May 6, 2014, the House of Pride applied for a building permit (#14-535), but as the building has been damaged by fire with no attempts to make repairs since 1999, has had longstanding code violations for use as storage, and has been vacant for many years, the information submitted was insufficient to issue the building permit, as a structural report was required. The Department of Planning and Inspections issued a letter on April 29, 2014 notifying the House of Pride of violations of the Dangerous Building Ordinance and the House of Pride sent a letter, dated May 5, 2014, appealing this notice to City Council. Both letters were included in the material provided to members. Mrs. Townshend provided a chronological history and presentation on the conditions of the house located at 45 South New Street ***(Exhibit #1)***.

Mrs. Townshend advised members that the inspectors inspected the property earlier in the day and noted that it appeared that some renovations were occurring; however, although a permit application had been submitted and was currently under review, no building permit had been issued for renovations. She indicated that the inspectors also observed that new windows had been recently installed; however, they did not function correctly, which could be the result of incorrect installation. Mrs. Townshend stated that a structural engineering report, dated May 15, 2014 ***(Exhibit #2)***, was submitted along with the building permit application that was currently under review. She advised members that the City's Building Inspector had concerns regarding some of the repair recommendations. After conducting his inspection earlier in the day, he contacted the engineer and, as a result, the engineer will be submitting revised drawings. Should Council extend the amount of time for repairs or demolition of the structure, a building permit may be issued if all the code compliant documents are received by the City.

Staff recommended that City Council: 1) declare this building and all accessory structures on this property dangerous; 2) order the property repaired or demolished by June 26, 2014 by the owner or equity owner at their own risk; 3) order the Building Inspector to cause the repair or demolition of the structures if not completed by the owner within 10 days of the date established by City Council; and 4) order the City Manager with the assistance of the City Solicitor to cause the cost of repairs or demolition to be charged against the land on which the building exists as a municipal lien or cause such cost to be added to the tax duplicate as an assessment, or to be levied as a special tax, or to be recovered in a suit at law against the owner.

Responding to Mr. Perza, Mrs. Townshend confirmed that if action was being taken to repair the property at a reasonable rate by June 26, 2014, the City would not take further action to demolish the property. She stated that no action had been taken to repair the property until recently. Since there had been some action taken in this regard, she stated that staff would have no objections to extending the repair/demolition completion date from within 10 days to within 45 or 60 days.

In response to Mr. Anderson, Mrs. Townshend stated that, although the majority of the work required for the property was cosmetic, a substantial amount of structural work was also required.

Council President Bonar declared the public hearing open.

Bishop Marion Lott, Executive Director of House of Pride, stated that although he agreed with the report provided to members, he assured members that the House of Pride was in the process of making the necessary repairs to the property. He confirmed that the property was being used for storage prior to his becoming Executive Director. Since he assumed this position, the House of Pride had been prioritizing their buildings and taking the necessary action to bring properties into compliance with City Code. Although the House of Pride property at 45 South New Street was previously not prioritized, he explained that since the violation was posted, the property had been moved up on their list of priorities and the House of Pride was in the process of taking necessary actions. He requested that members of Council extend the time allowed to have the necessary repairs completed, explaining that the property would be a beautiful single-family dwelling, but that this could not be completed within 60 days. Bishop Lott stated that he felt confident that the repairs could be completed by September 2014, which would also allow time to acquire additional funding.

Responding to Mr. Hutchison, Bishop Lott estimated that the necessary repairs would cost approximately $8,000-$10,000; however, a contractor had estimated the cost to be approximately $26,000 to complete the property as desired. He stated that most of the labor was being performed by volunteers and the $8,000-$10,000 cost estimate was for cinder blocks and materials not being donated. Bishop Lott explained that Lowe's and Wyoming Millwork had donated a lot of the material, and that Ace Hardware had donated paint, noting that there is a partnership with many of the local merchants who help provide material.

At the request of Mr. Anderson, Bishop Lott advised members that until he became Executive Director, he was not aware that there were so many homeless families in the area. He explained the grave need for affordable single-family homes in the community and how this need coincided with what they were striving to accomplish in central Dover – the restoration of single-family homes in the community.

There being no one else present wishing to speak during the public hearing, Council President Bonar declared the public hearing closed.

Based on Bishop Lott's comments, Mr. Hare felt that if completion of the repairs could be made by September, which would be close to 90 days, then progress would be made within 30-45 days; therefore, he suggested that Council grant the request for a 90-day extension. Council President Bonar noted that 90 days from the present date would be August 25, 2014.

Mr. Hare moved that the structure located at 45 South New Street be declared a dangerous building and subject to demolition, as recommended by staff; however, that the proposed deadline for repair or demolition be extended from June 26, 2014 to August 25, 2014. The motion was seconded by Mr. Lynn and carried by a unanimous roll call vote (Williams absent).

PUBLIC HEARING - VIOLATION OF THE DANGEROUS BUILDING ORDINANCE - 110 SOUTH NEW STREET - HOUSE OF PRIDE

A public hearing was duly advertised for this time and place to consider a violation of the Dangerous Building Ordinance at 110 South New Street, owned by House of Pride.

Mrs. Ann Marie Townshend, Director of Planning and Community Development, stated that the property consisted of a three (3) story, wood-framed structure. The property was closed by the City on July 23, 2012 due to numerous repeated violations of the Dangerous Building Ordinance, including not having a viable safety plan for the occupants of the building. This was appealed to Council, and staff's actions were upheld by Council following a hearing on August 27, 2012. Since the City required that the structure be vacated, no actions had been taken by the House of Pride to resolve the deficiencies and to obtain a Certificate of Occupancy. On April 29, 2014, the Department of Planning and Inspections issued a letter notifying the House of Pride of violations of the Dangerous Building Ordinance, and House of Pride sent a letter, dated May 5, 2014, appealing this notice to City Council. Both letters were provided to members. Mrs. Townshend stated that, presently, the home had no utilities, was registered as a vacant building, and was condemned as unfit for human occupancy. She provided a chronological history and presentation on the conditions of the house located at 110 South New Street ***(Exhibit #3)***.

Staff recommended that City Council: 1) declare this building and all accessory structures on this property dangerous; 2) order the property repaired or demolished by June 26, 2014 by the owner or equity owner at their own risk; 3) order the Building Inspector to cause the repair or demolition of the structures if not completed by the owner within 10 days of the date established by City Council; and 4) order the City Manager with the assistance of the City Solicitor to cause the cost of repairs or demolition to be charged against the land on which the building exists as a municipal lien or cause such cost to be added to the tax duplicate as an assessment, or to be levied as a special tax, or to be recovered in a suit at law against the owner.

Unlike the previous hearing for violation of the dangerous building ordinance for 45 South New Street, also owned by House of Pride, Mrs. Townshend stated that there had been no activity to make repairs, building permits pending, or discussion of repairs, etc., in regard to this property. In addition, she stated her opinion that the repairs needed for the property at 110 South New Street were more extensive than those at 45 South New Street, also owned by House of Pride.

In response to Mr. Perza, Mrs. Townshend stated that, due to the zoning classification, the property would need to be restored as a single-family home. She noted that the property was not previously used as a single-family dwelling, but rather as a combination of apartment units and rooming house type of occupancy.

Council President Bonar declared the public hearing open.

Bishop Marion Lott, Executive Director of House of Pride, concurred regarding the deplorable condition of the property. He advised members that there were excessive costs involved, indicating that the estimated cost for demolition was $30,000 and repairing the property would cost approximately the same. Bishop Lott explained that the issue was that House of Pride owes money on the building. He stated that the House of Pride was currently in the process of working with a realtor to determine if this property could be combined with property located at 106 South New Street if they could acquire 108 South New Street. It was hoped that combining and selling the properties would allow House of Pride to acquire enough funds to offset some of the costs for other

buildings. Although the House of Pride did not object to the demolition of the building, Bishop Lott requested that City Council provide additional time to determine if the realtor could combine the properties for a possible sale.

Responding to Mr. Hare, Bishop Lott felt that 60 days (July 28) would provide the realtor ample time to complete the combination of property, if possible.

Mrs. Townshend explained that even if an extension were approved, staff's recommendation was to repair or demolish the property by a certain time, not necessarily to have the property under contract. In addition, she reminded members that the City currently had a demolition lien on the property located at 106 South New Street.

In response to Mr. Perza, Mrs. Townshend stated that, to her knowledge, the current property taxes had not been paid for 106, 108, or 110 South New Street.

Responding to Mr. Hutchison, Mrs. Townshend explained that the property was considered a legal, non-conforming use within the property zoning classification, noting that its use as a combination apartment/rooming house was in existence before the zoning ordinance changed to not allow such use. Since its use as such had ceased for more than a year, she stated that such a use could not be re-established.

Bishop Lott assured members of his understanding of the zoning ordinance and that the property must be used as a single-family residence.

There being no one else present wishing to speak during the public hearing, Council President Bonar declared the public hearing closed.

Mr. Hare moved that the structure located at 110 South New Street be declared a dangerous building and subject to demolition, as recommended by staff; however, that the proposed deadline for repair or demolition be extended from June 26, 2014 to July 28, 2014. The motion was seconded by Mr. Lynn and carried by a unanimous roll call vote (Williams absent).

SPECIAL SAFETY ADVISORY AND TRANSPORTATION COMMITTEE REPORT - MAY 12, 2014

A Special Safety Advisory and Transportation Committee Meeting was held on May 12, 2014 with Chairman Hutchison presiding.

Concerns Related to Permit Parking In Front of Wesley Pre-School and Education Building

Members were advised that the Downtown Dover Partnership (DDP) acquired and renovated the property located at 22-24 W. Loockerman Street. A lease was negotiated with Transcore, the State of Delaware's vendor for E-ZPass, and E-ZPass opened at this location in early March. In order to accommodate E-ZPass employees' parking needs, the DDP included the guarantee of 85 parking spaces in the North Street and Bradford Street parking lots for use by E-ZPass employees. This

allocation of parking permits caused the City and DDP to work together to reallocate permit, metered, and free two (2) hour parking within the existing municipal lots managed by the DDP. To balance the need for customer parking with employee parking, the City Manager and City Planner jointly decided to convert 13 parking spaces in what is known as "A-Street Lot" from free two (2) hour parking to permit parking. Without making this change, there would be insufficient parking in the Bradford Street Lot to accommodate both employees and visitors.

The A-Street Lot was utilized for City employee parking for approximately 18 months during the construction of the Dover Public Library. During this time, the City received no complaints and observed no operational issues with this allocation of parking. Prior to, and since designating 13 permit spaces in this area on March 1, 2014, staff continued to monitor this area and regularly observed open parking among the two (2) hour spaces.

Tenants of the Wesley Church Education Building and the Wesley Pre-School expressed concern with the allocation of permit parking in this area, which was previously free two (2) hour parking.

No other municipal lot in the area could accommodate the 13 permits. Staff recommended that the permit parking remain as currently configured. If the Committee and Council wished to reconfigure parking in response to the concerns, staff recommended consideration of the following options:

1. Move the mailbox from the current location to the library parking lot near the post office.
2. Remove large holly trees from the landscape island to allow better access to parallel parking spaces on either side of the island. Plant landscaping that has less conflict with vegetation.
3. Move permit parking from the angled parking spaces to the parallel parking spaces on either side of the island. Some permit spaces would still be necessary in the angled parking area.

Mrs. Ann Marie Townshend, Director of Planning and Community Development, explained that there were a total of 24 parking spaces in the area being discussed: 20 parking spaces in the A-Street Lot (13 designated for permit parking, six (6) for two (2) hour free parking, and one (1) for handicapped parking) and four (4) additional two (2) hour free parallel spots on the Loockerman Street side of the median. She noted that if the holly trees located on the median are not trimmed well, inconvenience is caused for those parking in three (3) of the spaces on the south side of the median. She noted that placement of the drive-through mailbox took away one (1) parking space on the south side of the median.

Mrs. Townshend advised members that when the parking needs and availability of the larger area were examined, there was a need to move 13 permit spots from the Barros, McNamara, Malkiewicz and Taylor, PA law firm (located on the corner of Loockerman and State Streets) to the A-Street Lot because they could not be absorbed in the lots on the west side of State Street. Staff talked to the Wesley United Methodist Church a couple of weeks prior to implementing this change and looked at other options; however, they were unable to come up with anything that would resolve the issue.

Mrs. Townshend suggested that members hear what the public has to say regarding this topic and that the matter be referred to staff to determine if other configurations would address the specific problems. She stated that, in order to address the issue, staff needed to understand better the actual concerns to determine if parking was not available or if parking spots were not convenient.

Mr. Hutchison stated his understanding that Wesley United Methodist Church was looking for a compromise whereby three (3) to five (5) parking spaces could be made available. He questioned if the post office box could be placed in an alternative location and if there was some flexibility to provide spaces for the church. He reminded members that the Church had been at its location for well over 100 years, had made contributions to the community, and that the Church also brought business downtown.

Mr. Scott Koenig, City Manager, stated that staff had tried to keep all the permit parking spots adjacent to each other to avoid multiple conflicting messages in terms of signage. He noted that re-striping had been discussed; however, he felt that significant re-striping would likely involve consultation with the Delaware Department of Transportation (DelDOT). Mr. Koenig stated that staff had not looked at alternative sites for the mailbox. He indicated that the site plan for the Dover Public Library anticipated that the mailbox would be put in a spot similar to its previous location; however, this entrance/exit was very congested. He suggested that there may be better alternative locations.

Mr. Anderson expressed his opinion that taking all of the slots in front of the church had caused "angst" and inquired if a few slots could be open to the church and others reserved for permit parking. Responding, Mr. Koenig reiterated that splitting parking designations could cause a need for additional parking signage and difficulties with adherence. He felt the current method provided the easiest, clearest message, but this could be altered if it was Council's wish.

Mr. Perza advised members that he had attended the Wesley Preschool as a child and his daughter now attends the school; therefore he was familiar with the purpose of this portion of the parking lot and the spots used to drop off children. He indicated

that he did not see the link between these spots and the parking situation on Loockerman Street two (2) to three (3) blocks west. He felt that the situation should be fixed so as not to disrupt the historic use of Wesley Church and the preschool and stated his desire to find a solution to accomplish this.

Mr. Dave Casto, 8 Gregory Court, Chair of Trustees, Wesley United Methodist Church, explained that he understood what the City was going through and this was one of the reasons that the Church had been willing to compromise from the beginning. However, he felt that perhaps compromising rather than stating that the Church did not want parking permits in this area at all had been a mistake. He asked members to imagine a business or private, non-profit, enterprise that offered many programs suddenly having 10 parking spots in front of their building taken, noting that he was unaware of any other location in the City where this had occurred. Mr. Casto indicated that this came as a shock to the Church, as they were not involved in the planning processes or informed of what was going on. He stated that one (1) meeting was held the morning that related signs were put up, after the signs were erected. Mr. Casto advised members that a number of individuals utilize the building for different programs and that some of these programs would be expanding. He stated that the availability of two (2) hour parking would allow the church to serve the developmentally disabled and to operate its Clothing Closet. He explained that, at times, parking is not available in close proximity to the church. Mr. Casto expressed his opinion that the Barros, McNamara, Malkiewicz, and Taylor, PA law firm should have made arrangements for their own parking when they moved across the street, rather than having parking spots taken from the Church. He advised members that the Church had always been a good partner with the City, allowing use of their parking for Dover Days, the Schwartz Center, etc.

Dr. Joyce Denman, Supervisor of Special Education, Capital School District, explained that the District's Student Transition to Adult Readiness (STAR) program was started during the previous year to serve students aged 18-21 with significant disabilities who are eligible for public school services. Since being in a school facility with students aged 14-18 was deemed inappropriate for these students, the Wesley Education Building site was selected due to its location near the Dover Public Library and close proximity to community events. The first complete successful year for the program had concluded and parents, teachers, and paraprofessionals were pleased with the setting. Dr. Denman stated that service personnel, including a psychologist, speech language pathologist, physical therapist, occupational therapists, and administrators, come to the site for short visits every day to provide services. These individuals are on very tight schedules because they work at several sites and convenient parking is important to allow them to complete 30-minute sessions and go to their next assignment. In addition, food service providers deliver breakfast, and subsequently lunch, at this location each day.

Mr. Alex Vaughan, 509 Dyke Branch Road, Trustee, Wesley United Methodist Church, requested clarification regarding the path that brought those present to the current meeting and what led to the "path that was taken last December" (parking changes that were made in the A-Street Lot). Responding, Mr. Hutchison stated that the City was considering parking spaces needed in the downtown area. He stated that this included Wesley United Methodist Church and that parking was being discussed in this context.

Mr. Vaughan stated that, as a trustee, his interest was from an administrative standpoint. He stated he was aware that the parking spaces had something to do with the Barros, McNamara, Malkiewicz and Taylor, PA law firm, but was also led to believe that it had something to do with the new E-ZPass offices on Loockerman Street. He stated his belief that the history of this parking situation went back many years to when the DDP had facilitated acquiring the former Woolworth's building that now houses E-ZPass. Mr. Vaughan did not understand why the parking concerns being discussed were not addressed at the time this project was undertaken.

Mr. Hutchison stated that the City of Dover and DDP had made a commitment to work with E-ZPass to bring new jobs downtown and to work with the State of Delaware to accomplish this. He expressed his hope that the City could work with Wesley United Methodist Church to get the situation resolved.

Mr. Vaughan hoped this would be the result, but stated concern that the Church was not brought into the conversation in December 2013 when staff began addressing the parking concerns. He felt that the parking issues that caused the reallocation of these spaces began several years ago and that leaving the Church out of the discussion was not good neighborhood relations.

In response, Mr. Hutchison stated that he had discussed this matter earlier in the day with Mrs. Townshend and Mr. Koenig, and they were well on the way to addressing the concerns expressed. Mr. Vaughan stated that the Church was looking forward to being part of the process.

Mr. David Evans, Co-Lay Leader of Wesley United Methodist Church, 388 Clark Farm Road, Smyrna, advised members that approximately 95-96% of the Church's service is work for those less fortunate and this work is done out of the Wesley Education Building. He noted that the Clothing Closet serves hundreds of needy people who do not have clothes and likely do not have cars; therefore, they must be driven to the Clothes Closet where it is difficult to find a parking spot. In addition, he estimated that 20 people come to the building every Tuesday at 7:00 a.m. for a Bible study, noting that, at 68 years old, he is one of the youngest attendees. Mr. Evans advised members that he had pulled a gentleman from the holly bushes referred to previously because he stumbled getting out of his car. He felt that it might not have become an issue and Church representatives would not be attending the meeting if someone had approached them first regarding this matter instead of

assuming that the parking spots were not being used, and if the church had explained that 95% of their outreach to needy people was done out of this building. However, he stated that parking was now an issue and a critical need for the individuals who need these services the most.

Mr. Jack Royston, 44 Philchrist Drive, expressed concurrence with the comments of the previous speakers, including the need for better communication "with our friends and neighbors." He stated appreciation for the City taking the time to look into the problem and expressed his hope that it would be resolved in an amicable way.

Reverend Amy Yarnall, 140 Hazel Road, indicated that her views had been expressed and stated her appreciation for the City's consideration of this issue.

Mr. Keller stated that he sympathized with the Church and advised those present that the City would do its very best.

Mr. Hutchison recommended a 45-day delay on the current issue, which would give Mr. Koenig and Mrs. Townshend an opportunity to come back to members with a proposal.

Responding to Mr. Perza regarding the reason for the 45-day time period, Mrs. Townshend stated that the Committee's current special meeting was being held at the beginning of the month rather than the normal meeting date on the fourth Monday of the month. It was planned to bring the issue back to the Committee at the end of June so that staff could sort through possible scenarios.

Mr. Hutchison inquired if something could be done to assist the church in addressing their immediate issues before 45 days. He noted that the correspondence he received regarding this issue indicated a need for three (3) to five (5) parking spaces.

Mrs. Townshend stated that there were on-street parking spaces further west on Loockerman Street adjacent to the building owned by Barros, McNamara, Malkiewicz and Taylor, PA and indicated that some of the permit spaces could be shifted to that area. She stated that five (5) to seven (7), and possibly eight (8) spaces could be accommodated if this area were designated for permit parking. Mr. Koenig stated that this could be done; however, he was unsure what the unintended consequences could be.

Reverend Yarnall advised members that the STAR and Wesley Preschool programs would not be operating at full capacity during the summer and wanted everyone to realize this if studies regarding parking would be conducted in the summertime.

Responding to Mr. Keller as to whether the Barros, McNamara, Malkiewicz and Taylor, PA law firm should also be notified, Mrs. Townshend stated that the law firm was well aware of the issues.

The Committee recommended that the matter be remanded back to staff to meet with Wesley Church to consider the needs and assessments that need to be factored in regarding the Church, its school, and its mission and that staff be authorized to proceed with intermediate permit spot adjustments.

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

Discussion - Traffic Concerns on College Road (Request of Westminster Village)

Mrs. Ann Marie Townshend, Director of Planning and Community Development, stated that there had been a request from a resident at Westminster Village to signalize the exit from Westminster Village onto College Road that lines up with North Dover Elementary School. This request was sent to the Delaware Department of Transportation (DelDOT) traffic section to determine if this was something that they could look at and to analyze crash data. DelDOT determined that a signal would not have prevented any of the accidents that occurred at this location and did not find that a signal was warranted. Mrs. Townshend advised members that there were continual issues with congestion and speeding on the stretch of College Road extending from the University Courtyard Apartments to the Woodlands of Fox Hall. She recommended reaching out to the DelDOT traffic section and the Dover/Kent County Metropolitan Planning Organization (MPO) to perform a traffic study in that area to look at traffic counts and measures that could be put in place to help facilitate better flow of traffic. Mrs. Townshend noted that McKee and College Road were both DelDOT roads and that DelDOT would need to implement any changes.

Mr. Hutchison suggested that staff have DelDOT look at the area due to the large number of students walking between the apartments and the University on a daily basis. Mrs. Townshend concurred, stating that pedestrian issues and efficient traffic flow were both concerns in the area.

Update - Dover High School Construction

Mrs. Ann Marie Townshend, Director of Planning and Community Development, stated that the Capital School District (CSD) had been working with the Fire Marshal's Office to complete fire alarm testing so that furniture could be moved into Dover High School later in May. It was hoped that testing would be complete by the end of the current week, and from a building code standpoint, furniture could then be moved in. It was hoped that a temporary Certificate of Occupancy (CO) would be issued in June: however, Mrs. Townshend expressed some concerns, noting that the Department of Natural Resources and Environmental Control (DNREC) would not agree to a temporary CO until stormwater violations were resolved. She stated that monthly coordination meetings were continuing, with some interim meetings being held regarding stormwater. The stormwater outfall under Route 8 was expected to be finished within the next couple of days, with construction on the east entrance to begin shortly after. Mrs. Townshend stated that staff had advised the

CSD that the east entrance did not need to be entirely complete for the temporary CO to be issued, but the school could not open for the year without its completion. The temporary CO would be very specific as to moving in, setting up, and getting things in place. She noted that DelDOT was getting ready to move forward on the sidewalks and installation of the High-Intensity Activated CrossWalk (HAWK) signal. All but one (1) property owner had signed the easements needed and a more difficult route must be taken to acquire the construction easement for this owner's property.

Responding to Mr. Hutchison regarding the stormwater requirements, Mrs. Townshend stated that DNREC was the controlling factor in regard to stormwater issues and that going against DNREC would jeopardize the City's status as a regulated community under the stormwater program. Mrs. Townshend stated that staff was working very closely with DRNEC and EDiS to make sure these issues are resolved as quickly as possible. She noted that wet weather and the very cold and snowy winter had made the project difficult.

Noting that the southern segment of Dover High Drive and its connection to Tribbett Road must be completed before school opens in September, Mr. Hutchison questioned if staff had issued a written document to that effect. Responding, Mrs. Townshend stated that this had not been done because stormwater appeared to be the biggest concern. However, she concurred that the City was at the point that issues related to the roadway should be put in writing because the roadway is critical.

Noting the importance of the safety of the children, Mr. Keller questioned if the completion of sidewalk construction and the installation of the HAWK signal would be required for a CO. Mrs. Townshend stated that these aspects were under DelDOT's control, rather than the CSD's; however, DelDOT was fairly confident that the HAWK signal and the bulk of the sidewalks would be in place by August. She indicated that no plans had been made to bus the children to school if sidewalks were not completed, but if there were not a safe walking route to school, the CSD would have to provide bus transportation.

Responding to Mr. Hutchison, Mrs. Townshend confirmed that the sidewalks under discussion were on the north side of Route 8. It was her belief that, ultimately, sidewalks would be needed on the south side also, as well as on Mifflin Road.

In response to Mr. Keller, Mrs. Townshend stated her recollection that approximately 200 children would be using the HAWK signal, although parents may transport some of these children.

Mr. Perza questioned if the CSD was aware that they would not be permitted to open the school until all requirements were completed, regardless of whether these requirements were the responsibility of DelDOT or other parties. He expressed the desire to ensure that nothing "slips through the cracks" and that the CSD is made

aware of all requirements. Responding, Mrs. Townshend indicated that these requirements had been stated at the coordination meetings during the past three (3) months; however, she concurred that putting them in writing would be worthwhile. She stated that EdiS had assured staff that the project would be complete.

Mr. Perza expressed a desire to intervene and to avoid "finger pointing" and stated that the bottom line is that children cannot go into the school until it is safe, regardless of who gets it done. He stated he wished to create a record now in this regard. Concurring, Mrs. Townshend stated that the City could not sign off on the project if it were not safe.

By consent agenda, Mr. Hare moved for acceptance of the Special Safety Advisory and Transportation Committee Report, seconded by Mr. Dixon and carried by a unanimous roll call vote (Williams absent).

PARKS, RECREATION, AND COMMUNITY ENHANCEMENT COMMITTEE REPORT - MAY 12, 2014

The Utility Committee met on May 12, 2014 with Chairman Dixon presiding.

Proposed Ordinance #2014-08 - Amending Appendix B - Zoning - Article 3 - District Regulations - Section 10 - Institutional and Office Zone (IO); Section 11 - Neighborhood Commercial Zone (C-1); Section 12 - Limited Commercial Zone (C-1A); Section 13 - Central Commercial Zone (C-2); Section 14 - Limited Central Commercial Zone (C-2A); Section 15 - Service Commercial Zone (C-3); Section 16 - Highway Commercial Zone (C-4); Section 26 - Commercial/Professional Office Development District (C-PO); Article 4 - Zoning Bulk and Parking Regulations; Article 10 - Planning Commission; and Article 12 - Definitions

During the Parks, Recreation, and Community Enhancement Committee meeting held on April 14, 2014, members considered Proposed Ordinance #2014-08. After much discussion, members recommended that Proposed Ordinance #2014-08 be referred back to staff for a final read through to make recommended changes and clarify language, and returned to the Parks, Recreation, and Community Enhancement Committee on May 12, 2014. City Council approved the Committee's recommendation during their regular meeting held on April 28, 2014.

During the Parks, Recreation, and Community Enhancement Committee meeting on May 12, 2014, Mrs. Ann Marie Townshend, Director of Planning and Community Development, advised members that Proposed Ordinance #2014-08 was before the Committee in its original draft format with no revisions since the previous meeting.

Mrs. Townshend stated that she had met with Councilman Perza regarding this matter to address the concerns he expressed during the previous meeting. Mrs. Townshend explained that, historically, when staff proposed zoning text amendments without involving the regulated community, they were often directed

to do so before any action could be taken. As a result, the decision was made to approach the Central Delaware Chamber of Commerce (CDCC), the Kent County Association of Realtors, and other members of the community to review the commercial and office zone ordinances to obtain input before bringing the amendments before Council. A little over a year was spent reviewing the ordinances in great detail and each section was scrutinized in an effort to simplify the zoning ordinance and to broaden specific uses to more general use categories. She stated that another goal was to address consistency from one section to another. Bulk standards were also examined, since experience had shown that these standards were causing good design to be set aside because of setback requirements. It was noted that the Planning Commission had the authority to determine if the circulation on the site did not work well. Thresholds for projects that must be considered by the Planning Commission were also considered.

Mrs. Townshend indicated that more clarification might be needed in Lines 414-420 of the ordinance to make it clear that new buildings would be treated differently than existing buildings.

Mrs. Townshend stated that, to this point, primary discussions had been through the CDCC and the real estate community. Mr. Keith Cooker, Landmark Engineering, and Mr. Bob McLeish, Lighthouse Construction, participated on behalf of homebuilders. She stated that she had spoken with downtown merchants to inform them of the proposed changes. She reminded members that two (2) public hearings would be held regarding the ordinance, one (1) before the Planning Commission and one (1) before City Council; therefore there would be opportunities for the public to share its concerns.

In reference to his original concerns in terms of clarity of some sections of the Proposed Ordinance, particularly Section 2.11(a)-(c), Mr. Perza stated that, after meeting with Mrs. Townshend, reviewing the historic process, and understanding the additional steps that would include opportunities for public input before any changes were made, he withdrew his objection to moving forward to Council with the draft Ordinance as presented.

The Committee recommended adoption of Proposed Ordinance #2014-08, as drafted by the Planning Department.

By consent agenda, Mr. Hare moved for approval of the Committee's recommendation, seconded by Mr. Dixon and carried by a unanimous roll call vote (Williams absent). *(The First Reading of Proposed Ordinance #2014-08 will take place during the latter part of the meeting).*

Updates

Community Development Block Grant (CDBG) Program

Mrs. Tracey Harvey, Planner I, advised the Committee that the staff had met the U. S. expenditure of Community Development Block Grant (CDBG) funds and that all funds were expended 60 days prior to the end of FY 14.

Mrs. Harvey stated that the last Neighborhood Stabilization Program (NSP) home was sold last month, closing this program with a total of 11 homes sold and settlement assistance provided to 10 first time home buyers.

In response to Councilman Hutchison's inquiry as to the level of requests for assistance and support, Mrs. Harvey advised that the number of such requests had increased, and the FY 2014 CDBG budget was increased to support those needs. She noted that the summer tends to be a busier time for the program.

Responding to Mr. Dixon regarding activities related to the Restoring Central Dover Initiative, a planning initiative for the revitalization of central Dover, Mrs. Harvey stated that several related open houses were held during the previous week at Bayard Plaza and they were well attended (approximately 150 people). A successful street fair also took place on May 10, 2014. She indicated that the National Council on Life and Labor Research (NCALL), the lead agency for the Initiative, was the recipient of a related grant from the Wells Fargo Regional Foundation and that completion of an implementation plan for this grant would be the next step for those working on the project.

Recreation Needs Assessment

Mrs. Ann Marie Townshend advised the Committee that staff was approximately six (6) weeks behind where they hoped to be at this point in terms of accomplishing the Recreation Needs Assessment. She stated that it was planned to issue a survey to recreation providers in the area for review and then to distribute the survey to the community within the next two (2) weeks.

In response to Mr. Hutchison regarding the status of demolition of the recreation building at the Dover Park, Mrs. Townshend advised members that demolition bids were due on May 14, 2014. Once Council approves a bidder, staff will move forward with the project. She indicated that an $80,000 placeholder was included in the FY 15 Capital Improvement Plan budget for future use at Dover Park and the planned use of these funds would be determined by the results of the needs assessment.

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

UTILITY COMMITTEE REPORT - MAY 12, 2014

The Utility Committee met on May 12, 2014 with Chairwoman Williams presiding.

Capital School District Request to Transfer Equivalent Dwelling Unit (EDU) Credits (Dover High School)

Mr. Scott Koenig, City Manager, reviewed a request from the Capital School District to transfer water and sewer Equivalent Dwelling Units (EDU) from the current Dover High School property located at 1 Pat Lynn Drive to the new school at 1 Dover High Drive. Mr. Koenig explained that, based on calculations made by Mrs. Sharon Duca, Director of Public Works, if the request were approved, the impact fee for the new school would be $18,207, which would include transferred EDUs from the old property in addition to new EDUs created on the new property. If the request were not approved, the impact fee would be $412,692. Mr. Koenig pointed out that although this request is allowable under the City Code, it is only allowed if approved by Council. Members were advised that, per the City of Dover Code of Ordinances, two (2) references are applicable to this request. The first code reference is located in Chapter 110, Article III – Water Service, Division 3 – Water Impact Fees, Section 110-208 (d), and the second code reference is located in Chapter 110, Article IV – Wastewater Service, Division 3 – Wastewater Impact Fees, Section 110-283 (c). Both sections state that "No EDUs shall be transferred from one property to another property, whether or not such properties are owned by the same person, without the approval of city council."

In response to Mrs. Williams' concern regarding the demolition of the gym, cafeteria, etc. at the current facility, Mr. Koenig advised that members of the Capital School District were present to address those questions.

Mr. Sean Sokolowski, Business Manager for Capital School District, advised members that as of May 12, 2014, it was the District's intent to demolish all of the existing facilities at the current location. Responding to Mrs. Williams, Mr. Sokolowski stated that the fields would remain intact and that keeping the gym, cafeteria, etc. were considered; however, the cost to maintain the structures would be prohibitive. He explained that demolishing the entire facility would allow the contractor to perform a complete demolition. If the contractor were asked to preserve certain sections of the facility, this would change the way the demolition was performed, requiring a great deal more work and increased costs to preserve the heating, air conditioning and ventilation (HVAC), electric, etc.

In response to Mr. Slavin, Mr. Sokolowski confirmed that there is a governance from the Department of Education that the building has to be demolished if funds are accepted for the new facility.

Responding to Mrs. Williams, Mr. Sokolowski said that it was not common practice for the Department of Education to require demolition of the existing structure when building a new facility; however, he stated that the Cape Henlopen School District demolished their facility when they built their new high school and the Laurel School District was looking at doing the same. Mr. Sokolowski stated that if the Capital School District wished to maintain the current high school, the Department of Education would not have provided funds to build the new school and would have had to invest in renovating the current building, which would not have been cost effective. In response to Mrs. Williams concerning other school districts being permitted to keep their existing buildings, Mr. Sokolowski said that this is sometimes allowed but would only be possible if there was enough enrollment to fill the old building and the new building, and the Capital School District did not have this capacity.

In response to Mr. Blakeman, Mr. Sokolowski stated that Capital School District will maintain ownership of the land where the old school is located; however, there were no immediate plans other than to hold on to it for future use, hopefully for another middle school or an elementary school. Mr. Sokolowski noted that when land was being sought for the new high school, there were not many areas within City limits with enough acreage to accommodate the school, grounds for fields, parking lots, etc.; therefore, it did not make sense to let go of the property.

Responding to Mrs. Williams, Mr. Sokolowski stated that the old school property would be accessible to the public, noting that the District continues to keep them in good working order and has rented them out on occasion.

In response to Mr. Slavin regarding the City Manager's recommendation on transferring the EDUs, Mr. Koenig advised members that staff's position was that the request met the technical merits and the decision was up to City Council.

Responding to Mr. Dixon regarding the possibility of retaining the gym and other parts of the facility for youth, Mr. Sokolowski indicated that the gyms at William Henry Middle School and Central Middle School are available; however, funding is not available to do a partial demolition at Dover High School.

Responding to Mr. Perza regarding the City having a basis or a precedent to deny a request for transfer of EDUs, Mr. Koenig stated that such a transfer was approved for Capital School District for their administrative offices; therefore, there was a precedent for approving this type of request, but not for denying it, to his knowledge. In response to Mr. Koenig as to whether he recommended the transfer, Mr. Koenig stated that the Public Works Department indicated that the request met the technical merits and the City Manager's Office recommended approval of the transfer based on those merits.

In response to Mrs. Williams as to whether the gym at the current high school could be left for use as a stand-alone building, Mr. Koenig stated that this was possible; however, the costs associated with doing so would be drastically greater and he did not have authorization to make that recommendation. Additionally, aside from the responsibility and cost associated with maintaining the facility, any agreement that would be established if the gym were to remain would likely include a clause that if the Department of Education wanted to use the property for a school, the City would have to abandon the facility. As a result, it could cost the City millions of dollars to invest in the partial demolition and subsequent maintenance, only to have to abandon the property later. In addition, the certificate that was granted to the Capital School District from the Department of Education specifically stated that the current facility would be demolished.

Responding to Mrs. Williams regarding other issues related to construction of the new high school, Mr. Koenig stated that, at this time, he did not have any additional concerns. He indicated that the Capital School District had committed to building a second entrance, the apartment developer had reinitiated their projects so that the road would be extended and tied into the subdivision, and the additional sidewalks on the north side of Route 8 were progressing. He noted that there was one (1) property that may have to go to condemnation; however, all other property owners had agreed to the easements.

Responding to Mr. Perza as to whether the City should postpone the transfer until after the school is opened to ensure that all outstanding items are completed, Mr. Koenig indicated that impact fees are traditionally paid at the time of occupancy; however, City Council had the option to suspend action on the transfer until all items are complete.

In response to Mr. Blakeman, Mr. Perza advised that if the Capital School District wanted to use the old high school property at a later date, they would have to pay the full impact fees.

The committee recommended approval of the transfer of Equivalent Dwelling Unit (EDU) credits for the Capital School District from 1 Pat Lynn Drive to 1 Dover High Drive.

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

Annual Review and Approval of Governing Policy For Energy Commodity Risk Management

Mr. Scott Koenig, City Manager, reviewed the Governing Policy for Energy Commodity Risk Management and explained that this policy governs how the City trades energy. He stated that the hedge program outlines the rules for good transactions that can be reviewed by the internal committee and lets the public know that the City is following the rules. Mr. Koenig advised members that the changes referenced in the document were basically "housekeeping" changes.

The Committee recommended approval of the Governing Policy for Energy Commodity Risk Management.

By consent agenda, Mr. Hare moved for approval of the Governing Policy for Energy Commodity Risk Management *(Exhibit #4)*, seconded by Mr. Dixon and carried by a unanimous roll call vote (Williams absent).

Quarterly Review of Utility Related Capital Investment Plan (CIP) (Electric and Water/Wastewater)

Mr. Scott Koenig, City Manager, reviewed the Capital Investment Plan Project Tracking Report, as of March 31, 2014 which included the financial status of each project, noting some of the projects were complete and some had not been billed yet.

Mr. Koenig provided updates on the Garrison Farm project, stating that the water, sewer, and electric projects had been authorized by Council and were underway, as well as the earth moving component of the storm water aspect. Mr. Koenig advised members that George & Lynch, Inc., the contractor for the sewer project, had mobilized and it was expected that the tower contractor would mobilize shortly.

Mr. Koenig advised members that Community Transportation Fund projects had been reallocated to South Street adjacent to the hospital, however, it continued to appear open on the report because the contractor had not presented the bill to the City yet.

Mr. Koenig indicated that members were starting to catch up on some of the backlog of capital projects, noting that the Horsepond project had made substantial progress and that Council would be considering the extension for services for the Van Sant proposal during their meeting scheduled for later in the evening.

Responding to Mr. Anderson, Mr. Koenig advised members that the cost of the Garrison Oak Technical Park improvements was approximately $14.2M, including the water tower, the sanitary pumping station and force main, improvements including the road, storm sewers, the water main, gravity sewer main, and design drawings for the entire subdivision. Of that amount, approximately $550,000 was for electric improvements. In response to Mr. Anderson regarding the amount of funds that were provided by City taxpayers and how much was bond money, State contributions, and Calpine contributions, Mr. Koenig stated that he did not have the breakdown with him but offered to provide this information. The State of Delaware did not contribute to the portion of the project that he had described; however, State funds went to the gas line extension. He indicated that there was no cash contribution from Calpine; the $14.2M was City funds from General Fund Bonding, the Water/Sewer Fund, and the Electric Fund.

In response to Mr. Slavin, Mr. Koenig advised that the City did not contribute to the gas line and that the total cost was roughly $7M, $2M of which was paid by the state.

Responding to Mr. Anderson, Mr. Koenig advised that the in-ground pipe and elevated storage inside the Garrison Oak Technical Park were designed for the full build-out of the Park; however, if additional wattage is required, it will be necessary to develop additional water resources. Mrs. Williams stated that the Purchase Power Agreement (PPA) and water revenues would be primary resources to recapture costs.

Responding to Mr. Perza, Mr. Koenig stated that it was his plan to resume the Tar Ditch Interceptor project within the next 60 days and he hoped to meet with the property owners to attempt to acquire some of the easements.

TEA/NAES Report *(March)*
The TEA/NAES Monthly Report for March 2014 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.

The Committee recommended acceptance of the report.

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

Updates
Green Energy Funding and Programming
Members reviewed details regarding Green Energy Funding and Programming.

National Pollution Discharge Elimination System (NPDES)
Mr. Scott Koenig, City Manager, advised members that the City received three (3) notices of violation of the Municipal Separate Storm Sewer System (MS4) permit. One violation was for non-compliance and two (2) violations were related to properties owned by the City: the former Public Works site and the City of Dover warehouse site. Staff was currently working through these notices of violations and would be making the associated corrections to become compliant. Mr. Koenig advised members that the presentation provided at the Budget Hearings scheduled for the next week would include a request for an Environmental Scientist position to address these issues and remain compliant.

Responding to Mr. Hutchison, Mr. Koenig advised that the violations had not cost the City money to date; however, if the City does not become and remain in compliance, financial penalties could be assessed.

Garrison Oak Technical Park Project Updates
Mr. Scott Koenig, City Manager, provided the following updates:

City Infrastructure
Mr. Koenig advised members that A-Del Construction Company, the City's earth work and road contractor, had begun digging the ponds associated with storm water management. George & Lynch, Inc. was putting in a 16-inch force main on White

Oak Road that will extend back from the Garrison Farm under Route 1 to the White Oak Farm pump station. He indicated that as soon as there is a passable drive back to the elevated storage tower site, the earth work associated with the sanitary pump station should begin. Mr. Koenig indicated that the work could begin during the current week. He noted that engineers had been reviewing all of the field drawings to proceed with that portion of the project.

Calpine Energy Center

Mr. Scott Koenig, City Manager, stated that the Calpine Energy Center was heavily under construction. He advised that weekly teleconferences were continuing regarding the right-of-way clearing back to the 230kV tie and work was progressing with Delmarva Power on building the radio line from the 230kV tie back to the Garrison Energy Center. Mr. Koenig also stated that the gas main work was underway and, as of May 12, 2014, was approximately 52% complete. It was hoped that the area around Dover Downs would be cleaned up in advance of the Firefly Festival so that gas line construction would not be taking place in that area during the festival. He noted that the Uzin Utz project was nearing final approval, noting that a ground breaking was scheduled on Tuesday, May 13, 2014 and construction would begin shortly at Calpine. In addition, Mr. Koenig advised that Chesapeake Gas was scheduled to install the gas distribution line through the Garrison Farm infrastructure once the roads are generally laid out. Mr. Koenig stated that the construction was scheduled for substantial completion by the end of 2014 and that projects seemed to be progressing as scheduled in order to receive flows for Calpine and Uzin Utz.

Dover Sun Park

Members reviewed details regarding the Dover Sun Park.

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

LEGISLATIVE, FINANCE, AND ADMINISTRATION COMMITTEE REPORT - MAY 12, 2014

The Legislative, Finance, and Administration Committee met on May 12, 2014 with Chairman Lynn presiding.

Downtown Dover Business Improvement District (BID) Budget and Assessment (Tax) Rates for Fiscal Year 2014/2015

Ms. Cheryl Russell, Tax Assessor, explained that the Business Improvement District (BID) Ordinance adopted by City Council requires that Council adopt a BID budget and assessment every year. She stated that this report represents the proposed budget and assessment for fiscal year 2014-15. Ms. Russell informed members that, based on the assessments provided by the City's Tax Office, the proposed revenue was $50,000, which would allow for the personnel and administration expenses in the amount of $50,000.

Staff recommended approval of the proposed budget and assessment (tax) rates for Fiscal Year 2014/2015, as presented.

The Committee recommended approval of staff's recommendation.

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

Discussion - Responsibilities and Reporting Structure for the Mayor and City Manager and Continuation of Full-Time Status for the Position of Mayor

Councilman Hutchison stated that it was very important for members to keep in mind that the City of Dover has a City Manager form of government, and that the largest department within the City is the Police Department, with a total of 130.5 people, a budget of $13.5M per year, with $500,000 per year in overtime costs and 700,000 per a year in extra duty work, and that the Police Department also oversees a number of grants ranging from $200,000 to $400,000 annually. He reminded members to also keep in mind that the Police Department has a very complex payroll system, and that the City has strict guidelines and policies regarding promotions and discipline.
(City Clerk's Office Note: The City of Dover has operated under a modified Council-City Manager form of government since 1929.)

Mr. Hutchison stated that the Secretary of Homeland Security is in charge of the Delaware State Police, noting that the Secretary is a professional, as is the City Manager for the City of Dover.

Referring to the City's organizational structure, Mr. Hutchison informed members that, having served as Police Chief as well as a part-time and full-time Mayor for the City, one (1) of his greatest concerns was the serious disconnect of the Mayor from the structure of the City. He stated that, as a result of the 1988 Consent Decree, the Mayor was removed from the Council Chambers, lost connection with the City Manager and Council, and was left to do what he/she would like to do. Mr. Hutchison advised members that, whether the City has a full-time or part-time Mayor, it is absolutely necessary to have a job description as well as responsibilities and duties.

Mr. Hutchison expressed his opinion that the City of Dover has one (1) of the finest police department's in the State of Delaware; however, he indicated his concern with the fact that when a Police Chief retires or leaves, only the Mayor is involved with the selection of the new Police Chief. As an alternative, Mr. Hutchison suggested that members consider a change to require the selection of the Police Chief by a Committee of three (3), consisting of the Mayor, City Manager and Council President. He further recommended that following the Committee's interview process, they make a recommendation to City Council for confirmation. Mr. Hutchison stated that this proposed change would bring the Mayor, City Manager, Council and Police Department under one (1) control and, in his opinion, would work a lot better than the current method.

Mr. Hare expressed his opinion that the City of Dover needs to decide whether to have a strong Mayor or City Manager type of government, noting that the City has had a hybrid type of government for as long as he could remember. Mr. Hare stated

that, in 1997, when the Mayor's position became full-time, he thought that the City was going to switch to a strong Mayor type of government but it remained the same. It was his recollection that when the Mayor first became a full-time position, a job description was created; however, over the years, it had been eliminated. Mr. Hare stated that he did not disagree with the hiring policy and, whether or not the Mayor or City Manager is in charge of the Police Department, he indicated that the selection of the Chief by a Committee of three (3) would probably be good.

Mayor Bonar thanked Mr. Lynn for compiling the in-depth information provided on this topic, and expressed his personal support of the Police Department. He indicated that when this topic was discussed during the 1990s, the members involved, including himself, had the best intentions of a having a system that would operate in the best interest of the City, noting that all of the debate and discussion was prefaced by the phrase "as we perceive it." Mayor Bonar expressed his opinion that Mr. Hutchison's suggestion for putting the Police Chief under the City Manager bears merit, but suggested the possibility of creating a Committee with four (4) members for the selection process for the Police Chief. He agreed with Mr. Hutchison that the complexities of the Police Department are increasingly detailed and stated that it requires oversight by someone who is familiar with not only day to day personal management procedures, but also budgeting and hiring procedures as well as contract negotiations. Mayor Bonar expressed his opinion that, nine (9) times out of 10, the City would not elect a Mayor with that type of expertise, but noted that those abilities could be realized by involving the Council President, City Manager, and others in the selection process for the Police Chief. Mayor Bonar reminded members that, ultimately, it was the Committee's decision whether to forward this matter to Council for full debate, but expressed his opinion that the public should be provided with an opportunity to comment. Referring to the information provided with regard to this topic, Mayor Bonar noted that there were a great number of municipalities throughout the region which have the Police Chief under a City Manager form of oversight, and that it is indicative that most cities with the same type of government as the City of Dover are satisfied with this type of structure.

Mr. Lynn stated that it was important to separate the various issues surrounding this topic, noting that the City's type of government had become intermingled with the decision about whether or not to limit or reduce the Mayor's powers as well as the decision regarding the part-time/full-time Mayor.

Noting that the Legislative and Finance Committee Report of January 25, 1995 and the Special Council Meeting minutes of January 29, 2004 reflect Mr. Hutchison's advocacy for a full-time Mayor in the City of Dover, Mr. Lynn questioned what had changed Mr. Hutchison's position regarding this topic. Responding, Mr. Hutchison stated that the status of the full-time Mayor today has changed, compared to what it was when he held the office. For example, he stated that one (1) of the duties and responsibilities of the full-time Mayor was to handle economic development for the entire City; whereas, today there are three (3) additional positions which handle economic development. Additionally, Mr. Hutchison explained that there have been

many changes over the last 10 years with regard to salaries, benefits, payroll, and the complexities of contracts and he believed that it would be unfair for the Mayor to be responsible for these matters without having the training to do so. He stated that he still wholeheartedly supported a full-time Mayor but explained that the City cannot have a full-time Mayor if he/she is not going to be given and held accountable for specific duties and responsibilities. Mr. Hutchison stated that the Mayor could maintain responsibility for the Police Department, with the City Manager running the daily operations and reporting to the Mayor.

Mr. Hare stated that he did not have any objections to the City of Dover having a Mayor-Council form of government or a full-time Mayor, but noted that in cities with a Mayor-Council form of government or a strong Mayor, the Mayor typically has an assistant with similar qualifications and responsibilities as a City Manager. Mr. Hare expressed his opinion that the Mayor of the City of Dover be given more responsibility.

Councilman Anderson stated that Mr. Hutchison had raised valid points, and noted that having input from the City Manager, or City's Manager representative, and the Council President, or the Council President's representative, would be a very sensible approach for hiring of a replacement Police Chief. Mr. Anderson expressed his opinion that this type of advice and overview would be helpful in the future but noted that it had not been necessary in the past because the City of Dover Code does not allow for outside recruitment for the Chief of Police. He shared his belief that most promotions should be made from with inside the City but that the complete elimination of potential candidates not employed by the City narrows the field. Mr. Anderson suggested that the City conduct a review of the entire process for hiring the Police Chief. He stated that the idea that members of City Council should confirm the selection for Police Chief makes sense, since the Mayor's other appointments require such confirmation. He stated that he was not in favor of the idea of completely restructuring, noting that there was a movement in the U.S. to restore some measure of accountability to elected officials and law enforcement. Mr. Economic Development Office under the Mayor's Office which he believed had proven to be a beneficial decision with positive results, in terms of helping businesses grow and bringing jobs to the City.

Councilwoman Williams reminded members that, for varying reasons, the last two (2) full-time Mayors did not complete their terms of office and that the recent change to four (4) year terms for the Mayor and members of Council have markedly changed the Office of the Mayor. She also noted that Council currently has the ability to discharge the city manager; however, there is no method, beyond resignation, for recourse of action if Council is dissatisfied with the Mayor. She expressed her concern that the City does not have a provision for recall or impeachment, noting that it could present a problem when there is a full-time Mayor.

Mr. Slavin stated that he was a proponent of a full-time Mayor in 2004 and remained a proponent for several reasons. He expressed his belief that, beyond the Mayor's veto power, Council needs a checks and balance system with a full-time presence.

He stated that Council should use this an opportunity to further delineate the two (2) branches of government, noting that the hybrid approach has blended them and led to confusion. Mr. Slavin emphasized that the City of Dover needs a full-time Mayor because it is a full-time city.

Referring to information compiled by the National League of Cities regarding forms of government, Mr. Lynn reviewed the characteristics of a Mayor-Council form of government and shared his opinion that the City of Dover's form of government has suited the City well throughout its history and that there is plenty of room to grow into this form of government, given that New York, Chicago, Philadelphia, and Los Angeles have a similar form of government. In regard to a full-time or part-time Mayor, he noted that the issue was discussed in incredible detail in both the 1990s and in 2004 and that, in both instances, City Council was of the decision that the position of Mayor should be full-time. Additionally, Mr. Lynn stated that a referendum was held which demonstrated that the citizens of the City were in favor of a full-time Mayor and, expressed his belief that, nothing had occurred to lead members to conclude anything to the contrary. With regard to the powers and duties of the Mayor, Mr. Lynn shared a sentiment expressed by Councilman Perza that "the guys with the guns ought to answer to an elected official." He noted his belief that it would be a dangerous precedent for the Dover Police Department to report to a bureaucrat or unelected official, like the City Manager. Referring to the powers and duties of the Mayor, Mr. Lynn stated his opinion that there is room to rein in the financial aspect of the Mayor's role with regard to the Police Department, explaining that the budgeting for the Police Department should be proactive instead of reactionary to allow Council the opportunity to have an actual role in forming some of the financial policies of the Police Department, and provide the Controller/Treasurer or another City staff member an opportunity to maintain the financial checks and balances within the Police Department.

Mr. Hutchison stated that the City Manager is the City's paid expert who works for the Mayor and Council. It was his belief that the Police Department runs itself for the most part but that placing the City Manager in charge of the daily operations would provide a chain of command with the Police Chief reporting to the City Manager, who reports directly to the Mayor and Council. It was Mr. Hutchison's opinion that this type of organizational structure would allow the Mayor to remain as the "point person" for the City while bringing the total City together beginning with the Mayor, City Manager, and Council.

Mr. Lynn cautioned members that decisions in contravention of the City's Charter should not be made based upon the exigencies of the moment, in a rush to judgement. He stated that the formation of the City's government was made with long deliberation and should not be changed over the course of a week as the result of one (1) event. Mr. Lynn agreed that the current City Manager, Mr. Scott Koenig, was a professional; however, he reminded members that within the past three (3) years, there were discussions in which the judgement and ethics of the former City Manager were called into question. Noting that no single office in the City is immune from corruption or doubt or any other character flaws, Mr. Lynn expressed his opinion that

the authority of the Police Department should be placed in the hands of an elected official who the electorate controls, rather than in the hands of a bureaucrat, whom it would take nine (9) members of Council to rein in.

Mr. Hare agreed that these issues could not be resolved in one (1) meeting. He expressed his preference that members discuss and decide upon the appropriate form of government for the City, prior to entertaining discussion regarding the full-time or part-time Mayor.

In regard to the issue of having a full-time Mayor, Mr. Anderson noted that more than 70% of the citizens previously voted in the referendum and that he had not heard a groundswell for change in this regard but the opposite. He expressed that he would like to see someone who is extraordinarily competent and capable in this position but that the budgetary matters for all departments should go through the City Manager's Office. In regard to the Police Department reporting the City Manager, Mr. Anderson cautioned members to remember that the City's Charter prohibited Council from engaging with employees under the direction of the City Manager without permission, noting that he would not want to be "out of the loop" when it comes to something as important as law enforcement.

Responding to Mr. Anderson, Mr. Hare stated that he would favor a change to a City Administrator who reports to the Mayor with Council's approval, instead of having a City Manager, if that were the decision of the Council.

Mayor Bonar reviewed the "Current Trends" in municipal forms of government compiled by the National League of Cities. He encouraged members to review the valuable information available on these issues. He stated that the members had brought up really good points and that the Committee would have to decide how to proceed. Mayor Bonar noted the possibility of creating a group to explore these issues in more detail, reminding members that there would be several months in which to consider these matters before the legislative session occurs in January. He suggested that an opportunity be provided for constituents to express how they feel.

Mr. Edward Christian, Jr., 9 Pennwood Dr., Dover, stated that he was accustomed to the City Manager-City Council form of government, in which the Mayor was chosen by City Council members to serve as the presiding officer of City Council and assigned a number of ceremonial duties. He noted that under this form of government, a City Manager was hired by and served under the direction of the City Council, and if he/she was not suitable for the job, then he/she was fired by City Council. In regard to the position of Mayor, Mr. Christian indicated his belief that the duties and responsibilities for the Mayor of the City of Dover were developed based upon the qualifications and areas of expertise of the individual who held the office when it became a full-time, salaried position, and questioned whether the City would find anyone else with that level of expertise to manage the City. He stated that voters often make decisions based on their personal "comfort zones" but rely on the elected officials to lead and guide. Mr. Christian stated that elected officials have a tendency to make decisions based upon what will keep them in office; however, he

encouraged members to make decisions based on what needs to be done for the benefit of the citizens of the City, while keeping in mind what other cities and localities are doing, as well as relevant history.

Mr. Lynn reminded members that this was not necessarily an item which the Committee would need to take action on; however, action could be entertained. As advised by the City Clerk, Traci McDowell, he noted that the Consent Decree may prohibit a strong Mayor.

Mr. Rushe stated his belief that the Committee needs to hear more public comment before taking any action.

Mr. Hutchison agreed that the City should allow for further public input and discussion.

Mayor Bonar agreed that further public input seemed warranted, noting that this evening's discussion revealed a strong consensus that these topics should at least be considered.

Mr. Hare moved to bring this matter back to the Committee to allow for public input and further discussion in regard to the different forms of government.

Responding to Mr. Lynn, Mr. Hare stated that the intent of his motion was for the Committee to examine the form of government issue prior to any further discussion regarding the role of the Mayor.

After further clarification and discussion, Mr. Hare withdrew his motion.

Mr. Slavin moved for the Committee to continue discussion of the responsibilities and reporting structure for the Mayor and City Manager and continuation of full-time status for the position of Mayor, following the 2014 Special Mayoral Election, seconded by Mr. Hare.

Mr. Slavin clarified that his motion was to include future discussion of the matter as introduced on this evening's agenda.

Mr. Anderson noted his support for the motion.

The Committee recommended to continue discussion of the responsibilities and reporting structure for the Mayor and City Manager and continuation of full-time status for the position of Mayor, following the 2014 Special Mayoral Election.

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

Proposed Planning and Inspections Fee Increases

Mrs. Ann Marie Townshend, Director of Planning and Community Development, reviewed Planning and Inspections fee increases proposed for FY 2014/2015. She reminded members that the proposed fee increases were previously presented to members of City Council during the City Council Budget Workshop of March 31, 2014.

Mrs. Townshend stated that in reviewing the Planning and Inspections fees, she focused on: 1) the fees that do not come close to cost recovery; and 2) the last time each fee was reviewed. Referring to the fees that do not come close to cost recovery, she expressed her opinion that it did not make very good business sense to place the burden on the taxpayers for a service that benefits one (1) person. For example, she stated when there is a Board of Adjustment application, the meeting costs approximately $600, including $75 per Board member in attendance, legal fees to have legal counsel available, and the costs associated with a newspaper ad and mailing notices. Mrs. Townshend explained that the current fee for a residential variance was $200 and the current fee for a commercial variance was $300; therefore, the fees for this service do not come close to recovering the City's costs. She stated that staff does advise interested applicants when they believe the applicant does not have a very strong case; however, the applicants often decide to proceed.

Mrs. Townshend explained that the proposed increases include several fees in the planning application and building permit category that had not been reviewed or updated since 2004, and that the City's rental permit fees had not been changed since 2000. She also stated that the City's public occupancy permit fees had not been adjusted since 1993 and informed members that these permits cost a great deal of staff time to administer because they require the fire marshals to conduct annual site inspections.

Mrs. Townshend stated that she also tried to keep the economic climate in mind while reviewing the fees to make sure that the proposals would not jeopardize economic recovery. She noted that the proposed fee increases are modest and do not significantly increase the cost of doing business but would allow the City to recover more of the costs associated with providing services.

In regard to the proposed increase for the sign permit fee, Mrs. Townshend explained that many of the City's sign permits are very near to the minimum fee and that the penalty for installing a sign without a permit is that the permit fee is doubled. She stated that staff had experienced people laughing at them when they inform them that their permit will increase to $30 or $50 as a result of the penalty.

Mrs. Townshend informed members that she also reviewed fees for other agencies throughout the State of Delaware and that, in all cases, the City of Dover's fees, including the proposed increases, were below many other localities and in line with others.

Mr. Slavin reminded members that fee increases are always a difficult issue and when the economy is good, the public asks why the City is trying to slow down the economy and when the economy is bad, why the City is trying to make it harder to do business. He shared his appreciation for the way that Mrs. Townshend presented the information and the inclusion of the last time each fee was adjusted. Mr. Slavin questioned if there was any thought to reintroducing the concept of putting fees on an escalator that would allow for a minor adjustment every other year. He stated that he had talked to a number of people in the business community who said that they would rather see small adjustments to fees than a one time adjustment every so many years.

Responding, Mrs. Townshend stated that when staff proposed an escalator for the business license fee in 2010, the business community was opposed. She stated that whichever way staff approaches fee increases proves to be the opposite of the way that the business community would want it at that point in time. She stated that the key to the proposed fee increases was keeping the adjustments modest, explaining that, if the City really wanted to correct not having increased the fees for 10 to 20 years, staff would have proposed more significant increases. For example, Mrs. Townshend noted that most of the public occupancy permits, which require the fire marshals to conduct annual fire safety inspections, were currently $25 per year and were proposed to increase to $50 per year.

Mr. Slavin questioned whether the proposed increases had been vetted by the business community and whether staff had contacted the Chamber of Commerce. Responding, Mrs. Townshend stated that she had not spoken to the Chamber of Commerce but offered to do so. She stated that the difference between the current proposal and those considered in previous years was that the previous proposals included significantly larger increases. Mrs. Townshend reminded members that the rental permit fees were always controversial. She stated that, as proposed, the rental permit fee would increase from $90 to $100 for a house per year and expressed her opinion that rents have surely increased well over $10 within the past 14 years.

Mr. Slavin expressed his disagreement with a cost recovery model for fees, stating that, although it is not the case with the current proposal, aligning services with the costs to recover the services typically makes the City overly aggressive on fees. He indicated that many of the individuals who access these services have already paid for them through property taxes and other costs. Mr. Slavin cautioned that the City needed to be very careful to ensure that individuals are not denied their due process rights because they cannot afford the fees associated with services, such as Board of Adjustment applications.

Responding to Mr. Slavin, Mrs. Townshend stated that even with the proposed increase, the City would not come close to recovering the costs associated with conducting a Board of Adjustment meeting. She informed members that a review of the fees for municipalities in Sussex County revealed fees of more than $1,000 for

the Board of Adjustment because it is a costly process. Mrs. Townshend indicated that while there is the belief that these services are paid for by the general tax base, the general tax base covers only a very small portion of the City's operations.

Mr. Lynn suggested that the Committee table this matter and send notice out to the Chamber of Commerce.

Mr. Hare expressed his opinion that the City should have a public hearing regarding this matter to provide the Chamber of Commerce as well as the public an opportunity to speak. He stated that he would like to see the inclusion of an escalator, so that the City will not have this to address this again in the future.

Mr. Hare moved to defer consideration of the proposed Planning and Inspections fee increases to allow staff to contact the chamber of commerce and schedule and public hearing, seconded by Mr. Slavin.

Mr. Slavin stated his belief that the Town of Smyrna, Delaware, has an escalator built into the Town's ordinances for all of these fees, and asked staff to investigate and provide members with the information.

Mrs. Townshend stated that staff was not opposed to an escalator but reminded members that the last time it was brought forward, the business community was opposed. Responding, Mr. Slavin indicated his belief that the business community was previously opposed to the idea because they did not hear about it prior to Council discussions.

Mr. Hare requested that staff also provide a fee comparison.

The Committee recommended to defer consideration of the proposed Planning and Inspections fee increases to allow staff to contact the chamber of commerce and schedule a public hearing.

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

Authorization for New Position - Assistant City Manager

Mr. Scott Koenig, City Manager, informed members that during the City Manager's evaluation last fall, City Council indicated that the City Manager's office needed additional staff to improve response times to various inquires and concerns. As a result of these comments, the City Manager was directed to evaluate additional administrative capacity to improve the overall function of the office. He stated that two (2) position descriptions were reviewed, an Executive Assistant for the City Manager and an Assistant City Manager.

Mr. Koenig stated that the Assistant City Manager position currently existed in the City's hierarchy, although it had not been filled for more than 20 years. He explained that an Assistant City Manager, rather than an Executive Assistant for the City

Manager, would provide greater assistance with respect to the needs of the City Manager's Office as well as the citizens of the City, especially with the complexity of the issues that the City Manager's Office has begun to handle on a daily basis, including contract negotiations, land purchases, and the general operation of a growing city. The Assistant City Manager position would also provide more value in the area of succession planning for the upper level of the organization. Mr. Koenig stated that the Assistant City Manager position was valued as a Grade 136 with a market salary range of $105,189 - $122,032.

Based on the long-term needs of the City, staff recommended authorizing the City Manager to include one (1) Assistant City Manager position in the FY 2015 budget request for the City Manager's Office.

Mayor Bonar commended Mr. Koenig for bringing this matter forward for consideration, noting that it was not an easy topic, given the current fiscal constraints but it is something that needs to be done. Mayor Bonar stated that the City is not as easy to run as it once was and he his aware of the inordinate amount of time that the City Manager has to spend on the telephone and in negotiating sessions.

Mr. Slavin moved to defer the item for consideration during the upcoming Special Council Meeting - Budget Review, seconded by Mr. Shevock. By a vote of two (2) yes (Shevock and Slavin), and three (3) no (Hare, Lynn, and Rushe) the motion failed.

Mr. Hare moved to authorize the City Manager to include one (1) Assistant City Manager position in the FY 2015 budget request for the City Manager's Office but that the position not be filled until the budget has been adopted, seconded by Mr. Rushe. By a vote of two (2) yes (Hare and Rushe), and three (3) no (Lynn, Shevock and Slavin) the motion failed.

Mr. Lynn moved to authorize the City Manager to include one (1) Assistant City Manager position in the FY 2015 budget request for the City Manager's Office. The motion failed due to the lack of a second.

The Committee recommended to defer the item.

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

2015 Property Revaluation and Reassessment

Ms. Cheryl Russell, Tax Assessor, informed members that, according to the City Code, the revaluation and reassessment of all real property may be conducted this year, since five (5) years have passed since the last reassessment. She stated that staff sent a Request for Proposals (RFP) out in April so that the City could budget for the reassessment for FY 2015. Ms. Russell indicated that May 1, 2014 was the deadline

to turn in the sealed bids to the City of Dover, and one (1) bid for the 2015 reassessment was received in the amount of $125,300. She stated that staff would be able to reduce the figure to $108,000 if they complete the printing and mailing.

Ms. Russell reminded members that a reassessment is an effort to value all real property at its fair market value in an equitable and uniform manner and shifts the burden of tax among the tax payers. She stated that, after several years without a reassessment, some properties will be over-assessed, some under-assessed based on market and economic conditions.

Staff recommended approval to proceed with the 2015 Property Reassessment.

Responding to Mr. Hare, Ms. Russell confirmed that the complete reassessment would cost $108,000 and explained that the difference between the 2015 Property Reassessment and the reassessment which was conducted five (5) years ago was that staff has gone out and looked at all of the properties so it does not have to be a comprehensive reassessment. She stated that every property will receive a letter with a new assessed value but that the firm would not have to physically review each property like they previously did.

In response to Mr. Shevock, Ms. Russell confirmed that the 2015 Property Reassessment would be conducted by the same firm that conducted the previous reassessment.

Mr. Rushe questioned whether staff anticipated an overall increase or decrease in property taxes. Responding, Ms. Russell stated that, for a lot of the commercial properties, staff had noticed that transfers were higher than the current values but, for the most part, the residential property values had decreased slightly in some areas while others were staying about the same. She indicated that the values for new construction were currently very accurate. Ms. Russell reminded members that the reassessment is revenue neutral, so there will be no impact to the tax base for the revaluation.

As a point of clarification, Mr. Slavin stated that the reassessment is a revenue neutral exercise; therefore, while the assessed value may go up or down, the City is not allowed to use that as an excuse for increasing taxes. City Council would have to set the tax rate appropriately in order to increase or decrease revenue.

In response to Mr. Hare, Ms. Russell confirmed that the City would spend $108,000 on the reassessment and would not receive any additional revenue as a result.

Concurring with Mr. Slavin, Ms. Russell stated that it is easier to defend values when they are closer to what the market is indicating.

Ms. Slavin noted that if you sell a property that has not had an assessment in 15 years, you would pay the tax rate from 15 years ago rather than current market rate.

Councilman Anderson questioned whether the State law that makes reassessments revenue neutral also allowed for the recovery of the cost of the reassessment. Responding, Ms. Russell stated this question was raised in 2000 and, as she recalled, Delaware did not allow for the recovery. Mr. Anderson stated his belief that the law allowed up to 15% of the value of the assessment to be recovered and requested that staff look further into the matter.

The Committee recommended approval to proceed with the 2015 Property Reassessment, as recommended by staff.

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

FY14 Edward Byrne Justice Assistance Grant Program - Police Vehicle Computer and Video Technology Upgrades

Police Chief Paul Bernat informed members that the Dover Police Department recently received its annual allocation from the Office of Justice Programs (OJP) for the 2014 Justice Assistance Grant (JAG). Similar to previous years, Dover Police Department was identified as a disparate funding agency along with Kent County because there is no law enforcement function at the county level, unlike Newcastle County in northern Delaware. This disparate condition requires the submission of a joint grant application for the two (2) agencies. Although no funds were designated for Kent County in the allocation document, a Memorandum of Understanding would be completed and signed by both agencies stating that Kent County will waive any claim to the funding on this grant.

Chief Bernat stated that the Dover Police Department intends to upgrade/replace eight (8) vehicle computer/video systems. He explained that a portion of the upgrades would be purchased for new vehicles that would be coming on line during FY 2015. Chief Bernat informed members that on April 8, 2014, Windows XP became obsolete and the State of Delaware Division of Communications discontinued support for it and, as a result, the remainder of the grant funds would be used to retrofit older vehicle computer/video systems to bring those units back online and in compliance with Windows 7, the current operating system. He stated that the department was currently short-handed on working computers in vehicles, and was hoping to get approval to submit this application early, so the funding could be released earlier by the United States Department of Justice (USDOJ).

Chief Bernat indicated that the department also planned to purchase COBAN systems, a sole vendor purchase, which had been in use by the Delaware State Police and other agencies throughout the state and received good reviews from both the user and maintenance perspectives. As result, the department would purchase the new systems in two (2) or more increments to retrofit older the model vehicles first, as scheduling permits, and retrofit the new vehicles during the FY 2015 budgeted vehicle replacement cycle.

Chief Bernat stated that the City of Dover had been allotted a grant totaling $51,549 and that total project budget was $81,549.

Staff recommended approval of the grant project, as requested.

The Committee recommended approval of the grant project, as recommended by staff.

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

Proposed Revenue Policy - Police Extra Duty/Voluntary Overtime

Mrs. Donna Mitchell, Controller/Treasurer, reviewed the Proposed Revenue Policy for Police Extra Duty/Voluntary Overtime. She explained that she had a question in regard to section I. Policy, which she and Police Chief Paul Bernat were unable to discuss, and she recommended that the text indicated in red font be included in the policy, as presented. Referring to section IV. Requests for Extra Duty Officers, Mrs. Mitchell stated that Chief Bernat requested the insertion of the first paragraph of subsection F and she subsequently recommended the inclusion of the second paragraph. In reference to section V. Payment Methods, Mrs. Mitchell noted her recommendation for the addition of a second paragraph under subsection B. City Sponsored Events, as indicated in red font. She stated that this policy had been fully vetted with Dover Downs and Chief Bernat and that they had "signed off" on the policy with the indicated changes. Mrs. Mitchell noted that former Police Chief James Hosfelt had been instrumental in assisting her with drafting the policy.

Staff recommended adoption of the policy.

Responding to Mr. Hare, Mrs. Mitchell stated that the City would earn money from extra duty under the proposed policy and that she had calculated the revenue for the budget.

In response to Councilman Hutchison, Mrs. Mitchell confirmed that she was happy with the policy as presented.

The Committee recommended adoption of the Revenue Policy - Police Extra Duty/Voluntary Overtime, as recommended by staff.

By consent agenda, Mr. Hare moved for adoption of the Revenue Policy - Police Extra Duty/Voluntary Overtime *(Exhibit #5)*, as recommended by staff. The motion was seconded by Mr. Dixon and carried by a unanimous roll call vote (Williams absent).

Proposed Ordinance #2014-09 Amending Chapter 50 - Floods

Mrs. Ann Marie Townshend, Director of Planning and Community Development, reviewed Proposed Ordinance #2014-09 amending Chapter 50 - Floods; Chapter 22 - Buildings and Building Regulations, Article III - Building Code, Section 22-61; and Appendix F - Fees and Fines, noting that it is a time sensitive matter.

Mrs. Townshend explained that the proposed ordinance would remove the language currently found in Chapter 50 of Dover Code and replace it with the current standards and regulations which are compliant with the Federal Emergency Management Agency (FEMA). She stated that the City is a participating community in the National Flood Insurance Program (NFIP) and, as long as the City complies with certain FEMA required practices, property owners within the City are able to have flood insurance. Mrs. Townshend stated that in order to continue participation in the NFIP, the City is required to implement standards for construction activities within the 100-year floodplain and, when FEMA updates the Flood Insurance Rate Maps (FIRM), the City is required to update the City's regulatory requirements to comply with the most current FEMA standards. Mrs. Townshend explained that FEMA is in the process of updating the FIRM for Kent County, with the new maps to take effect on July 7, 2014, and all NFIP communities must have updated regulatory requirements in place by July 7, 2014, when the new maps take effect.

Mrs. Townshend stated that the Department of Natural Resources and Environmental Control (DNREC) hired a consultant to develop model ordinances, approved by FEMA, for Delaware's communities to adopt. She explained that many of the provisions contained in the 2009 and 2012 International Code Council (ICC) series of building codes already comply with the FEMA standards, and the City has adopted the 2009 ICC codes. The model ordinance that staff used in updating the City's regulation is a code coordinated model that recognizes the standards in the building code and does not duplicate or reiterate these standards. Use of this ordinance minimizes the likelihood for conflict and confusion among chapters of the Dover Code. Mrs. Townshend noted that the regulations that apply directly to buildings are within in the building code and that non building related flood regulations were proposed for inclusion in Chapter 50.

Staff recommended adoption of Proposed Ordinance #2014-09.

The Committee recommended adoption of Proposed Ordinance #2014-09, as recommended by staff.

By consent agenda, Mr. Hare moved for approval of the Committee's recommendation, seconded by Mr. Dixon and carried by a unanimous roll call vote (Williams absent). *(The First Reading of Proposed Ordinance #2014-09 will take place during the latter part of the meeting.)*

Proposed Ordinance #2014-10 - FY 2014 Budget Amendment

In regard to the Committee's discussion of the Proposed Planning and Inspections Fee Increases, earlier during the meeting, Mrs. Donna Mitchell, Controller/Treasurer, informed members that she would be contacting the chamber of commerce prior to the Special Council Meeting - Budget Review to discuss any changes proposed for the next fiscal year budget and that she could incorporate the proposed Planning and Inspections fees.

Mrs. Mitchell reviewed Proposed Ordinance #2014-10 - FY 2014 Budget Amendment, noting that it was the second set of budget amendments for Fiscal Year 2013/2014. She reminded members that the first budget amendment for Fiscal Year 2013/2014 (Ordinance #2013-08) was approved by Council on January 27, 2014. She explained that the proposed budget amendment adjusts the revenues to reflect the current forecast; reflects the pension accounting changes, shifting the fund expenses back to the Divisions and interfund service line items in the General Fund, Water/Wastewater Fund and Electric Revenue Fund; incorporates internal budget adjustments completed in accordance with the budget amendment authority of the City Manager; transfers $77,000 of savings in temporary help for the Library to the Inspections demolition account to fund the Council action approved for increased demolition cost; and reflects operating expense reductions based on annual budget reviews with the City Manager.

Mrs. Mitchell stated that the proposed budget amendment also included additional items, some of which had previously been discussed with City Council, including the Salt Barn, Street Division CIP budget of $50,000 which was inadvertently dropped off in the project carry forwards in the January ordinance; an additional $15,000 for Kent Conservation District storm water; demolition of the White Oak Park recreation building with a current estimate of $70,500 in the Recreation Division CIP; Old Library clean up with a current estimate of $35,000 in the Library Division CIP; $12,000 for contractual services in the Finance Division for an agreed upon procedure engagement with current auditors to review internal control procedures, revenue procedures and cash handling procedures at Recreation, Library and Police Divisions; and a Water Utility, U.S. 13 Water Main, VWQ0907, lawsuit settlement with Eastern States Construction in the amount of $141,600. Mrs. Mitchell noted that all of these items were being funded through salary savings within the budget and transfers to the Capital Project Fund from the General Fund.

Staff recommended adoption of Proposed Ordinance #2014-10.

Mr. Lynn stated that he would not be supporting the budget amendment because he could not support the demolition of the White Oak Park recreation building. He explained that he could not imagine the City spending $70,500 to demolish a building which the City allowed to become derelict, and essentially demolished by neglect. He expressed his opinion that it is money wasted and that the building could have been used to the benefit of the public and it's demolition deprives an entire portion of the City of recreational facilities.

Mr. Slavin noted that he had recently discussed his concerns regarding the fungibility of the City's funds, specifically that salary savings are spread across other operational categories, with Mr. Wayne Holden, Ad Hoc Financial and Operational Advisory Committee Chair. Mr. Slavin stated that he deals with the discipline of leaving salary savings in the salary line and operational savings in the operational lines everyday, in his job with the State of Delaware, and that he was encouraging Mr. Holden to incorporate that into some of the Committee's recommendations. In response to Mr. Slavin, Mrs. Mitchell stated that with the accounting change for the pensions, the

City's Annual Required Contribution (ARC), as determined by the actuary, is based on budgeted salaries. She explained that if the City has attrition, the City might not meet that ARC because the City would not have the salary base there with that percentage. She stated that she and Mr. Koenig had discussed the possibility of recommending a policy change that would require any salary savings to go toward those liabilities to ensure that the City meets the ARC. Mr. Slavin stated that he would support such a policy change.

The Committee recommended adoption of Proposed Ordinance #2014-10, as recommended by staff.

By consent agenda, Mr. Hare moved for approval of the Committee's recommendation, seconded by Mr. Dixon and carried by a unanimous roll call vote (Williams absent). *(The First Reading of Proposed Ordinance #2014-10 will take place during the latter part of the meeting.)*

Proposed Ordinance #2014-14 Amending Appendix D - Downtown Dover Business Improvement District (DDBID), Article III - Establishment of DDBID, Section 3 - Geographic Boundaries, and Section 5 - Management Company

Mrs. Ann Marie Townshend, Director of Planning and Community Development, reviewed Proposed Ordinance #2014-14, explaining that it was brought to her attention by Mrs. Donna Mitchell, Controller/Treasurer, that there was a discrepancy between the City's Dover Downtown Business Improvement District (DDBID) ordinance and the composition of the Downtown Dover Partnership Board of Directors, which is the City's management company under the DDBID statute.

Mrs. Townshend informed members that in drafting Proposed Ordinance #2014-14, she and the City Clerk had examined the State statute regarding the Business Improvement District, the City's ordinance regarding the DDBID and the composition of the DDP Board of Directors. Mrs. Townshend stated that the proposed amendment specifically designates the Downtown Dover Partnership as the "management company" for the Business Improvement District and removes the requirement that a majority of the management company's Board of Directors be owners or owners' designees of commercial properties within the Business Improvement District. Referring to lines 33, 35, and 36 of the proposed ordinance, she explained that the proposed amendments would require the management company to be comprised of at least five (5) members who either own a commercial property within the DDBID or are the designee of such owner, and remove the language that requires that commercial property owners constitute a majority of the Board of Directors. Mrs. Townshend stated that the State statute requires the five (5) commercial property owner representatives, but does not require that a majority of the Board be commercial property owners. She noted that, with the composition of the DDP Board, it would be almost impossible to have such a majority.

Mrs. Townshend stated that the proposed ordinance would help fix the discrepancy, and that she was also working with Mr. Greg Moore, DDP President and Mr. Gerry Street, DDP member, to address a change to the DDP By-laws.

Staff recommended adoption of Proposed Ordinance #2014-14.

The Committee recommended adoption of Proposed Ordinance #2014-14, as recommended by staff.

By consent agenda, Mr. Hare moved for approval of the Committee's recommendation, seconded by Mr. Dixon and carried by a unanimous roll call vote (Williams absent). *(The First Reading of Proposed Ordinance #2014-14 will take place during the latter part of the meeting.)*

Proposed Reinstatement of the Fee Waiver Provision for Tax Exempt Properties

Mr. Slavin reminded members that during their meeting of January 13, 2014, the Committee recommended adoption of Proposed Ordinance #2014-01 amending Chapter 102 - Taxation, Article IV - Abatement of Real Estate Taxes; Appendix C - Downtown Redevelopment, Article II - Definitions and Article III - Eligibility; and Appendix E - Commercial and Industrial Building Redevelopment, Article II - Eligibility, to require compliance with Section 1-13 - Clean Hands; provide for revocation of the incentives for beneficiaries who are delinquent on obligations to the City; and make tax exempt properties ineligible for the incentives, which was adopted by City Council on February 10, 2014.

Mr. Slavin expressed his belief that ordinance #2014-01 was intended to be a Clean Hands ordinance which would ensure that those who were receiving the incentives had "clean hands" and did not have any other issues with the City, and that he did not realize at the time the ordinance was considered that it would also strip away the incentive program for non-profit organizations. He stated that the adoption of the ordinance has had an effect on two (2) large not-for-profit organizations that have been significant to the downtown Dover revitalization.

Referring to Line 119 of Proposed Ordinance #2014-01, Mr. Slavin proposed that the Committee recommend reinstatement of the incentive program for the subject properties that are exempt from City of Dover real estate taxes.

Councilman Anderson stated that this is a very important provision because much of the development includes not-for-profits, including some community projects which are a very important part of the revitalization of downtown.

Responding to Councilman Hutchison, Mr. Slavin stated that he had not discussed this proposal with either the City Manager or Controller/Treasurer to determine the potential budgetary impact.

Mrs. Donna Mitchell, Controller/Treasurer, stated that she had not quantified the financial impact of this proposal and questioned whether the issue with the proposal was the financial impact or the general concept.

Mr. Lynn stated his belief that the staff would be aware of any financial impact, since this language had been previously removed from the ordinance.

Mrs. Ann Marie Townshend, Director of Planning and Community Development, clarified that non-profits can qualify for the incentives as long as the property is not tax exempt. As an example, she stated that, earlier in the day, staff had approved the incentives for the Inner City Cultural League, Inc., a non-profit which qualified for the incentives because the subject property was not tax exempt.

Mrs. Townshend stated that staff had reviewed the history of incentives for tax exempt properties since 1998 and could not find any record of a tax exempt property applying for the incentives since, except Bayhealth, which applied in 2008. She stated that Wesley College and the State of Delaware, which are two (2) other major tax exempt organizations within the City, have not applied for or utilized the incentives and have paid all of the applicable fees.

Noting her belief that this proposal was based on Bayhealth, Mrs. Townshend stated that prior to 2008, there were no requests from Bayhealth to utilize the incentives. In 2008, the incentives were utilized by Bayhealth for the addition of the parking garage and new podium building. Mrs. Townshend stated that since 1998, the City had issued 141 building permits to Bayhealth, and that they utilized the waiver on eight (8) of those permits, for which the City waived a total of $572,248 in building permit fees and, based on that amount, $7,224.80 (10%) was paid to the Downtown Dover Partnership. Mrs. Townshend noted that since 1998, the City had received $260,498.50 for building permit fees from Bayhealth.

Additionally, Mrs. Townshend stated that staff also examined the staff time, since 2009, associated with permits and inspections for Bayhealth, the State of Delaware and Wesley College, the larger non-profits that do not pay any City of Dover property taxes. She stated that staff estimated that they had spent 18 hours per year on inspections related to permits; 8 hours per year on annual life safety inspections; and, in terms of specific building permits, the City had spent 356 staff hours conducting onsite inspections related to building construction.

Mrs. Townshend explained that the idea behind making tax exempt properties ineligible for the incentives was that the property owners are receiving a service but they are not paying property taxes, whereas, other property owners who receive the incentives do pay property taxes. She clarified that it was not an unintended consequence and that the information was included in the Committee action form considered by the Legislative, Finance, and Administration Committee during their meeting of January 13, 2014.

Responding to Mr. Slavin, Mrs. Townshend stated that the value of the construction for Bayhealth had not been totaled but, in reviewing the data gathered by staff, she stated that the permits ranged from $6.7M, $2M, $1.6M, and $9M. In response, Mr. Slavin suggested that members consider not only the amount the City is losing in revenue but also how much the City is generating in development.

Mr. Scott Koenig, City Manager, expressed his opinion that this matter was a policy issue and stated that his preference, as indicated in the Committee action form considered by the Legislative, Finance, and Administration Committee during their meeting of January 13, 2014, was that tax exempt property not be eligible for incentives that relate to the General Fund. He noted that there are some instances in which Bayhealth owns property that is revenue generating and still on the tax rolls.

Mr. Koenig explained that although Bayhealth has invested a substantial amount of capital in the City, Bayhealth probably would have invested that capital regardless of whether the incentives were offered because the City provides services, including utilities, police and fire, which are all components of building a large industrial facility; in this case, a facility serving as a community hospital. He expressed his desire that tax exempt properties not receive an additional incentive package because of their tax exempt status, since the City does provide services. Mr. Koenig stated his belief that these organizations can plan their projects out and afford to include the components related to these incentives in their business plan.

Mr. Koenig reiterated his request that, from a policy standpoint, tax exempt properties not qualify for incentives related to the General Fund.

The Committee recommended that staff be requested to prepare an ordinance to reinstate the incentives for tax exempt properties.

Mr. Lynn informed members that this was his last meeting as Chairman of the Legislative, Finance, and Administration Committee, noting that he circulated his letter of resignation as Chairman of the Committee to the City Clerk and members of the Committee early in the evening. He thanked the members for their time and service, and stated that it was a pleasure working with all of the members. Mr. Lynn indicated that did not wish to be reappointed as Committee Chair going forward, given that his responsibilities in his campaign for the General Assembly were simply overwhelming, such that he could not continue on in the leadership role that he served in for the past two (2) years. He thanked former Council President Thomas Leary for appointing him to his position as Committee Chairman, noting that it had been fun and an honor to serve, and that he looked forward to working with members of the Committee in the future.

Mr. Koenig advised members that the elimination of the incentives for tax exempt properties had affected Bayhealth and their most recent building permit application. He explained the potential impact of any type of changes that may be proposed in this regard in the future. Mr. Koenig stated that during the last five (5) years, approximately $90M of construction value had been added to tax exempt properties in the area. The full value of the building permits would have been approximately $817,000, which would have been added to the City's General Fund during that time frame. Due to the exemption for those properties, he stated that the City collected $265,000, resulting in approximately $552,000 of incentives granted to two (2) properties during that time ($550,000 to Kent General and over $1,000 to the Cen-Del Foundation Building on Loockerman Street). Mr. Koenig stated that the policy change proposed by staff was directly related to the stress on the General Fund, explaining that the only revenue received from these types of properties is through

business licenses or building, plumbing, or other permit fees. He stated that, due to numerous discussions that had been held regarding the health of the General Fund, one (1) of the proposals submitted was to eliminate the exemption. Mr. Koenig assured members that the intent was not directed toward any specific property or owners, but rather to single out the tax exempt status of properties. If the exemption were reinstated, as requested, he stated that this would have the potential to affect additional properties, such as the State of Delaware, Wesley College, etc., and if these property owners were to take advantage of the incentives, there would be another significant drain on the General Fund.

With regard to the Bayhealth project, Mr. Koenig stated that this was a complicated building from a building and fire code standpoint, requiring a significant amount of staff time for plan review, site visits, inspections, etc. By removing the revenue that would be generated, the City would be adding the additional staff time required as a burden on other entities applying for building permits. He felt it was a reasonable change to the Code when it was proposed.

Responding to Mr. Hare, Mr. Koenig stated that, to his knowledge, Bayhealth does not provide a Payment in Lieu of Taxes (PILOT) to the City.

Mr. Slavin stated that during his previous tenure on City Council, there was a philosophy that the City's fees should support all revenues in specific units, such as Planning and Inspections; however, he disagreed with that concept. He felt that this type of philosophy tends to make the City overly aggressive with fees and explained that the amount of construction and number of jobs that are added are the benefits realized by the City, not the fees collected.

Mr. Perza suggested that there be additional study to determine how many additional jobs may result from the construction projects and if they would specifically benefit the City or the State of Delaware. He reminded members that, with the City's current budget climate, the City must justify funding for covering payroll, revenues, etc., and members should know all facts before giving "handouts" to specific entities in the City.

In response to Mr. Slavin, Mr. Koenig confirmed that those entities that currently pay property taxes would still qualify for the incentives. As a result, Mr. Slavin stated that the City already provides "handouts" to specific entities.

Mr. Hutchison urged staff to meet with the leadership of Bayhealth to obtain a master plan view of their future and to share the City's future from an operational point of view. He noted that Bayhealth had always been a great partner of the City and felt assured they would continue to do so in the future.

Responding to Mr. Hare, Mr. Koenig felt that such incentives could be considered on a case-by-case basis; however, he stated that Bayhealth has purchased several permits that were not large value. The incentives that they had taken advantage of were for larger permits. As an alternative, he noted that those tax exempt properties that participate in a PILOT are basically categorized as tax paying properties and, as such, the City could negotiate a PILOT and the entity would then qualify for the incentives.

Mr. Slavin moved to refer the matter back to the Legislative, Finance, and Administrative Committee for further study, seconded by Mr. Anderson.

Mr. Hare suggested that this matter not be considered by the Committee until staff has the opportunity to meet with representatives of Bayhealth. Council President Bonar suggested, since the matter would not affect the current budget year, that this matter be considered by the Committee after July 1st and that the motion include this stipulation.

There being no objections, Council President Bonar indicated that the motion should reflect that the matter would be brought back sometime after July.

On a call for the question, the motion to refer the matter back to the Legislative, Finance, and Administrative Committee for further study sometime after July was carried by a unanimous roll call vote (Williams absent).

Mr. Slavin moved for acceptance of the Legislative, Finance, and Administration Committee Report, seconded by Mr. Lynn and unanimously carried.

SET PUBLIC HEARING - ELECTRIC FUND BUDGET

A public hearing on the Electric Revenue Fund Budget is required for compliance with the City of Dover Electric Revenue Bonds Resolution prior to adoption of the budget. Staff recommended that the public hearing be set for June 9, 2014 at 7:30 p.m.

Mr. Anderson moved to set a public hearing for June 9, 2014 at 7:30 p.m. for the City of Dover Electric Fund Budget, seconded by Mr. Dixon and unanimously carried.

SENATE BILL NO. 226 AMENDING TITLE 26 OF THE DELAWARE CODE RELATING TO PUBLIC UTILITIES

Members were provided Senate Bill No. 226, Amending Title 26 of the Delaware Code, relating to Public Utilities. Council President Bonar stated that he requested that this matter be presented to members, explaining that there is an effort in Delaware to make utility bills more transparent. A part of the transparency process is to allow those who receive such bills to be made aware of what they are paying for, such as clean air initiatives, solar power, wind, etc. Council President Bonar noted that Senate Bill No. 226 includes these requirements for municipal governments. He felt that members of City Council should consider expressing their displeasure at being included in the legislation due to the costs of preparing utility bills and the difficulties the City would face in analyzing the true costs to include such detail on the utility bills. As Council President, he requested that members authorize him to send a letter to the State legislators requesting that Senate Bill No. 226 not be considered this year.

Mr. Dixon moved to authorize the Council President to send a letter to the legislators requesting that Senate Bill No. 226 not be considered this year. The motion was seconded by Mr. Anderson and carried by a roll call vote of six (6) yes (Anderson, Dixon, Slavin, Hare, Hutchison, and Bonar), one (1) no (Lynn), one (1) abstention (Perza), and one (1) absent (Williams).

Mr. Perza stated that since the matter did not go through the Committee, he was not aware of the specifics; therefore, he felt he was not prepared to vote for or against the request.

2014/2015 MISCELLANEOUS APPOINTMENTS - COUNCIL PRESIDENT (ANNUAL APPOINTMENTS DEFERRED DURING THE MEETING OF MAY 12, 2014)

Council President Bonar requested approval of the following appointments:

Chamber of Commerce and Greater Dover Committee Liaison Members
William F. Hare
Beverly C. Williams

City/County Committee (Liaison to Kent County)
Mayor (Vacant)
David L. Bonar
William F. Hare
James L. Hutchison
Beverly C. Williams
Scott D. Koenig

Kent County Tourism
Wallace R. Dixon
William G. Neaton (Staff Liaison)

Central Delaware Economic Development Council (CDEDC) Liaison Member/Kent Economic Partnership
William F. Hare

By consent agenda, Mr. Hare moved for approval of the appointments, as recommended by Council President Bonar, seconded by Mr. Dixon and carried by a unanimous roll call vote (Williams absent).

APPOINTMENTS RECOMMENDED BY COUNCIL PRESIDENT BONAR - CITY CHAPLAINS (ANNUAL APPOINTMENTS TO EXPIRE MAY 2015)

Council President Bonar requested approval of the following appointments as City Chaplains:

Reverend Theodore A. Henderson of Dover Christian Church
Bishop Thomas L. Holsey of Bibleway Temple Church of God in Christ

By consent agenda, Mr. Hare moved for approval of the appointments, as recommended by Council President Bonar, seconded by Mr. Dixon and carried by a unanimous roll call vote (Williams absent).

FIRST READING OF PROPOSED ORDINANCE #2014-08

Council President Bonar reminded the public that copies of proposed ordinances were available at the entrance of the Council Chambers or could be obtained from the City Clerk's Office. Since the ordinances are amendments to the Zoning Code, a public hearing is required. Staff recommended

referral of the amendments to the Planning Commission on June 16, 2014, and that a public hearing take place during the Council Meeting of July 14, 2014 at 7:30 p.m., at which time the Final Reading and final action by Council will take place.

Mr. Slavin moved to refer Proposed Ordinance #2014-08 to the Planning Commission and set a public hearing before City Council for July 14, 2014 at 7:30 p.m., as recommended by staff. The motion was seconded by Mr. Hutchison and unanimously carried.

In accordance with Section 1-9 of the Dover Code, Council acknowledged the First Reading of the Zoning Ordinance Amendments as read by the City Clerk, by title only, as follows:

> **PROPOSED ORDINANCE #2014-08** - AMENDING APPENDIX B - ZONING, ARTICLE 3 - DISTRICT REGULATIONS, SECTION 10 - INSTITUTIONAL AND OFFICE ZONE (IO); SECTION 11 - NEIGHBORHOOD COMMERCIAL ZONE (C-1); SECTION 12 - LIMITED COMMERCIAL ZONE (C-1A); SECTION 13 - CENTRAL COMMERCIAL ZONE (C-2); SECTION 14 - LIMITED CENTRAL COMMERCIAL ZONE (C-2A); SECTION 15 - SERVICE COMMERCIAL ZONE (C-3); SECTION 16 - HIGHWAY COMMERCIAL ZONE (C-4); SECTION 26 - COMMERCIAL/PROFESSIONAL OFFICE DEVELOPMENT DISTRICT (C-PO); ARTICLE 4 - ZONING BULK AND PARKING REGULATIONS; ARTICLE 10 - PLANNING COMMISSION; AND ARTICLE 12 - DEFINITIONS

FIRST READING - PROPOSED ORDINANCES #2014-09, #2014-10, AND #2014-14

Council President Bonar reminded the public that copies of proposed ordinances were available at the entrance of the Council Chambers or could be obtained from the City Clerk's Office. Final action by Council on the proposed ordinances will take place during the Council Meeting of June 9, 2014.

In accordance with Section 1-9 of the Dover Code, Council acknowledged the First Reading of the Proposed Ordinances as read by the City Clerk, by title only, as follows:

> **PROPOSED ORDINANCE #2014-09** - AMENDING CHAPTER 50 - FLOODS; CHAPTER 22 - BUILDINGS AND BUILDING REGULATIONS, ARTICLE III - BUILDING CODE, SECTION 22-61; AND APPENDIX F - FEES AND FINES
>
> **PROPOSED ORDINANCE #2014-10** - FY 2014 BUDGET AMENDMENT
>
> **PROPOSED ORDINANCE #2014-14** - AMENDING APPENDIX D - DOWNTOWN DOVER BUSINESS IMPROVEMENT DISTRICT (DDBID), ARTICLE III - ESTABLISHMENT OF DDBID, SECTION 3 - GEOGRAPHIC BOUNDARIES, AND SECTION 5 - MANAGEMENT COMPANY

PROPOSED ORDINANCE #2014-05 WITH PLANNING COMMISSION AMENDMENT #1 (PC#1) AND COUNCIL AMENDMENT #1 (C#1) - AMENDING APPENDIX B - ZONING, ARTICLE 3 - DISTRICT REGULATIONS, SECTION 2 - GENERAL RESIDENCE ZONES (RG-1 AND RG-2), SUBSECTION 2.4 - CONDITIONAL USES

During their Annual Meeting of May 12, 2014, a public hearing and Final Reading of Proposed Ordinance #2014-05 were accomplished, after which, members of City Council tabled the matter.

The Proposed Ordinance would amend Appendix B - Zoning, Article 3 - District Regulations, Section 2 - General Residence Zones (RG-1 and RG-2), Subsection 2.4 - Conditional Uses.

Mr. Anderson moved to remove the matter from the table, seconded by Mr. Slavin and unanimously carried.

Mr. Anderson advised members that, after much discussion, he and Mr. Slavin had resolved their concerns and, at their request, staff prepared Council Amendment #1 for consideration.

At the request of Mr. Anderson, Mrs. Ann Marie Townshend, Director of Planning and Community Development, stated that the amendments to the proposed ordinance resulted in a combination of PC#1 and C#1, explaining that C#1 proposed to eliminate the allowance of Professional Offices as a conditional use on State Street but to allow it on Governors Avenue between Water and Mary Streets and, as a result, this changed the nature of the Planning Commission's recommendation (PC#1), which would have eliminated State Street and Governors Avenue in their entirety. However, she noted that the intent of C#1 was to maintain the PC#1 amendment that would limit the number of employees to four (4).

Mrs. Townshend explained that C#1 would amend PC#1 by amending paragraph (d) to read, as follows: "Professional offices may be permitted on Governors Avenue between Water Street and Mary Street, and on Route 8, subject to the following restrictions:". She noted that C#1 would maintain the PC#1 amending subparagraph viii, which changes the number of employees from six (6) to four (4), to read, as follows: "The hours of operation shall not commence prior to 6:00 a.m. and shall cease no later than 8:00 p.m., with no more than four (4) employees engaged in the operations upon the premises at any given time."

Concurring, Mr. Anderson reminded members that during their Annual Meeting of May 12, 2014, Council did not approve PC#1. He stated that there were concerns expressed by property owners along State Street who noted that this area is unique in its historical characteristics, which he felt should be respected; however, there were no concerns relayed by property owners along Governors Avenue and/or Route 8. He explained that there is a desire to "reclaim" those areas by restoring empty buildings, creating jobs, etc. He felt confident that the amendments proposed in C#1 respected property owners along State Street as well as those along Governors Avenue.

Mr. Slavin noted that several members had received input from property owners along North State Street who expressed concerns regarding the proposed ordinance amendment and stated his feeling that C#1 would satisfy those concerns. He noted that the proposed amendment was not a "blanket" rezoning and consideration would be given for conditional use; therefore, each application would be considered on a case-by-case basis.

Council President Bonar thanked Mr. Anderson and Mr. Slavin for developing a resolution to this matter.

Mr. Anderson moved for adoption of the proposed ordinance, seconded by Mr. Slavin, and by a unanimous roll call vote (Williams absent), Council adopted Ordinance #2014-05 with PC#1 and C#1, as follows:

BE IT ORDAINED BY THE MAYOR AND COUNCIL OF THE CITY OF DOVER, IN COUNCIL MET:

That Appendix B - Zoning, Article 3 - District Regulations, Section 2 - General residence zones (RG-1 and RG-2), Subsection 2.4 - Conditional Uses, of the Dover Code be amended by re-designating existing subsection (d) as subsection (e), and inserting a new subsection (d) to read as follows:

(d) Professional offices may be permitted on Governors Avenue between Water Street and Mary Street, and on Route 8, subject to the following restrictions:

i. The office operations shall be conducted in such a manner as to maintain the residential character of the surrounding neighborhood, and no changes or improvements shall be made to the premises which might preclude utilization of the premises for residential purposes in the future.
ii. There shall be no other professional office located in the same zoning district within 250 feet of the premises.
iii. No display of products or goods shall be visible from the street.
iv. There shall be no exterior effects such as noise, traffic, odor, dust, smoke, gas, fumes, radiation, or electromagnetic interference.
v. A minimum of two (2) off-street parking spaces shall be required.
vi. No more than four (4) off-street parking spaces shall be permitted. Furthermore, all off-street spaces shall be visually screened from adjacent residential uses, to the greatest extent possible, by employing a landscape screen no less than six and one half (6½) feet high, which landscape screen shall be properly maintained throughout the duration of the professional office use on the subject premises.
vii. Signage shall be limited to one (1) sign, not to exceed six (6) square feet in area. No sign may be illuminated.
viii. The hours of operation shall not commence prior to 6:00 a.m. and shall cease no later than 8:00 p.m., with no more than four (4) employees engaged in the operations upon the premises at any given time.
ix. The Planning Commission shall have the authority to impose such additional conditions and restrictions as may be necessary or appropriate to protect the general health, safety, and welfare of the residents of surrounding properties.

ADOPTED: MAY 27, 2014

COUNCIL MEMBERS' ANNOUNCEMENTS

Council President Bonar stated his hope that all enjoyed the Memorial Day Holiday. He stated that he, along with Mr. Anderson, Mr. Dixon, and Mr. Hutchison, were at the Plaza. He noted that the new Vietnam Memorial had been dedicated at the Kent County Complex on Bay Road and encouraged all to visit the site.

By unanimous consent, the meeting adjourned at 8:30 p.m.

TRACI A. McDOWELL
CITY CLERK

All orders, ordinances, and resolutions adopted by City Council during their Regular Meeting of May 27, 2014, are hereby approved.

DAVID L. BONAR
COUNCIL PRESIDENT/
VICE-MAYOR ACTING

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Exhibits:
Exhibit #1 - Presentation - Violation of Dangerous Building Ordinance - 45 South New Street
Exhibit #2 - Structural Engineering Report, Dated May 15, 2014
Exhibit #3 - Presentation - Violation of Dangerous Building Ordinance - 110 South New Street
Exhibit #4 - Governing Policy for Energy Commodity Risk Management
Exhibit #5 - Revenue Policy - Police Extra Duty/Voluntary Overtime

Violation of Dangerous Building Ordinance 45 S New Street

Planning & Inspections Department

Dover, Delaware

May 27, 2014

EXHIBIT #1
Regular Council Meeting of 5/27/2014

45 S New Street
Case History

- 20 code enforcement cases since 2000
  - Exterior/interior code violations
  - Numerous repeated fire code violations
  - Violation of the zoning ordinance
- Registered as vacant by the city on September 8, 2010
- Condemned by City Staff on March 7, 1999 due to fire damage.
- Utility service established by House of Pride in 2004 with minimal electric usage and no water usage during this time.

Dangerous Building Code – Chapter 22 Article XI, Sec. 22-381

(4) *Fire damage, etc.*

(5) *Unfit for habitation.*

(9) *General welfare.*

(10) *Code violations.*

(12) *Unoccupied buildings.*


45
05/22/2014 10:27


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05/27/2014 09:13


05/27/2014 09:10

05/27/2014 09:11


05/27/2014 09:12


05/27/2014 09:12


05/27/2014 09:13

Recommended Council Action

- Declare this building and all accessory structures on this property dangerous.
- Order the property repaired or demolished by **June 26, 2014** by the owner or equity owner at their own risk.
- Order the Building Inspector to cause the repair or demolition of the property if not completed by the owner **within 10 days of the date established by City Council**.
- Order the City Manager with the assistance of the City Solicitor to cause the cost of repairs or demolition to be charged against the land on which the property exists as a municipal lien or cause such cost to be added to the tax duplicate as an assessment, or to be levied as a special tax, or to be recovered in a suit at law against the owner.

Alpha Engineering, Inc.
P.O. Box 669
Bear DE 19701-0669
Since 1981
www.alpha-inspect.com

association of construction inspectors

On-site Structural Evaluation

The following information is provided as a professional opinion based on observations and non-destructive tests. This report is not intended to be a guarantee, warranty or insurance policy. This report does not reflect the value of the premises. AEI, its divisions and representative's maximum liability is limited to an amount not exceeding the fee paid for this evaluation.

Date: May 15, 2014

Client: Bishop Lott
House of Pride

Signature: (verbal)

Subject Property Address:
45 South New Street
Dover DE 19904

Prepared by:
Larry J. Hughes, PE

LARRY J. HUGHES REGISTERED No. 6938 DELAWARE PROFESSIONAL ENGINEER

Exp. 6/16

Year built: circa 1925

Condition:
Two-story framed house with a basement sits on a brick foundation. A rear addition (about 20 x 20) on an 8" concrete mortar unit (CMU) foundation with a crawl space is unfinished. The house foundation shows no severe settlement; however, the interior brick surface has no parging and the mortar is deteriorating. The addition foundation is improperly constructed (i.e., footing too thin & shallow and CMU turned wrong). This evaluation seeks to determine the dwelling's structural integrity.

Analysis:
Inspection of the main foundation and floor joists from the basement reveals good support with minor mortar degradation. The 2x8 @ 16" centers floor joists are in good condition. Also, the roof appears in good condition as viewed from the attic and exterior. The rear addition foundation does not meet proper construction methods or codes. Also, the crawl space is inaccessible. In my professional opinion, the dwelling's primary structure appears stable needing minor maintenance. However, the addition foundation requires reinforcement.

Recommendation:
1. Repair missing brick in the left front exterior foundation.
2. Clean all loose mortar from brick in the basement. Point all joints w/new mortar.
3. Parge basement walls to seal all surfaces.
4. To reinforce the addition foundation; remove enough subfloor to access interior of foundation. Dig to 32" below grade 16" wide to pour new footing immediately adjacent to the existing footing.
5. Construct new 8" CMU foundation with foam shield & 2x8 pressure treated sill plate to support floor joists.
6. Create opening to addition crawl space from basement abandoned entry. Remove enough block to achieve a 32" x 24" (min.) access opening.

Fee Rec'd.: $400.00

Violation of Dangerous Building Ordinance 110 S New Street

Planning & Inspections Department

Dover, Delaware

May 27, 2014

EXHIBIT #3
Regular Council Meeting of 5/27/2014

110 S New St
Case History

- 36 code enforcement cases since 2002.
  - Exterior/Interior code violations
  - Fire Code Violations
  - Numerous repeated violations on annual inspections for both fire and housing inspections
- Condemned by City Staff on July 18, 2012 due to the numerous repeated violations of City Codes and by not having a viable fire safety plan in place for the occupants of the structure.
- Registered as vacant by the city on November 14, 2012.
- Source of neighbor complaints.

Dangerous Building Code – Chapter 22 Article XI, Sec. 22-381

(5) *Unfit for habitation.*

(9) *General welfare.*

(10) *Code violations.*

(12) *Unoccupied buildings.*


NO TRESPASSING
05/22/2014 10:24


05/22/2014 10:21


NO TRESPASSING
05/22/2014 10:21


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05/27/2014 09:31


05/27/2014 09:31


05/27/2014 09:32

Recommended Council Action

- Declare this building and all accessory structures on the property dangerous.
- Order the property repaired or demolished by **June 26, 2014** by the owner or equity owner at their own risk.
- Order the Building Inspector to cause the repair or demolition of the property if not completed by the owner **within 10 days of the date established by City Council**.
- Order the City Manager with the assistance of the City Solicitor to cause the cost of repairs or demolition to be charged against the land on which the property exists as a municipal lien or cause such cost to be added to the tax duplicate as an assessment, or to be levied as a special tax, or to be recovered in a suit at law against the owner.

City of Dover, Delaware

Governing Policy

For

Energy Commodity
Risk Management

Amended by City Council: May 27, 2014

Effective: September 10, 2012

Approved by: City of Dover Council

Date: September 10, 2012

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PURPOSE OF THE RISK MANAGEMENT POLICY

A. Introduction

The City of Dover ("**City**") and its customers are routinely exposed to energy price risk, volume variability risk, basis risk and credit risk – herein referred to collectively as energy commodity risk - in the normal conduct of serving its electric load requirements. Volatility of energy commodity prices and volumetric uncertainty (either supply/generation or load obligations) impose a substantial and direct risk to the City's financial and operating performance.

By authority of its charter, the City has responsibility for overseeing the City's electricity operations, including the management of its cost of serving Dover's customers. By agreement dated May 6, 2011 and approved by the City (the "**EMA**"), the City has engaged The Energy Authority, Inc. ("**TEA**") to assist the City with Asset Management and Strategic Planning Services, Risk Management Services, and Energy Management Services.

This Policy for Energy Commodity Risk Management ("**Policy**") is established the explicit understanding that the City has retained and delegated responsibilities to TEA to provide Risk Management Services.

Additionally, the City has issued this Policy for dealing with the philosophy, framework and delegation of responsibilities necessary to govern activities related to Dover's energy commodity risk management. As set forth herein, the City has established an organizational structure, delegated responsibility and established internal controls and procedures to ensure that all transactional and oversight activities are conducted in compliance with this Policy and in accordance with the City's normal reporting, legal, financing and regulatory requirements relating to energy assets and transactions.

B. Scope of Policy

This Policy covers all transactions entered into the by the City of Dover designed to meet the City's electric load requirement and the management of risk related to these transactions.

In the event of conflict between this Policy and the EMA, the Policy shall control. This Policy is separate and distinct from enterprise risk management policies and procedures addressing the City's safe operation of its generating stations and energy infrastructure, insurance requirements, permit compliance, employee matters regulatory compliance with laws and regulations of the State of Delaware and Federal

Agencies such as EPA, FERC, NERC and CFTC or other potential risks to the City beyond the purchase and sale of fuel and electric power and its ancillary products.

C. Objectives and Risk Philosophy

The objectives of the Policy are to identify energy commodity price and credit risk exposures and give the City a framework for the quantification and management of these exposures. The Policy will identify the reports needed to convey how the identified risk exposures can potentially impact the City's overall cost of providing electricity service to its customers and report on the risk management of the transactions associated with City's electric load requirements.

Under the Policy, risk management activities will be conducted consistent with the City's overall objective of appropriate risk mitigation. There are several objectives of the Policy which, when taken and executed together, serve to manage the City's energy commodity price exposures. Specifically, the Policy:

- Establishes framework for developing credit limits for counterparties and quantifies and manages the credit exposures related to potential counterparty abrogation
- Quantifies the impact of the above exposures on City's financial results
- Manages the impact of the above exposures in line with the City's identified level of risk tolerance
- Provides clear delineation of responsibilities and authority, outline a separation of duties, and ensure reporting of risk is timely and accurate.
- Ensures that the impact of any action affecting the City's position is consistently quantified, monitored and authorized.

The City's risk management activities will be conducted consistent with its overall objective of appropriate risk mitigation and never for purposes of speculation.

D. Policy Administration

This Policy has been approved by the Executive Risk Management Committee and The Utility Committee of the Dover City Council. The Utility Committee must approve modifications to the Policy with the exception of the appendix information which can be modified with the approval of the Executive Risk Management Committee.

MANAGEMENT AND CONTROLS

This Policy articulates the management and organization of the City and TEA to serve as a control framework outlining delegation of duties and responsibilities.

A. Utility Committee of The City Council

The Utility Committee of The City Council (The Committee) has a responsibility to provide approval of this Policy. With this approval, The Committee also assumes additional duties. They will understand the risks the City is and could be exposed to due to their energy commodity risk management activities. In this role, the Committee will have a responsibility to also understand the City's policies and procedures, internal controls and systems which are used to help manage the City's energy commodity risks.

The Committee will approve any amendments to the Policy or limits within. The Executive Risk Management Committee will update the Committee periodically regarding the Policy and its functions. It will be the Committee's responsibility to:

- Discuss guidelines and strategic policies that govern the process by which the Energy Risk Management Committee assesses and manages risks
- Review and approve the risk policy at least annually
- Approve new members of the Executive Risk Management Committee
- Acknowledge the risk inherent in transactions covered under this Policy

B. Executive Risk Management Committee

An Executive Risk Management Committee ("**ERMC**") has been formed to provide executive management oversight for the City's energy commodity risk management activities. The ERMC is charged with the creation, amendment and administration of this Policy, including acquiring any approvals required by the Utility Committee, and will ensure that all energy commodity risk management activities of the City are performed consistent with this Policy. The ERMC will meet at least monthly to review compliance and conduct its business as described in this Policy.

The ERMC shall be comprised of the following voting members: The City Manager, The Director of Utility, The City's Controller and TEA's Client Service Manager.

The City's ERMC will make decisions following the process outlined in this Policy. TEA's Client Services Manager may include representatives from other areas within TEA in the monthly ERMC meetings who will attend in person or by conference call as non-voting advisors. Other City employees and TEA staff may also be asked to attend

meetings from time-to-time, as the ERMC deems necessary. The responsibilities of the ERMC shall include:

- Establish scope and frequency for management reporting to the Utility Committee.
- No less than annually, review the City's Energy Commodity Policies and Procedures for correctness and completeness.
- Review and approve any new risk report or change to an existing risk report provided by TEA to monitor risks outlined in this Policy.
- Understand and approve any models, methodologies, and assumptions used for measuring risks such as volume risk, process risk, counterparty risk and commodity risk.
- Monitor the City's risks and ensure they are within the limits and are being managed according to what is indicated within the City's Policy and associated procedures
- Understand the City's risk management objectives and risk tolerances.
- Review and approve the risk management and trading strategy programs and associated risk. Each program should be reviewed to ensure alignment with Policy objectives and compliance with risk limits within this Policy.
- Periodically review any risk management program approved in light of recent market changes, and ensure continued compliance with its established guidelines
- Review and approve new products, markets, trading counterparties and credit limits
- Review all violations and exceptions to this Policy and report such to the Committee.
- Approve the individuals or companies that engage in the City's commodity transactions and are subject to the limits within this Policy.
- Ensure that the individuals or companies authorized to transact on behalf of the City as well as manage its risks, are appropriately trained and qualified.
- Ensure independence and segregation of duties between front, middle and back office at TEA.

Recommend changes to this Policy to the City's Utility Committee for approval and ensure the Utility Committee understands the City's overall compliance with this Policy and associated procedures

The ERMC will meet at least monthly to review risks identified and reported on by the Policy, this meeting shall be chaired by The City Manager. Minutes of each meeting of the ERMC shall be recorded and reflect any decisions and follow-up action items to be performed. These minutes will be reviewed and approved by the members of the ERMC in a timely manner.

Each member of the ERMC has a unique role as defined below:

1. City Manager

The City Manager is independent of all commercial functions and carries the responsibility of establishment and maintenance of risk management for the City. The City Manager will be a voting member of the ERMC and act as a chair of the ERMC. Other responsibilities include:

- Ensure this Policy is maintained.
- Oversee reviews of the City's energy commodity risks, limits, risk measurement methodologies and models, and programs and recommend changes to the ERMC.
- Ensure potential transactions and their impacts on the City's risks and limits defined within this Policy.
- Develop and monitor the implementation of the Policy, and oversee other risk management processes and procedures established by this Policy or otherwise by the ERMC.

2. Director of the Utility

The Director of the Utility is responsible for all trading, hedging, pricing, structuring, and market and operational risk management activities associated with the City. The Director of the Utility will be a voting member of the ERMC. Other responsibilities include:

- Review the effectiveness of transaction processing systems and procedures relating to risk measurement.
- Recommend operational risk and business risk assessment guidelines.

3. Controller

The Controller is independent of all commercial functions and carries the responsibility of the City's accounting practices. The Controller will be a voting member on the ERMC. Other responsibilities include:

- Perform financial accounting including accounting for hedging and derivatives activities.
- Comply with tax rules and make appropriate tax elections.
- Record realized and unrealized gains and losses.
- Reconcile general ledger, cash transactions and margin accounts.
- Implement tax-hedge accounting policies and other regulatory tax requirements.
- Develop and maintain documentation outlining standard procedures for conducting business.
- Invoice counterparties and resolve billing disputes.
- Perform daily/weekly/monthly transaction checkout with counterparties.

- Develop and maintain documentation outlining standard procedures for conducting business.

4. TEA Client Services Manager

The TEA Client Service Manager roles and responsibilities are defined exhibit B of the EMA between the City and TEA. The TEA Client Service Manager will be a voting member on the ERMC. Other responsibilities include:

- Monitor risk reports between ERMC meetings.
- Report to the Committee and the ERMC on the City's adherence to all limits and functions within this policy.
- Engage the ERMC in discussions regarding events or developments that could expose the company to potential losses.
- Recommend to the ERMC specific risk limits consistent with the City's risk management objectives, risk tolerance, and risk management policy.
- Coordinate and distribute independent market fundamental analysis.
- Provide advisory support and recommendations as specified in Article 5 of the EMA.

DISCUSSION OF RISKS

This Policy covers the management of all material energy market risks faced by the City. A comprehensive list of risks that are or could be relevant to City is shown in Appendix C of the Policy. Among the most critical of these risks are commodity risk, counterparty risk, process risk, volume risk, and budget risk. These risks are measured by the limit structure and controls outlined in the Policy.

Commodity risk represents the potential adverse impacts to the value of the City's portfolio due to changes in the market. Commodity risk encompasses volatility risk, forward price risk, basis risk, correlation risk and liquidity risk.

Counterparty risk represents the potential losses the City could incur due to delivery risk and receivable risk. Delivery risk stems from a supplier or trading counterparty that is unable or unwilling to perform on its commitments including but not limited to delivery or receipt of commodities. Receivable Risk includes the City's risk associated with a counterparty's timeliness of payment for services rendered.

Process risks represents the risks associated with process problems including, but not limited to, inaccurate data capture, untimely trade execution or settlement problems. Controls over process risks are embedded in the organizational structure of TEA through the design processes and operating procedures.

Volume Risk represents the potential for unforeseen changes from projections of excess or shortfall of capacity or energy from the actual needs. When variances are large coupled with large costs to transact and adverse moves in market prices this risk could be realized. In management of this risk, the City must be aware of the fact that unexpected variations in volume are often highly correlated with price movements.

Budget Risk represents the potential to deviate outside of tolerable bounds of the City's budget. Deviations from budget can be caused by forecast error or unforeseeable adverse changes in market prices.

MARKETING AND TRADING PRACTICES

A. Standards of Conduct

Individuals authorized to transact for the City shall not misrepresent, conceal or withhold information regarding energy commodity trading and risk management transactions to any person responsible for the accurate recording and/or reporting of such transactions; participate in any such transaction or similar activity for the benefit of any party other than the City; or hold or be a beneficiary of any financial interest in any entity with which the employee is engaged in trading or other business activity (other than ownership of an interest in a mutual fund managed by another party). Further, no employee authorized to place or execute such transactions may engage in trading power or energy commodities derivative instruments for his or her personal account.

B. Products, Activities and Limitations

Pursuant to achieving the City's core objectives for the purpose of energy commodity risk management, the following limitations shall apply.

- Permissible instruments will be restricted to the products and instruments specified in Appendix A – Approved Products of the Policy;
    - All physical forward transactions shall be governed by the Edison Electrical Institutive (EEI), North American Energy Standards Board (NAESB), or similar agreements with counterparties approved by the City.
    - The City reserves the right to enter into financial hedge transactions to effectuate Policy objectives, but does not authorize TEA to enter into financial hedge transactions on its behalf. Any such financial transactions that the City may enter into shall be governed by ISDA agreements with counterparties as approved by the City.
- The maturity for each permissible instrument will be restricted to the maturity limits specified in the risk limits section of the Policy.

- Transaction volumes for each risk management transaction will be restricted to the amounts specified in the Risk Limits section of the Policy.
- Risk management transactions will be outlined in the ***City of Dover Hedge Program*** which will be approved by the ERMC. Risk management transactions may include the following:
    - Hedging the forward price of purchased power for delivery to the City as needed to meet its electric load requirements.
    - Hedging the forward price of natural gas and fuels as needed to generate power to meet the City's electric load requirements.
    - Unwinding of hedges to accommodate changes in expected load requirements, or for economic reasons subject to explicit constraints set by the ERMC.

C. Contract Documentation and Confirmations

No over-the-counter transaction may be executed until an EEI, NAESB, or similar agreement has been authorized by the City, approved by the ERMC and fully executed by the parties.

Written confirmations will be required from counterparties, as defined in the Master Service Agreement between the City and counterparty, within one business day or such longer time as required by the contract in question for all risk management transactions. Contemporaneous with any commitments and prior to receipt of written confirmations, verbal commitments shall be memorialized internally as to instrument structure, quantity, relevant time horizon, price and any other relevant terms; such internal documentation shall be time stamped and correlated to the ultimate written confirmation to or from the counterparty. Both the internal documentation as well as the written confirmation from the counterparty shall be provided to TEA's Risk Control Group immediately upon receipt for verification.

In the event that there is a material failure to provide timely documentation or confirmations, then at the City Manager's sole discretion, the offending individual's authorization may be suspended. Similarly, if the failure to provide timely documentation or confirmations is due to the failure of counterparty, then at the discretion of the City Manager, a moratorium may be imposed on transactions with that counterparty. In such cases, the City Manager shall notify the ERMC of the issues leading to the suspension or moratorium shall.

Nothing herein shall inhibit the City Manager from bringing control issues to the TEA's Client Services Manager prior to a decision on materiality or the imposition of a suspension of trading privileges or counterparty moratorium.

D. Training

The ERMC will ensure that all City employees and/or TEA Staff that will execute transactions on behalf of the City will have appropriate training in the markets in which the transactions occur.

E. New Product Protocol

As required to manage the City's energy commodity risk the ERMC shall approve new products provided the requirements of the ***New Product Approval Procedure*** are met.

RISK LIMITS AND RISK MEASUREMENTS

A. Limits

The limit structure is designed to quantify the types of risk in City's energy commodity portfolio. The City will manage and report on its energy commodity market risk using Volume/Maturity/Value Limits, a Cost of Service Limit and a Hedge Loss Limit.

1. Volume/Maturity/Value Limits

Transaction limits for the Individuals Authorized to execute transactions and the maturity limits for each permissible instrument are listed below. Transactions for amounts in excess of those listed may be executed only upon approval of the ERMC. This limit, maturity and value structure is not intended for use when transacting day-ahead and real time in the PJM market.

Volume/Maturity/Value Limits		**Maximum Daily Notional Limits**	
		Volume	**Value ($000)**
Power (MW) Hourly Limit	Balance of the Month through 12 Months	50	20,000
	Between 13 Months and 24 Months	50	20,000
	Between 25 Months and 36 Months	25	10,000
	Between 37 Months and 48 Months	25	10,000
	Between 49 Months and 60 Months	25	10,000
Natural Gas (MMBtu) Monthly Limit	Balance of the Month through 12 Months	30,000	400
	Between 13 Months and 24 Months	30,000	400
	Between 25 Months and 36 Months	10,000	200
	Between 37 Months and 48 Months	10,000	200
	Between 49 Months and 60 Months	10,000	200
#2/#6 Fuel Oil (Bbl) Monthly Limit	Balance of the Month through 12 Months	6,000	400
	Between 13 Months and 24 Months	6,000	400
	Between 25 Months and 36 Months	3,000	200
	Between 37 Months and 48 Months	3,000	200
	Between 49 Months and 60 Months	3,000	200

The amounts in the table above refer to the maximum volume of orders that can be placed in any one day the individuals authorized to conduct trades for the specified time period. On any one day the maximum transaction volume placed can be for up to 50 MegaWatts per hour for every hour during a single calendar month (including both on-peak and off-peak hours), OR 25,000 MMBtu per month for all months pertinent to the natural gas transaction, OR 6,000 Bbl per month for all months pertinent to the oil transaction.

2. Volume Limits

For no reason should a transaction be executed that exceeds the City's electric load requirements. If there is an adjustment to the City's electric load requirements and the existing transactions greater than 100% of the adjusted electric load requirements the ERMC will review and approve the offsetting strategy deployed in sufficient proportion to mitigate the encroachment.

3. Locational Limits

Non-Commodity Transactions must support the requirement of one of the City's generation units, native load or transaction locations.

B. Stress Testing and Back Testing

The City's positions shall be periodically stress tested and models shall be back tested. The processes around these tests are outlined in the ***Stress Testing and Back Testing Procedure***.

C. Instances of Exceeding Risk Limits

Should the City or TEA enter into a transaction that causes the portfolio to exceed any above mentioned limits the Director of the Utility shall, in addition to notifying the ERMC, also notify the Chair of The Committee as soon as practicable and shall provide periodic reports to the Chair on the status the transactions for as long as the City is exceeding its limits. The ERMC will review and determine whether any liquidation or offsetting of transactions is warranted. The incident will be documented as a Policy Exception by the Director of the Utility.

CREDIT POLICY

Credit Risk is the risk due to the uncertainty in a counterparty's ability to meet its contractual obligations. The primary objective of this credit policy is to mitigate, to the extent commercially reasonable, the credit risks associated with transactions covered in this Policy while still allowing the City to achieve its objectives.

A. Measuring Credit Risk

The status of credit risk will be measured and reported through reports provided by TEA.

The current credit exposure will be reported at the agreement level via a Counterparty Credit Report provided by TEA. This information will be made available in real time to TEA trading personnel so that it can be checked prior to executing transactions for the City. Those responsible for risk oversight at the City and TEA will have access to this information no less frequently than once per day. The ERMC will monitor overall credit utilization and any credit exceptions at least monthly. When measuring the current credit risk, netting will be applied to the exposure if the City's contract with a counterparty includes provisions for netting.

B. Analysis and Extension of Credit Limits

Physical and financial commodity transactions will be executed with counterparties approved by the ERMC with credit available to support the transactions. The creditworthiness of a counterparty will be determined by both qualitative and quantitative factors. Factors shall include, but not limited to:

- A company's debt credit ratings provided by the rating agencies.
- Financial data such as an analysis of the income statement, balance sheet, and cash flow, as well as liquidity and capital structure.
- Subjective factors such as company's fuel diversity, overall size, risk management policy and internal controls, geographic diversity, and market intelligence.

A credit limit is the amount of unsecured credit granted to a counterparty. Unsecured credit exposure includes amounts owed by the counterparty, whether billed or not, and the mark-to-market differences in value of any collateral which the counterparty has provided the City. Any net exposure above the collateral threshold will require the posting of collateral by a counterparty. Further information on the City's procedure for establishing credit is contained in the ***Counterparty & Credit Review Process***.

Collateral thresholds, term limitations and credit exposure limits will be subject to the maximums indicated in Appendix B, based upon the lower of the S&P and Moody's credit ratings.

At no time will the City incur a credit exposure with any counterparty greater than $60,000,000.

C. Instances of Exceeding Credit Limits

The City and TEA are restricted by the credit limits approved by the ERMC. The ERMC can suspend trading with a counterparty, if that counterparty's credit limit has been reached or exceeded. **The City or TEA traders shall not exceed the Counterparty Credit Limit by executing transactions with any counterparty without approval of the ERMC.**

The ERMC will determine when it's appropriate to require additional collateral if a counterparty's credit exposure exceeds its credit limit. Collateral includes standing letter of credit, cash, and prepayments.

All credit exceptions will be documented and reported to the ERMC and the Committee as Policy Exceptions.

REPORTING

A. Risk Reporting

Preparation of timely reports is critical to monitoring risk. TEA will furnish the required reports on a regular frequency for the City in a format acceptable to the ERMC. In addition, the ERMC and its designees will be provided access to the City's risk reports as updated daily via TEA's secure Web Portal.

Reports required on a monthly basis and for periodic meetings of the ERMC include the following:

- **Profit and Loss Report**

The Profit and Loss (P&L) Report shows the daily realization of transactions at either the transaction price or the market price as transaction roll from unrealized to realized. This report should show volumes, transaction prices and market prices of realized physical and financial power and fuel transactions.

- **Mark to Market Report**

The Mark to Market ("MTM") Report conveys the potential transaction exposure if the energy commodity portfolio was liquidated at the most recent market settlement prices. This report should show volumes, transaction prices and market prices of unrealized physical and financial power and fuel transactions.

- **Activity Report**

The Activity Report presents a summary of all energy commodity risk management activities undertaken, including new transactions taken, existing transactions settled/liquidated, and any transactions unwound.

- **Cost of Service Report**

The City's exposure to energy price risk shall be monitored and reported on a Cost-of-Service basis. All calculations are at the wholesale level. The Cost-of-Service recognizes all prior (expired) months within the Power Year on the basis of actual (incurred) costs, and recognizes all forward (pending) months within the Power Year on the basis of expected forward power and fuel prices and expected forward load-following risks. As defined below, the Cost-of-Service is an aggregation of Forward Energy Commodity Portfolio Cost, the Load Following Cost Expectation and the City's Budget Target for Purchase Power Expense.

- The Net Purchased Power Cost shows the net cost of all physical and financial transactions related to the City's anticipated commodity requirements for power and fuel and is based on the price of all hedge transactions plus the forward market price of all unhedged transactions valued at current forward prices for energy commodities, customer-level cost per MWH of all physical and financial transactions related to Dover's actual plus anticipated energy.
- The expected fixed costs defined as load-serving entity (LSE) capacity costs, transmission costs and TEA management fees.
- The Expected Load-Following Cost for a specified power year is defined as the expected cost (or revenue) associated with intra-month load variations due to weather or other events affecting demand. As an interim measure due to lack of necessary market information and the rapid evolution of the PJM RTO market, the ERMC has specified $2.50 per MWH as an estimate of the Load Following Cost to be used for estimating the City's Forward Cost-of-Service Report. The ERMC will update the Expected Load Following estimate while lack of necessary market information persists no less than annually.
- The Budget Target for Purchase Power Expense represents the City's view of expected purchase power expense.

B. Credit Reporting

- **Counterparty Credit Report**

The Counterparty Credit Report conveys the exposure to all counterparties with which the City has credit exposure resulting from its energy commodity risk management activities.

- **CFTC Reporting**

The City understands that transacting over the counter (OTC) swaps carries an additional Commodity Futures Trading Commission (CFTC) reporting function. Once

required by the CFTC, the City will report on how the City generally meets its financial obligations associated with entering into non-cleared swaps in a manner acceptable to the CFTC.

C. Hedge Effectiveness Reporting

If the City's transactions require a hedge effectiveness test, those testing results will be reported to the ERMC no later than one month after the end of the financial reporting period. The report will include a summary of testing methodology, assumptions of the testing and the outcome of results with a pass or fail by transaction.

INFORMATION TECHNOLOGY SYSTEMS

Since information systems play a vital role in The City's trading abilities, the City shall ensure that the information systems and technology used to store all transaction information is maintained and secure. The City's transactions will be stored in TEA's enterprise trading and risk management system. TEA uses the TriplePoint Commodity XL (CXL) system, integrated with Commodity XL for Credit Risk (Credit Risk). TEA has assigned a Database Administrator (DBA) that is charged with the database security and maintenance for the transaction database, CXL.

The following safeguards for data security and backup will be installed:

- Transaction data stored in the system of record will be replicated daily to ensure data redundancy;
- The CXL database will be backed up at least daily after the close of business.

POLICY DISTRIBUTION AND COUNSEL

A. Distribution Outside The City

The City's Policy is restricted to the use of the City and TEA organizations. It shall not be distributed outside these organizations without the consent the ERMC.

B. Designated Counsel

Questions about the interpretation of any matters of this Policy should be referred to ERMC. The ERMC will provide clarification and explanation on any updates to this Policy.

All legal matters stemming from this Policy will be referred to the City's Legal Counsel.

APPENDIX A – Approved Products

The following shall constitute a list of approved products to be utilized by TEA to manage the City's energy commodity portfolio:

- Physical Power
- Physical Natural Gas Delivered Dover via Eastern Shore Pipeline
- Physical Residual Fuel Oil (#6) Delivered Dover
- Physical Residual Fuel Oil (#2) Delivered Dover
- Capacity
- Financial Power
- Financial Call Option
- Financial Put Option
- PJM Demand Bids and Generation Offers
- PJM InSchedules
- PJM Transmission Products
  - Financial Transmission Rights
  - Annual Auction Revenue Rights
- PJM Tier 2 Synchronized Reserves

The above instruments can be executed by TEA on behalf of the City of Dover for the current and next two successive Power Years (July to June).

APPENDIX B – Approved Counterparties and Threshold Tables

This Appendix establishes approved counterparties and their Collateral thresholds. Collateral thresholds, term limitations and credit exposure limits that are subject to the following maximums based upon the lower of the S&P and Moody's credit ratings:

Credit Thresholds from Dover Extended to the Counterparty

Constellation Energy

Threshold	S&P	Moody's
$ 60,000,000	AAA	Aaa
$ 50,000,000	AA- to AA+	Aa3 to Aa1
$ 50,000,000	A- to A+	A3 to A1
$ 40,000,000	BBB+	Baa1
$ 30,000,000	BBB	Baa2
$ 20,000,000	BBB-	Baa3
$ -	Below BBB-	Below Baa3

Integrys

Threshold	S&P	Moody's
$ 20,000,000	AAA	Aaa
$ 20,000,000	AA- to AA+	Aa3 to Aa1
$ 15,000,000	A- to A+	A3 to A1
$ 10,000,000	BBB+	Baa1
$ 5,000,000	BBB	Baa2
$ 1,000,000	BBB-	Baa3
$ -	Below BBB-	Below Baa3

Sempra Energy

Threshold	S&P	Moody's
$ 20,000,000	A or above	A2 or above
$ 20,000,000	A- to A+	A3
$ 15,000,000	BBB+	Baa1
$ 10,000,000	BBB	Baa2
$ -	BBB- or lower	Baa3 or lower

Conectiv

Threshold	S&P	Moody's
Unspecified *	Above BBB+	Above Baa3
$ -	Below BBB-	Below Baa3

*** Conectiv does not have a defined credit threshold, so for planning purposes, a $10,000,000 threshold is imposed as a conservative limit**

Macquarie Cook Power

Threshold	S&P	Moody's
$ 25,000,000	AAA	Aaa
$ 20,000,000	AA- to AA+	Aa3 to Aa1
$ 15,000,000	A- to A+	A3 to A1
$ 10,000,000	BBB+	Baa1
$ 5,000,000	BBB	Baa2
$ -	BBB- or below	Baa3 or below

FPL Energy

Threshold	S&P	Moody's
$ 30,000,000	AAA	Aaa
$ 25,000,000	AA- to AA+	Aa3 to Aa1
$ 20,000,000	A- to A+	A3 to A1
$ 15,000,000	BBB+	Baa1
$ 10,000,000	BBB	Baa2
$ -	BBB- or below	Baa3 or below

Deutsche Bank

Threshold	S&P	Moody's
$ 25,000,000	AAA	Aaa
$ 20,000,000	AA- to AA+	Aa3 to Aa1
$ 15,000,000	A- to A+	A3 to A1
$ 10,000,000	BBB+	Baa1
$ 5,000,000	BBB	Baa2
$ -	BBB- or below	Baa3 or below

Barclays Bank

Threshold	S&P	Moody's
$ 25,000,000	AAA	Aaa
$ 20,000,000	AA- to AA+	Aa3 to Aa1
$ 15,000,000	A- to A+	A3 to A1
$ 10,000,000	BBB+	Baa1
$ 5,000,000	BBB	Baa2
$ -	BBB- or below	Baa3 or below

Credit Thresholds from the Counterparty Extended to Dover

Constellation Energy

Threshold	Fitch	Moody's
$ 40,000,000	AA- or Above	Aa3 or above
$ 30,000,000	A+	A1
$ 20,000,000	A	A2
$ 10,000,000	A-	A3
$ -	BBB or below	Baa1 or below

Integrys

Threshold	Fitch	Moody's
$ 20,000,000	AAA	Aaa
$ 20,000,000	AA- to AA+	Aa3 to Aa1
$ 15,000,000	A- to A+	A3 to A1
$ 10,000,000	BBB+	Baa1
$ 5,000,000	BBB	Baa2
$ 1,000,000	BBB-	Baa3
$ -	Below BBB-	Below Baa3

Sempra Energy

Threshold	Fitch	Moody's
$ 27,000,000	A- or above	A3 or above
$ 5,000,000	BBB+	Baa1
$ 1,000,000	BBB	Baa2
$ -	BBB- or lower	Baa3 or lower

Conectiv

Threshold	Fitch	Moody's
Unspecified *	Above BBB+	Above Baa3
$ -	Below BBB-	Below Baa3

***Conectiv does not have a defined credit threshold, so for planning purposes, a $10,000,000 threshold is imposed as a conservative limit**

Macquarie Cook Power

Threshold	Fitch	Moody's
$ 25,000,000	AAA	Aaa
$ 20,000,000	AA- to AA+	AA3 to Aa1
$ 15,000,000	A- to A+	A3 to A1
$ 10,000,000	BBB+	Baa1
$ 5,000,000	BBB	Baa2
$ -	BBB- or below	Baa3 or below

FPL Energy

Threshold	Fitch	Moody's
$ 23,000,000	AAA	Aaa
$ 18,000,000	AA- to AA+	AA3 to Aa1
$ 13,000,000	A- to A+	A3 to A1
$ 8,000,000	BBB+	Baa1
$ 3,000,000	BBB	Baa2
$ -	BBB- or below	Baa3 or below

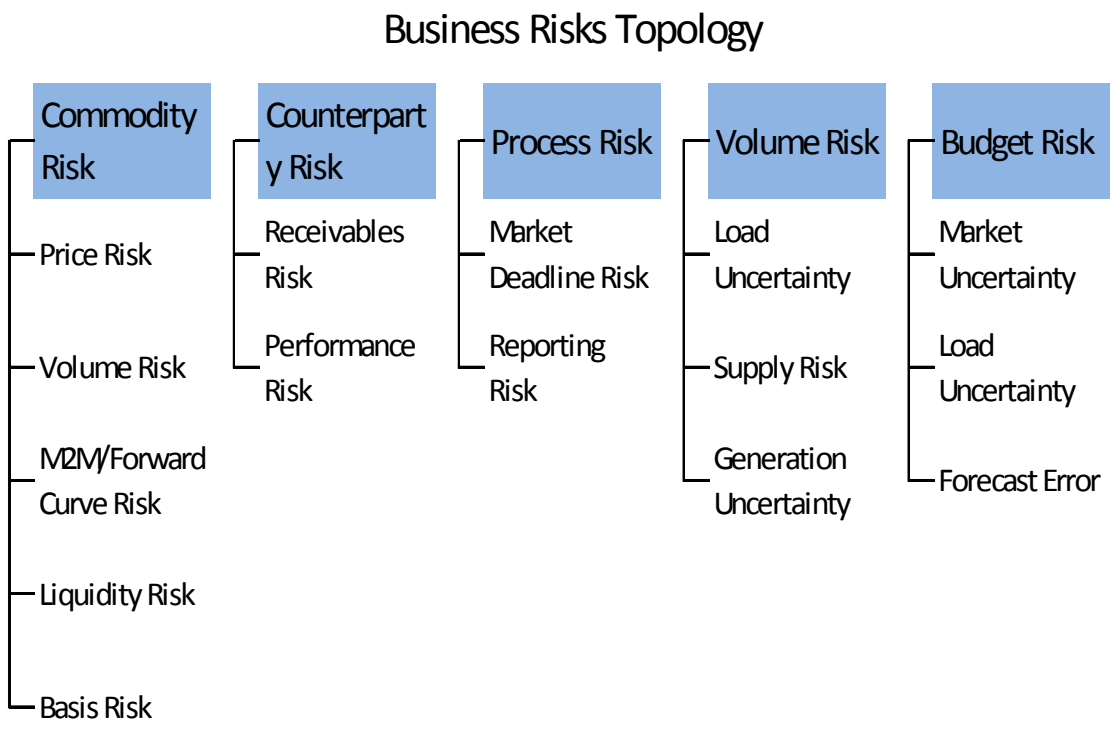
Deutsche Bank

Threshold	Fitch	Moody's
$ 25,000,000	AAA	Aaa
$ 20,000,000	AA- to AA+	AA3 to Aa1
$ 15,000,000	A- to A+	A3 to A1
$ 10,000,000	BBB+	Baa1
$ 5,000,000	BBB	Baa2
$ -	BBB- or below	Baa3 or below

Barclays Bank

Threshold	Fitch	Moody's
$ 25,000,000	AAA	Aaa
$ 20,000,000	AA- to AA+	AA3 to Aa1
$ 15,000,000	A- to A+	A3 to A1
$ 10,000,000	BBB+	Baa1
$ 5,000,000	BBB	Baa2
$ -	BBB- or below	Baa3 or below

APPENDIX C – Business Risks



APPENDIX D – Glossary

Back Office – That part of a trading organization which handles transaction accounting, confirmations, management reporting, and working capital management.

Bilateral Transaction - Any physical or financial transaction between two counterparties, neither of whom is an Exchange or market entity (e.g. MISO).

Capacity – The real power output rating of a generator or system, typically in megawatts, measured on an instantaneous basis.

Commodity - A basic good used in commerce that is interchangeable with other commodities of the same type. Commodities are most often used as inputs in the production of other goods or services. The quality of a given commodity may differ slightly, but it is essentially uniform across producers. When they are traded on an exchange, commodities must also meet specified minimum standards, also known as a basis grade.

Financial Bilateral Transaction – A Bilateral Transaction that is non-physical and is defined by a Source Point, Sink Point, and Delivery Point that may be any CP Nodes as specified by the Midwest ISO.

Financial Forward – An agreement regarding a position in a specified commodity, a specified price, and a specified future settlement date, that does not result in physical delivery of the commodity. Rather one party in the agreement makes a payment to the other party on the basis of the commodity price at the future date.

Front Office – That part of a trading organization which solicits customer business, services existing customers, executes trades and ensures the physical delivery of commodities.

Hedging Transaction - A transaction designed to reduce the exposure of a specific outstanding position or portfolio; "fully hedged" equates to complete elimination of the targeted risk and "partially hedged" implies a risk reduction of less than 100%.

Mark-to-Market Value – A measure of the current value of unrealized positions; includes both Open Positions and Closed Positions.

Middle Office – That part of a trading organization that measures and reports on market risks, develops risk management policies and monitors compliance with those

policies, manages contract administration and credit, and keeps management and the Board informed on risk management issues.

Policy – Dover's Governing Policy for Energy Commodity Risk, as amended and approved by The Utility Committee.

Portfolio – A collection of transactions.

Realized Gains/(Losses) – The amount earned (or lost) from a transaction , considered to be **realized** once the time for performance has lapsed (e.g. delivery of power in the case of physical transactions or expiration of an option in the case of financial transactions).

Term – The total duration of a contract, defined as the number of days between the beginning flow date and ending flow date, inclusive.

Unrealized Gains/ (Losses) – The amount expected to earn (lose) on a specific transaction(s); however, the time for performance has not lapsed. The total value of Unrealized Gains/ (Losses) is the Mark-to-Market value.

APPENDIX D – Swap Transaction Representative

Purpose:
To ensure that the City of Dover, a Special Entity under the Dodd-Frank Financial Reform Act, selects a qualified representative ("Representative") to provide advice and guidance when entering into swap transactions with Swap Dealers or Major Swap Participants.

Definitions:
Special Entity: As defined in 7 U.S.C. 6s(h)(2)(C) and further interpreted in 17 C.F.R. 23.401(c). The City of Dover is a Special Entity as defined by 17 C.F.R. 23.401(c)(2).

Swap Dealer: As defined in 7 U.S.C. 1a(49) and further interpreted in 17 C.F.R. 1.3(ggg)

Major Swap Participant: As defined in 7 U.S.C. 1a(33) and further interpreted in 17 C.F.R. 1.3(hhh)

Representative: As defined in this policy and 17 C.F.R. 23.450

Policy:
Selection: The City of Dover shall endeavor to seek and employ an individual or entity that will voluntarily act as a Representative for all energy commodity swap transactions between XXXX and any Swap Dealer or Major Swap Participant. The Representative must meet the following qualifications identified in 17 C.F.R. 23.450(b):

(i) Has sufficient knowledge to evaluate the transaction and risks;
(ii) Is not subject to a statutory disqualification;
(iii) Is independent of the swap dealer or major swap participant;
(iv) Undertakes a duty to act in the best interests of the Special Entity it represents;
(v) Makes appropriate and timely disclosures to the Special Entity;
(vi) Evaluates, consistent with any guidelines provided by the Special Entity, fair pricing and the appropriateness of the swap; and
(vii) In the case of a Special Entity as defined in § 23.401(c)(2) or (4), is subject to restrictions on certain political contributions imposed by the Commission, the Securities and Exchange Commission, or a self-regulatory organization subject to the jurisdiction of the Commission or the Securities and Exchange Commission; provided however, that this paragraph (b)(1)(vii) of this section shall not apply if the representative is an employee of the Special Entity.

The Representative and the City of Dover shall enter into a legal agreement that binds the Representative to comply with items (i) through (vii) in this policy.

At no longer than any 12 month interval, the City of Dover shall review the performance of the Representative to ensure compliance with items (i) through (vii) in this policy.

CITY OF DOVER
REVENUE POLICY
EXTRA DUTY / VOLUNTARY OVERTIME

I. POLICY

The City of Dover Police Department recognizes the need for individuals and businesses to have the services of police officers for special events or other functions that would not be part of routine patrol. The Department will ensure that these needs are met by permitting officers to work for these employers in their capacity as Dover Police Officers. Additionally, the Department shall seek to secure grant funding to compensate officers for voluntary patrols in and around specific areas of the city, supplementing the normal activities of the Department.

II. PURPOSE

It is the purpose of this document to outline the extra duty billing rates and procedures to our customers and granting agencies.

III. RESPONSIBILITIES

The Special Enforcement Unit Commander will be the Extra Duty Coordinator and will assign clerical support as well.

The Extra Duty Coordinator shall be responsible for ensuring that all requests conform to this Procedural Notice, City ordinances, and to oversee compliance with departmental regulations.

The Chief of Police will determine if an extra duty request is a “must fill” position, due to safety concerns to the public or to police. When this occurs, and no one has volunteered to work the position, the Extra Duty Coordinator will be responsible for assigning this extra duty job to an officer.

The Extra Duty Coordinator will be responsible for determining the adequate number of officers to staff an event.

In cases where the staffing was underestimated the on-site supervisor or working shift commander, at an event may, at his discretion, notify the employer and the extra duty coordinator that additional officers are needed. Regardless of whether or not the employer was able to be notified, the on-site supervisor may call in additional officers and the employer will be billed accordingly.

Examples of “Special Events” requiring extra duty assignments include, but are not limited to, events:

1. That require a City of Dover permit
2. Involve temporary road closures
3. Require right of way closures
4. Bicycle or foot races or walks
5. Active traffic control- where an officer is actively/physically engaged in directing vehicular or pedestrian traffic
6. Other special events

IV. REQUESTS FOR EXTRA DUTY OFFICERS

Any individual or private firm may request extra duty officers for work within the city limits of Dover. Requests must be received between the hours of 8:00 am and 4:00 pm Monday through Friday and can be mailed, emailed, faxed or brought in person to the Dover Police Department. Applications must be received seven (7) days before the event. Any requests made less than seven (7) days in advance are only processed with the understanding that the assignment may not be filled. These requests will be directed to the Extra Duty Coordinator, who will ensure that the requesting party understands the payment and cancellation procedures.

The Extra Duty Coordinator will try to accommodate any schedule requests made by the employer if made within one hour prior to the time of the event.

It shall be the responsibility of the Extra Duty Coordinator to review all requests and the work required. The extra duty request will be denied if:

A. The employment is prohibited by State Law, City Ordinance, or Dover Police Department Rules & Regulations.

B. The employment presents a potential risk of injury due to the lack of officers being requested for the assignment.

C. The request requires the officer to act in any capacity other than a law enforcement official.

D. The final determination of whether a permit is approved rests with the Extra Duty Coordinator. While efforts will be made to comply with the assignment duties as defined by the business representatives, the Dover Police Department maintains exclusive rights in determining the number of officers required in order to maintain a safe environment for all and dictate placement and duties.

E. On occasion, specific staffing levels and officer placement are influenced by City of Dover Ordinances and unique circumstances identified by the City of Dover Council regarding zoning approval for individual establishments and land parcels.

F. Major re-occurring special events within the City of Dover may involve more defined and detailed staffing and planning processes that may be outlined in a memorandum of understanding at the discretion of the Chief of Police or his designee.

   Any separate agreements must adhere to the requirements of the Extra Duty Revenue/Voluntary Overtime Policy and all other City of Dover personnel and financial policies and procedures as promulgated by the City Council, City Manager, or Controller Treasurer.

V. PAYMENT METHODS

Billing and processing for all extra duty accounts will be handled in accordance with current City of Dover finance policies.

A. Non-Recurring permits

Employers who are using the extra duty services one time, or are determined by the Extra Duty Coordinator as a high risk customer, must pay for services before the assignment commences.

Officers can work additional hours with permission granted by the shift commander or extra duty coordinator. If this should occur, the extra duty employer must pay the additional charges on the next business day to the Extra Duty Coordinator. To prevent this, the employer may pay for extra hours and if unused, will be reimbursed.

No officer is allowed to accept monies from an extra duty employer.

B. City Sponsored Events

The cost of police personnel to maintain safety for the actual event, those officers assigned to traffic and/or crowd control, will be absorbed by the City of Dover.

City sponsored events will be staffed by officers scheduled during the hours of the event. For events that required additional staffing levels, regular overtime will be scheduled and paid to those officers that actually work overtime.

C. Extra Duty for Non City Sponsored Events

The Extra Duty Coordinator will schedule officers to work non-city sponsored events. The expense associated with this extra duty will be the responsibility of the event organizers. The Coordinator may also arrange for additional requests for police services, such as money escorts or overnight security.

VI. REPORTING PROCEDURES

The officer may elect to go directly to the job site and report to the point of contact identified on the assignment worksheet. That contact (or his/her designee) will be responsible for completing the time-on-duty and time-off-duty sections, along with the Extra Duty Employer section of the assignment worksheet. If the officer elects to do this, he/she must contact the on-duty Shift Supervisor by telephone to be input into the CAD system.

VII. FAILURE TO APPEAR FOR EXTRA DUTY

An employer, upon realizing that the officer failed to appear, should notify the extra duty coordinator at (302)- 736-7145 immediately and also call the on duty shift commander at (302)736-7111.

VIII. CANCELLATIONS OF EXTRA DUTY

A. Extra duty assignments will not be canceled less than one hour prior to the scheduled start time, except as authorized by a Unit or Division Commander, during regular duty hours, or after regular duty hours, the On-Call Lieutenant.

B. In the case of a departmental need or community emergency, the Chief of Police or designee may cancel any extra duties assignments. The extra duty officers would then be immediately available for service to the department.

IX. PROCEDURE FOR CANCELLATIONS OF EXTRA DUTY ASSIGNMENTS NOTIFICATIONS

A. Cancellations by the extra duty employer should be made at least one hour before the time the assignment is scheduled to begin. If cancellation is made in less than an hour (with the exception of a natural disaster) the customer will be charged and the assigned officers will be paid a minimum of 3 hours as per the FOP Union contract. When an extra duty assignment is canceled by an extra duty employer the following procedure will be followed:

1. The person who receives the cancellation notice will document in the extra duty book, the date and time the cancellation call was received, and they will initial next to this entry.

2. The person will then notify the officer who had signed up for the extra duty assignment.

    a. This notification will be by leaving the officer a voice mail message stating the particular extra duty assignment was canceled.

    b. If the cancellation notice was received after normal working hours and the assignment is for the next business day the person receiving the notification will comply with the above steps but they will also attempt to contact the officer at the officer's residence.

3. The person's initials next to the entry will signify that his person did in fact notify the officer.

B. When an extra duty assignment is canceled for inclement weather the following procedure will be followed:

1. The officer who has signed up for the extra duty assignment will be responsible for contacting the On Duty Supervisor at least one (1) hour prior to the start of the extra duty assignment. The On Duty Supervisor will make the determination if an extra duty assignment will be canceled due to inclement weather at this time.

2. If extra duty assignments are going to be canceled due to inclement weather in advance of the assignment, the officer making the decision to cancel the assignment will ensure that the officers are notified in advance if possible. (i.e.: leaving the officer a message at his residence if possible, if not then a voice mail message)

3. Officers are required to check their voicemail one (1) hour prior to the scheduled start time of all assignments unless notified previously.

C. A phone message will be left for the Extra Duty Coordinator advising of the cancellation and that the officer(s) were in fact notified.

D. Some extra duty assignments will be canceled regularly due to inclement weather where others such as grant-related extra duty assignments are generally not canceled for inclement weather, unless such weather is severe. Officers are expected to be prepared to adapt to existing weather conditions.

X. DISCONTINUATION OF SERVICE

If the Chief of Police or his designee or the Extra Duty Coordinator, determines that it is in the best interest of the department to discontinue an extra duty service, the customer employer will be immediately notified.

XI. BILLING POLICY

A. Billing rates for Fiscal Year 2015 are as indicated in Attachment 4.

B. Officers pay rates for extra duty assignments, regardless of type, are governed by the Collective Bargaining Agreement.

C. The City of Dover will pay the officers wages as well as pay for worker's compensation and general liability insurance, administrative resource costs, automobile fuel, maintenance and insurance. An overhead rate is added to the contractual Extra Duty rate to cover this cost.

D. Officers working an extra-duty assignment will be paid a 3-hour minimum. If the assignment is not canceled according to policy, or if the officer is released from the assignment less than 3 hours from the start time, he/she will receive three (3) hours pay at the extra duty rate.

E. If an officer is late to the assignment for any reason, the officer will be paid only for actual hours worked.

F. Officers are held strictly accountable for their extra duty assignment worksheets, as this is the source document by which officers are paid. The customer or designee must sign the worksheet upon completion of the assignment. For large assignments, the customer must sign the master worksheet that covers all the officers on that assignment. Officers will be compensated for extra duty assignments during the pay period in which the worksheet is submitted to payroll.

G. If an officer must work additional hours on an extra duty assignment, the customer is responsible for payment of the additional costs, as long as the overage is due to the extra duty assignment and is necessary.

H. At the conclusion of the extra duty assignment, the officer should place the assignment worksheet in the payroll mailbox, but no later than the officer's next scheduled workday.

Loss of an extra duty assignment worksheet may result in a delay of payment to the officer, or may cause the officer to forfeit pay. Reproduction of assignment worksheets

may be done with the approval of the Extra Duty Coordinator. The officer will have sole responsibility for obtaining the proper signatures/dates/times. All employees working extra duty are required to submit accurate assignment worksheets. The accuracy of these assignment sheets is critical in ensuring appropriate employee compensation. The employee's signature must match the printed name of the employee assigned the duty. The editing of extra duty worksheets by the employee is permitted for the purpose of adding accurate information.

G. Any officer who falsifies any portion of the extra duty assignment worksheet will be subject to discipline under General Order 26, Code of Conduct.

XII. WORKERS' COMPENSATION/LIABILITY

The City of Dover is self- insured for general liability and statutory workers' compensation coverage. Police officers assigned to extra duty work are afforded workers compensation coverage.

XIII. EFFECTIVE DATE

This Procedure shall become effective upon adoption of City Council. Rates will be reviewed on an annual basis and revised upon Council approval during the adoption of the annual budget.

Attachment 1

NOTICE TO CUSTOMERS

The officers are at all times subject to the policies and procedures of the City of Dover and the rules and regulations governing employees of the Dover Police Department (DPD). A customer has no authority over police personnel and is restricted to providing only a general assignment of duties to be performed by the officer. Those duties never supersede DPD policy or procedures and employers of the extra duty officers should so be advised. Extra duty officers remain under the exclusive control of the department and accountable for strict adherence to departmental rules and regulations. Any conflicting rules of employers of extra duty officers will be disregarded. The officer shall refuse to perform any duties deemed to be in conflict with the guidelines established by the Dover Police Department. As determined by the Department, officers may be recalled from extra duty to on-duty status.

This permit is for Law Enforcement work only and does not exempt customers from obtaining other necessary permits for this event.

The City of Dover Police Department is NOT obligated to provide extra duty services. A permit will not be issued to any person, firm, or organization whose offices, members, business, or operations are questionable or for any event of a potentially compromising nature.

Dover Police Department officers are NOT permitted to receive cash from customers for any reason whatsoever.

The undersigned customer agrees, individually and on behalf of the named applicant, to promptly pay for extra duty services rendered. Further, the undersigned agrees, individually and on behalf of the named applicant to pay all costs, expenses and attorney's fees incurred in the collection of any sums due hereunder.

Paul M. Bernat.
Chief of Police

I have read and understand the "Extra Duty Conditions of Permit" and "Notice to Customers"

_____

Customer-Individually and as Authorized Representative Date

_____

Federal ID

Attachment 2

DOVER POLICE DEPARTMENT
BILLING INFORMATION FORM

TO: DEPARTMENT OF FINANCE

FROM: Dover Police Department **Date:** 6/4/14

THIS SECTION TO BE COMPLETED BY THE FINANCE DEPARTMENT	**PLEASE BILL AS FOLLOWS**		
	TYPE OF ACCOUNT	**CODE**	**ACCOUNT NUMBER**

THIS SECTION TO BE COMPLETED BY THE OPERATING DEPARTMENT

VENDOR: _____

WORK DONE ON: _____

LOCATION: As Requested

DESCRIPTION OF WORK DONE: Police services

 # HOURS: _____

DETAIL OF CHARGES

LABOR: _____

OVERHEAD: _____

VEHICLE: _____

TOTAL BILL: _____

MANUAL PAYMENT INTRUCTIONS: Take this invoice to the City of Dover Customer Services Department located at 5 East Reed Street, Dover DE 19901. *Only cash, money order or certified funds payments will be accepted*.

_____
AUTHORIZED SIGNATURE

FINANCE DEPARTMENT

RECEIVED BY _____ **RECEIVED ON** _____

KEYED BY _____ **VERIFIED BY** _____

Attachment 3

Dover Police Department Extra Duty Request Form

Type of Event: _____

Number of people attending: _____

Location of event: _____

Dates & Times Requested: _____

Billing Information:

Name: _____

Address: _____

Phone #'s: Cell #_____ Work #_____

Contact person at the event: _____

Contact person cell #: _____

Person(s) requesting officer(s): _____

Signature of requesting person: _____

The responsible party will be charged a 3-hour minimum (per officer) if the assignment is not canceled one (1) hour before the assigned start time. If the officer(s) are released from the assignment less than three (3) hours from the start time, he/she will receive three (3) hours pay. To cancel an assignment, dial (302) 736-7111.

Official use only, does not write below

Number of officers assigned: _____

Times officers assigned: _____to_____

Approved: _____

Return this form or fax it to: Special Enforcement Unit Commander.
Fax # (302) 672-1842, any additional questions, dial (302) 736-7145

Attachment 4

City of Dover			
Officer Extra Duty Billing Rates for Grant Related Events			
	Officer		
	Billing		
Rank	Rate		
Patrolman	$42.00		
Patrolman 1st Class	$51.00		
Corporal	$55.00		
Master Corporal	$65.00		
Sergeant	$72.00		
Lieutenant	$78.00		
Captain	$85.00		
Officer Extra Duty Billing Rates for Office of Highway Safety Grants			
Federal Approved Rate			$50.00

City of Dover			
Officer Extra Duty Billing Rates for Special Events (Spectator's over 5,000)			
	Officer		Total
	Billing	Overhead	Hourly
Rank	Rate	Rate	Rate
Special Event Rate	$57.00	$2.00	$59.00

City of Dover			
Officer Extra Duty Billing Rates for Non-Special Events			
	Officer		Total
	Billing	Overhead	Hourly
Rank	Rate	Rate	Rate
Extra Duty Rate	$57.00	$6.00	$63.00
Vehicles Actively Used on Extra Duty Jobs - Hourly Rate			$ 16.25