REGULAR COUNCIL MEETING

The Regular Council Meeting was held on June 25, 2012 at 7:30 p.m. with Council President Leary presiding. Council members present were Mr. Anderson, Mrs. Russell, Mr. Lynn, Mr. Perza, Mr. Bonar, Mrs. Williams, Mr. Hare, and Mr. Hutchison.

Council staff members present were Police Chief Hosfelt, Mrs. Mitchell, Mr. Koenig, Mrs. Townshend, Fire Chief Fortney, City Solicitor Rodriguez, and Mrs. McDowell. Mayor Carey was also present.

OPEN FORUM

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

Mr. Richard Gardner, 233 Squawigm Road, indicated he is an employee of the City of Dover Electric Department and read the following statement into the record:

> *The City of Dover may be the most affordable city to reside in the region. With a tax rate of .3378 cents per hundred, Dover has been able to maintain the 14th lowest tax rate out of the 20 towns and Cities in Kent County. Lower than Dover's would be Woodside, Hartley, Viola, Houston, Kenton and Smyrna. The Dover Council has been able to lower tax rates from .48 cent in 1984 to the present .3378 cent.*
>
> *In 1984 Gas $1.20, Bread .79 cents.*
>
> *Earlier this year the City Manager proposed a 1 penny tax increase along with an increase in the trash fee. An additional charge that would help recover some of the cost for rising landfill cost, but City Council opposed to any increases. In fact, council stipulated that staff cut spending in the electric budget and pulled money from electric rate stabilization fund that would assist in an electric rate reduction. To balance the budget, 12 positions will be cut this year, employees will be asked to pay for their healthcare, do to years of neglect to fund the $76 million deficit to Other Employee Post Benefits (OPEB) and the City will borrow $633,300 from electric reserves in addition to the already (8) eight million dollar to balance the 2013 budget.*
>
> *The Dover Police Department is a full service police department that has one of the highest clearance rates in the State of Delaware.*
>
> *The City of Dover's Electric Department which is staffed by 42 employees (which is down from 60 just a few years ago) has been recognized nationally for its excellent reliability public power provider. Customers enjoy a response time of 28.56 minutes and if your power is interrupted it would only likely be for an average of 38.21 minutes per year.*

In Dover you will find a state of the art Park and Recreational Facility with softball and soccer fields along with a soon to be completed multi-million dollar library.

How long will the residents of the City of Dover be able to maintain this level of expectation? The workforce that has built this City to this level of comfort is now leaving. The golden handcuffs have been removed. The pensions are poor, the wages have been frozen and now the benefits are being taking away. Thirty seven (37) well qualified and experienced employees have left for employment elsewhere over the past one (1) year.

The City Manager has said he is torn between representing the non-bargaining staff and working for Council. What else are we to do?

Mr. Clay Hammond, 505 Troon Road, noted that there had been recent discussion regarding economic development within the City and indicated his feeling that there was a need to expand the scope of economic development. It was his opinion that parts of the historically black community looked the same as they did in the 1970s. He explained his concern that the major players in economic development have totally neglected the black community, which has the greatest need, and and that this should be addressed. Since public funds are utilized for economic development and the black community contributes to those funds, Mr. Hammond requested that the major players in this regard begin to focus on the needs of this community. He noted that census data reflects that poverty and economic disparity are greatest in the black community.

Pastor Gregory Gordon, 54 S. New Street, echoed Mr. Hammond's concerns, noting that more than 1,000 skilled and unskilled laborers have come to work in the downtown area. He advised members that he has been successful in employing over 300 people during the past year. He reiterated concerns regarding work being conducted in the downtown area by out of town contractors. He mentioned that there is a federal mandate that would benefit companies hiring individuals who have been out of work for over six (6) months. Pastor Gordon suggested that if the contractors who are working in the Fourth District hired individuals from that area, a difference could be made in the City of Dover. He announced that a Block Party would be held on New Street on July 28, 2012 and encouraged all members of Council to attend. He also announced that a town hall meeting would be held on June 30, 2012 at Bible Way Temple Church and requested that members of Council participate and let others know what is going on in the community and discuss jobs for the City.

The invocation was given by Councilwoman Russell, followed by the Pledge of Allegiance.

AGENDA ADDITIONS/DELETIONS

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

Council President Leary noted that staff requested that Items #11 - Reappointments by Mayor Carey and #12 - Appointments by Mayor Carey be considered by consent agenda.

Mr. Bonar moved for approval of the consent agenda as amended, seconded by Mr. Hutchison and carried by a unanimous roll call vote.

ADOPTION OF MINUTES - SPECIAL COUNCIL MEETING (BUDGET REVIEW) OF MAY 22, 23, 30, AND JUNE 4, 2012

The Minutes of the Special Council Meeting (Budget Review) of May 22, 23, 30, and June 4, 2012 were unanimously approved by motion of Mr. Bonar, seconded by Mr. Hutchison and bore the written approval of Mayor Carey.

ADOPTION OF MINUTES - REGULAR COUNCIL MEETING OF JUNE 11, 2012

The Minutes of the Regular Council Meeting of June 11, 2012 were unanimously approved by motion of Mr. Bonar, seconded by Mr. Hutchison and bore the written approval of Mayor Carey.

PRESENTATION - DOVER PUBLIC LIBRARY DONATION

Ms. Dorothy Snyder, President of the Dover Library Foundation, requested the opportunity for representatives of the Delaware Solid Waste Authority (DSWA) to make comments. Ms. Anne Germain, Chief Engineer with the DSWA, introduced Mr. Toby Ryan, a longstanding member of the Board of Directors of the DSWA, and other employees of the DSWA: Mr. Pat Canzano, CEO; Ms. Shelly Forcier, Human Resources Director; Mr. Rich Von Stetten, Senior Manager of Statewide Recycling; Mr. Jim Davis and Mrs. Dottie Davis, retirees; and Ms. Trudy Davis.

Ms. Germain stated that all were present to honor Mr. N. C. Vasuki, former CEO of the DSWA. She presented a check in the amount of $2,500 to Mayor Carey and Ms. Marjorie Cyr, Library Director, for the Dover Library Foundation in honor of Mr. Vasuki.

Mr. Vasuki relayed appreciation for the honor, as well as for the generosity of the DSWA and their interest in the library. He noted that the contribution would be credited toward matching funds, and that an additional $38,000 would now be needed in order to achieve the goal.

PUBLIC HEARING - VIOLATION OF THE DANGEROUS BUILDING ORDINANCE - PROPERTY LOCATED AT 171 ORCHARD AVENUE, OWNED BY WILLIAM W. JARMAN

A public hearing was duly advertised for this time and place to consider a violation of the Dangerous Building Ordinance for property located at 171 Orchard Avenue, owned by Mr. William W. Jarman. Mrs. Ann Marie Townshend, Director of Planning and Community Development, advised members that the property consisted of a one-story, wood-framed, single-family home. The dwelling was condemned as unfit for human habitation on June 25, 2010 due to the degree of damage to the structure from a fire that occurred on the night of June 24, 2010. Currently the structure was vacant with no utilities and was in a serious state of disrepair. Mrs. Townshend provided a presentation of the chronological history and the conditions of the house located at 171 Orchard Avenue ***(Exhibit #1)***.

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 July 25, 2012 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. Anderson, Mrs. Townshend stated that the address on file for Mr. Jarman was the property address, where notices of the demolition and the public hearing were sent. She stated that since staff has received confirmation for the mail delivery, there must be a forwarding order. She noted that the only lien holder for this property was the Division of Revenue, and that staff had received confirmation for the mail delivery for them as well.

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

Mr. Bonar moved that the structure located at 171 Orchard Avenue, owned by William W. Jarman, be declared a dangerous building and subject to demolition, as recommended by staff. The motion was seconded by Mr. Hare and carried by a unanimous roll call vote.

PUBLIC HEARING - VIOLATION OF THE DANGEROUS BUILDING ORDINANCE - PROPERTY LOCATED AT 488 NORTH EAST AVENUE, OWNED BY JEFFREY E. GARRISON

A public hearing was duly advertised for this time and place to consider a violation of the Dangerous Building Ordinance for property located at 488 North East Avenue, owned by Mr. Jeffrey E. Garrison. Mrs. Ann Marie Townshend, Director of Planning and Community Development, advised members that the property consists of a one-story, wood-framed, single-family home. The dwelling was condemned as unfit for human habitation due to no electrical service and the amount of interior water damage caused from numerous roof leaks. The dwelling was vacated in March of 2010 and is full of mold and mildew. Currently, the structure remains vacant, with no utilities and in a serious state of disrepair. She advised members that the property is currently in the foreclosure process with Wells Fargo. Mrs. Townshend provided a presentation of the chronological history and the conditions of the house located at 488 North East Avenue ***(Exhibit #2)***.

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 July 25, 2012 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.

In response to Mr. Anderson, Mrs. Townshend indicated that although the property may not appear to be in disrepair, there was roof damage which caused water damage in the interior. Without repair, the property will continue to deteriorate. She also explained that there are concerns with the property not being secured and that there have been several complaints from neighbors of people coming and going from the building. She noted that staff typically enforces the dangerous building ordinance for properties that are not secure, in addition to properties that have deteriorated.

Mrs. Townshend advised members that staff was contacted by Mr. Thomas Barnett, Attorney representing Wells Fargo, who had indicated his client's desire to make necessary repairs; however, she noted that the matter had already been submitted for Council's consideration at this time. She indicated that staff would have no objections to allowing for repair. She noted that staff's recommendation provides for repairs and/or demolition to be accomplished by the owners/equitable owners within 30 days and that it may be reasonable to extend this time to 60-90 days.

In response to Mr. Perza, Mrs. Townshend stated that the owner of record, according to tax records, was Mr. Garrison and the address associated with the property owner was 488 North East Avenue.

Council President Leary declared the public hearing open.

Mr. Thomas Barnett, Attorney for Atlantic Law Group representing Wells Fargo, advised members that 30 days would not be sufficient time to complete the work anticipated to be necessary to the property. It was his opinion that the property is not as bad as portrayed, explaining that it was not unfit for habitation or a danger to anyone but simply needed to be cleaned up. Wells Fargo was willing to complete the work required and had already begun making improvements to the outside and some work on the interior. He assured members that Wells Fargo was prepared to continue to repair the property; however, he indicated that it could not be accomplished in 30 days. Mr. Barnett advised members that he recently sold a property (outside of City limits) at a Sheriff's sale for $168,000 that was in much worse condition than the property at 488 North East Avenue.

Responding to Mr. Hutchison, Mr. Barnett stated that a timetable for completing the necessary work had not yet been developed. He explained the need for Wells Fargo's agent to meet with City staff at the property to obtain a list of the repairs required. Until such time as that list was provided, he stated that they were unable to provide a definite timetable for correcting the problems.

Mr. Perza noted that since Wells Fargo did not own the property, he understood that there may be complications with Wells Fargo volunteering to spend money for improvements. It was his experience that the foreclosure process could be very difficult and questioned if Wells Fargo was willing to provide some type of note or financial assurance that the repairs would be made promptly. Responding, Mr. Barnett stated that his presence at the meeting should serve as such commitment, noting that Wells Fargo requested his attendance and was paying him a substantial fee for such services. He also advised members that although he could not force Wells Fargo to do anything, City Solicitor Rodriguez has known him for about 35 years and could vouch that when his word is given, he backs it up. He reiterated that the desire of Wells Fargo was for the property to be in condition for sale.

As an attorney, Mr. Perza stated his knowledge that a bank will not commit financial resources until a property is owned. Responding, Mr. Barnett indicated that monies have already been committed by Wells Fargo for repairs to the property.

Responding to Mr. Bonar, Mr. Barnett estimated that it would take approximately 60-90 days for the foreclosure to be completed due to the mediation law that recently went into effect requiring clients to file certain affidavits. He advised members that some clients are refusing to sign the affidavits; however, he assured members that Wells Fargo is moving forward and executing such affidavits.

In response to Mr. Lynn, Mr. Barnett estimated that Mr. Garrison has been in default since early 2011. He stated that Wells Fargo was first made aware of squatters at the property early Friday afternoon (June 22nd) and understands the concerns of neighbors regarding this matter. He stated that the garage doors have been secured in an attempt to prevent squatters. He assured members that Wells Fargo is attempting to address the issues.

Mr. Anderson relayed his objections to the property being demolished; however, he stated his concurrence with staff's concerns that the home was becoming dangerous due to the activity taking place there and that it was becoming a threat and nuisance for the area. He questioned what assurance could be provided that the property would remain secure. Responding, Mr. Barnett stated that Wells Fargo would conduct a "drive by" once a month to protect their interest in the property. With regard to the fees owed to the City, Mr. Barnett stated that he would need to discuss the issue with Wells Fargo prior to responding; however, he noted his understanding that the City could not force Wells Fargo to pay such fees.

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

Mrs. Russell moved that Wells Fargo be provided an extension for 90 days, at which time there should be proof that they were making the necessary repairs, seconded by Mr. Hare. The motion failed by a roll call vote of six (6) no, and three (3) yes (Mrs. Russell, Mr. Hare, and Mr. Leary).

Mr. Hutchison moved for approval of staff's recommendation and to give staff the flexibility to work with Wells Fargo toward satisfying the needs and concerns relayed during the public hearing, seconded by Mrs. Williams.

Mr. Bonar moved to table the matter for 120 days to provide Wells Fargo the opportunity to proceed with the foreclosure action and, if at any time during this 120-day period City inspectors were to find the property to be a hazard or find a continuing increase in hazardous conditions, that staff be authorized to move forward with the demolition process. The motion was seconded by Mr. Anderson and carried by a roll call vote of five (5) yes, and four (4) no (Mr. Lynn, Mr. Perza, Mrs. Williams, and Mr. Hutchison).

PUBLIC HEARING - VIOLATION OF THE DANGEROUS BUILDING ORDINANCE - PROPERTY LOCATED AT 827 TOWNSEND BOULEVARD (POOL), OWNED BY JENNIFER E. BROWN

A public hearing was duly advertised for this time and place to consider a violation of the Dangerous Building Ordinance for property located at 827 Townsend Boulevard, owned by Ms. Jennifer E. Brown. Mrs. Ann Marie Townshend, Director of Planning and Community Development, stated that the property consisted of an oval, in-ground, concrete swimming pool. She noted that currently the pool was not being maintained, not covered, and had stagnant water within the pool, causing unsanitary conditions. Mrs. Townshend provided a presentation of the chronological history and the conditions of the swimming pool located at 827 Townsend Boulevard ***(Exhibit #3)***.

Mrs. Townshend advised members that a City Code Enforcement Officer spoke to someone at the property (not the owners) earlier in the day, who stated that the owners expressed an interest in making repairs; however, she stated that the property owners had not responded to previous correspondence regarding the necessity for repairs. In addition, it was her recollection that the property owners had indicated that they would not be able to make the required repairs.

Staff recommended that City Council: 1) declare the pool on this property dangerous; 2) order the pool repaired or demolished by July 25, 2012 by the owner or equity owner at their own risk; 3) order the Building Inspector to cause the repair or demolition of the pool if not completed by the owner within 10 days of the date established by City Council; 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 pool 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 Mrs. Williams, Mrs. Townshend stated that although there was fencing surrounding the property, it was older and probably did not meet the current fencing requirements. With regard to the water in the pool, Mrs. Townshend advised members that the water in the pool had just been pumped out and that the water shown was due to the rainfall last night and is about 6 inches deep.

In response to Mr. Perza, Mrs. Townshend stated that, based on previous discussions with the property owners, they were not going to be able to make the required repairs; however, the individual who spoke with staff earlier in the day was a babysitter who indicated that the homeowners were interested in making the repairs. The complaints made to the City regarding the pool were made by the White Oak/Towne Point Civic Association.

Mrs. Townshend explained that the pool serves as a hole in the ground that allows rainwater to accumulate and noted that the swimming pool is not functional. Responding to Mr. Perza, Mrs. Townshend advised members that the Property Maintenance Code requires pools to be operational and maintained in good repair. She stated that since the language is broad, staff refers to the commentary for direction and that a large hole that is 8-9 feet deep becomes a matter of concern.

In response to Mrs. Russell, Mrs. Townshend stated that, in order to be compliant, the homeowner would need to make the necessary repairs to the pump and have a working filtration system to the pool. During the off-season, the homeowners should then drain the pool to a certain level and have it adequately covered.

Although the action form indicated an estimated expense of $10,000, Mrs. Townshend stated that, based on past experience, she anticipated demolition costs for the pool in the range of $5,000 to $7,000.

Council President Leary declared the public hearing open.

Ms. Jennifer Brown, owner of 827 Townsend Boulevard, brought evidence of the paper trail that was created as a result of her efforts to get the pool in working condition. She advised members that she acquired the property in July 2011 and was advised in January 2012 that the pool must be either drained or covered. At that time, she paid the fine involved and had the pool emptied halfway. She was later (in March 2012) advised, erroneously, that the water in the pool could not be kept at the halfway level. At that time, she assured City staff that she would have the pool cleared and in working order (pump was working) in two (2) weeks. Unfortunately, about a week afterward, there was a thunderstorm and lightning struck the pump. She stated that she filed a claim for repairs to the pump with her homeowners' insurance company on March 17, 2012. On May 17, 2012, the insurance company notified her that the insurance claim was denied. A week later, she contacted a pool contractor and had the pool completely drained and the electrical panel repaired. Ms. Brown stated that the contractor repaired the electrical panel; however, repairs to the motor and pump would be handled by separate contractors (all issues are not handled by one contractor). She assured members that the motor had been repaired by Dills Electric, and the electrical panel by another company, and that the pool would be in working condition next week.

Responding to Council President Leary, Ms. Brown confirmed that the swimming pool would be totally operational by July 25, 2012.

In response to Mr. Perza, Ms. Brown stated that she needed to have a pool cover custom made since it is not a standard shape, which costs approximately $5,000.

Ms. Brown indicated that the property surrounding the pool includes a chain-link fence which is kept locked; however, her children had left it unlocked on occasion.

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

Mr. Bonar moved that staff's recommendation to declare the pool at 827 Townsend Boulevard as dangerous be tabled for 30 days and, if at the end of that time sufficient progress has not been made, as determined by the Inspections Department, that staff proceed with the demolition. The motion was seconded by Mr. Hare and carried by a unanimous roll call vote.

BOARD OF ASSESSMENT APPEALS EXEMPTION REPORT - MAY 22, 2012

Council President Leary reminded members that the Board of Assessment Appeals Committee Report was presented to City Council for consideration during their Regular Meeting of June 11, 2012, at which time a motion was made for the Division of the Question. According to Roberts Rules of Order, if there is an objection to Division of the Question, it must be processed as a motion, it needs a second, it is not debatable, it is only amendable as to how the motion is divided, and it needs a majority vote.

Mr. Anderson moved for the Division of the Question to allow for the consideration of each item separately. The motion was seconded by Mr. Lynn and carried by roll call vote of eight (8) yes and one (1) no (Council President Leary).

Union Missionary Baptist Church - Lot 8 Forest Street

Board recommended denial of the request for exemption for Union Missionary Baptist Church (Location: Lot 8 Forest St. - ED05-076.11-01-09.00) in the amount of $30,600.

Mr. Anderson indicated that the property was legitimately owned by a non-profit organization, was not used for investment or commercial purposes, was used at different times for the church ministry, and was located adjacent to the church; therefore, he felt that the property should be granted tax exemption.

Mr. Hare moved for approval of the Board's recommendation, seconded by Mr. Perza and carried by a roll call vote of six (6) yes, and three (3) no (Mr. Anderson, Mrs. Russell, and Mr. Lynn).

Second Baptist Church - 136 South Queen Street

Board recommended denial of the request for exemption for Second Baptist Church (Location: 136 S. Queen St. - ED05-076.12-02-71.00) in the amount of $120,000.

Mr. Anderson indicated his feeling that the inspector's report was severely in error and that the property was not used for storage but was used for the ministry of the church (feeding children, etc.) and maintaining church property.

Mr. Anderson moved for approval of the exemption request, seconded by Mr. Lynn and failed by a roll call vote of six (6) no, and three (3) yes (Mr. Anderson, Mrs. Russell, and Mr. Lynn).

With no objections, Council President Leary declared a brief recess to allow for parliamentary inquiry.

Meeting recessed at 8:28 p.m. and reconvened at 8:30 p.m.

Mr. Hare moved for approval of the Board's recommendation to deny the request for exemption, seconded by Mr. Bonar.

Concurring with Mr. Anderson, Mr. Lynn noted that Mr. John Bagley, Jr., Pastor, Second Baptist Church, had indicated that although the building was used for storage, it was also used for church programs when monies were available.

In response to Mr. Lynn, Ms. Cheryl Russell, City Assessor, stated that the use of the building was discussed during the hearing before the Board of Assessment Appeals and that Mr. Bagley had indicated that it was sometimes used for other activities for the church. The Board had recommended that Mr. Bagley contact the City's Inspections and Planning Department to assure that the building was up to Code in order to be used for other activities. She assured members that the Board had indicated that once it was determined that the building was up to Code and those church activities could be held at that location, the request for exemption could be made at that time. Ms. Russell confirmed that if such programs were being run out of the building, staff would recommend approval of the exemption. She stated that it appeared that the Board would have voted favorably if the building was used for those purposes and was in conformance with Code to do so.

Mr. Hare felt that additional information regarding the use of the property and whether it was up to Code for those uses was necessary prior to Council taking action on this matter.

Mr. Hare moved to table the request for exemption, seconded by Mr. Anderson and carried by a unanimous roll call vote.

Chapter 850 Vietnam Veterans of America - Lot 1549 Rear - Forrest Avenue

Board recommended approval of the request for exemption for Chapter 850 Vietnam Veterans of America (Location: 1549 Rear Forrest Ave. - ED05-076.05-01-10.00) in the amount of $43,400.

Mr. Anderson moved for approval of the Board's recommendation, seconded by Mr. Bonar and carried by a roll call vote of seven (7) yes, one (1) no (Mr. Lynn), and one (1) abstention (Mr. Perza).

EJB Inc. - (Serenity Place) 327 Martin Street

Board recommended approval of the request for exemption for EJB Inc. (Location: 327 Martin Street - ED05-077.10-01-48.00) for 2011 and 2012 in the amount of $420,800 for 2011 and $114,700 for 2012 (Exemption Request for future undetermined $114,700 + improvement value).

Mr. Anderson moved for approval of the Board's recommendation, seconded by Mr. Bonar and carried by a roll call vote of seven (7) yes, one (1) no (Mr. Perza), and one (1) disqualified (Mr. Lynn).

Mr. Lynn explained that his disqualification from voting was due to his involvement with a real estate transaction related to this applicant.

House of Pride, Inc. - 16 North New Street

Board recommended denial of the request for exemption for the House of Pride Inc. (Location: 16 N. New Street - ED05-076.08-05-22.00) in the amount of $75,800.

Mr. Bonar moved for approval of the Board's recommendation, seconded by Mr. Hutchison and carried by a roll call vote of eight (8) yes and one (1) no (Mrs. Russell).

House of Pride, Inc. - 102 South New Street
Board recommended denial of the request for exemption for the House of Pride (Location: 102 S. New Street - ED05-077.09-01-35.00) in the amount of $137,600.

Mr. Hutchison moved for approval of the Board's recommendation, seconded by Mr. Bonar and carried by a roll call vote of eight (8) yes and one (1) no (Mrs. Russell).

House of Pride, Inc. - 115 South New Street
Board recommended denial of the request for exemption for the House of Pride (Location: 115 S. New Street - ED05-077.09-01-43.00) in the amount of $186,900.

Mr. Anderson explained that the City has granted a tax exemption for the property located at 115 S. New Street for several years and that there have been no changes to the property whatsoever; therefore, he indicated his disagreement with the Board of Assessment Appeals regarding this matter.

Mr. Bonar moved for approval of the Board's recommendation, seconded by Mr. Hare and carried by a roll call vote of seven (7) yes and two (2) no (Mr. Anderson and Mrs. Russell).

The Board of Assessment Appeals Exemption Report of May 22, 2012 was accepted by unanimous consent.

PARKS, RECREATION, AND COMMUNITY ENHANCEMENT COMMITTEE REPORT - JUNE 11, 2012
The Utility Committee met on June 11, 2012 with Chairwoman Russell presiding.

Proposed Amendment to 2011 Community Development Block Grant Action Plan
Mrs. Tracey Harvey, Planner I, reminded members that the 2011 CDBG Action Plan included an allocation in the amount of $60,081 for the City of Dover Streets Program to repave South New Street. She noted that the funds had not been expended during the program year because of the need to replace a water line before the repaving of the street. Since Department of Housing and Urban Development (HUD) regulations require expenditure of funds in a timely manner, she stated that it would be feasible to reallocate the funding to other CDBG projects in order to ensure timely expenditure.

Mrs. Harvey advised members that the Housing Rehabilitation Program incurred unexpected expenses during the program year and additional environmental testing must be completed to bring a home into compliance with HUD guidelines, at a projected cost of $2,500. In addition, a budget request for a chair lift to be installed in Council Chambers would make Council Chambers compliant with the American Disabilities Act (ADA) and satisfy the HUD requirement for all City buildings to be handicapped accessible. The cost estimate to install the chair lift in Council Chambers was

$19,214, with an existing balance of $3,931.76 in the ADA line item account. Staff recommended that $20,000 be allocated to cover any additional expenses that might be required to complete this project.

Mrs. Harvey explained that the remaining balance of $37,581 would be divided among the FY 2012 CDBG projects, excluding public service projects which are capped at 15%, bringing the remainder of projects close to their requested amounts, as follows:

CDBG FY2012 funded amounts		Increase
Serenity Place	$27,983	$ 2,017
Homeownership Assistance Program	$30,000	$10,000
MHDC Homeowner Rehabilitation Program	$40,000	$12,782
Elizabeth W. Murphey School	$20,000	$12,782
Total		**$37,581**

Staff recommended authorization to reallocate $60,081 in FY11 CDBG funding from the City of Dover Streets Program to provide funding for the aforementioned projects.

The Committee recommended that staff be authorized to reallocate $60,081 in FY11 CDBG funding from the City of Dover Streets Program to provide funding for the FY11 Housing Rehabilitation Program, American Disabilities Act (ADA) improvements to Council Chambers, and FY12 Community Development Block Grant (CDBG) projects, as presented.

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

Proposed Ordinance - #2012-13 - Amendment to Appendix B - Zoning, Article 5 - Supplementary Regulations, Section 4 - Supplementary Sign Regulations

Mrs. Ann Marie Townsend, Director of Planning and Community Development, advised members that in January 2012, staff began meeting with members of the business community to discuss changes to the Zoning Ordinance. She stated that this group identified a number of areas where the Zoning Ordinance created impediments to business. The top priority identified was the Sign Regulations. She explained that since that time, monthly meetings have been held to work through proposed revisions to the Sign Regulations. As a result of these efforts, a draft ordinance has been developed that includes a combination of clarifications, simplification of the requirements, and significant relaxation of the regulations currently in place.

Mrs. Townshend provided a brief summary of the proposed changes to the substance of the regulation. She noted that the proposed ordinance was the result of detailed discussion about how the regulations could be more business friendly, while still protecting the character of Dover and avoiding sign clutter that could contribute to driver safety concerns. She assured members that there were a number of concessions made by the Planning Office and the business representatives to ensure that the product achieved this delicate balance.

In response to Mr. Lewis, Mrs. Townshend explained that the regulations would be applicable for any new sign permit and would not affect existing signs that may be non-compliant.

Staff recommended that Proposed Ordinance #2012-13 - Amendment to Appendix B - Zoning, Article 5 - Supplementary Regulations, Section 4 - Supplementary Sign Regulations be forwarded to City Council for First Reading on June 25, 2012, that a Public Hearing be set before the Planning Commission on July 16, 2012, and that a Public Hearing and Final Reading be set before City Council on August 13, 2012.

The Committee recommended approval of staff's recommendation.

By consent agenda, Mr. Bonar moved for approval of the Committee's recommendation, seconded by Mr. Hutchison and carried by a unanimous roll call vote. *(The First Reading of the ordinance will take place during the latter part of the meeting.)*

Proposed Ordinance - #2012-14 - Amendment to Appendix B - Zoning, Article 3 - District Regulations, Section 23 - Agricultural Zone (A)

Mrs. Ann Marie Townsend, Director of Planning and Community Development, presented members with a proposed ordinance that would permit the sale of agricultural supplies and products, accessory to the agricultural use, within the A Zone (Agricultural) in Dover.

Mr. Bonar advised members that the proposed ordinance was the result of a request of a constituent who desired to open a farm pole building with existing office and warehouse space available for the sales of agricultural products. The property was located on a farm that was currently within the farmland preservation zone. It was anticipated that the business would generate no more than six (6) to seven (7) vehicles per day.

Staff recommended that Proposed Ordinance #2012-14 - Amendment to Appendix B - Zoning, Article 3 - District Regulations, Section 23 - Agricultural Zone (A) be forwarded to City Council for First Reading on June 25, 2012, that a Public Hearing be set before the Planning Commission on July 16, 2012, and that a Public Hearing and Final Reading be set before City Council on August 13, 2012.

The Committee recommended approval of staff's recommendation.

By consent agenda, Mr. Bonar moved for approval of the Committee's recommendation, seconded by Mr. Hutchison and carried by a unanimous roll call vote. *(The First Reading of the ordinance will take place during the latter part of the meeting.)*

Proposed Ordinance #2012-15 - Amendment to Appendix B - Zoning, Article 3 - District Regulations, Section 9 - General Residence and Office Zone (RGO)

Mrs. Ann Marie Townsend, Director of Planning and Community Development, presented members with a proposed ordinance that would remove the prohibition of alcohol sale in restaurants within the RGO Zone (General Residence and Office). She explained that restaurants are a conditional use in the RGO zone, subject to approval by the Planning Commission.

Mr. Bonar advised members that the proposed ordinance was developed at the request of a constituent who owns property known as the "Governors Club", who would like to be permitted to have alcohol sales in the establishment. He explained that the establishment was currently licensed as a restaurant and was requesting to provide limited alcohol beverage sales on the premises only.

Responding to Mrs. Horsey, Mrs. Townshend explained that restaurants are permitted as a conditional use in the RGO zone subject to a public hearing; however, alcoholic beverages are currently prohibited. Other restaurants in the area that serve alcohol are within a different zoning classification. She advised members that a public hearing would also be required in order to obtain a liquor license; therefore, there would be ample opportunity for public comment.

Staff recommended that the Proposed Ordinance #2012-15 - Amendment to Appendix B - Zoning, Article 3 - District Regulations, Section 9 - General Residence and Office Zone (RGO) be forwarded to City Council for First Reading on June 25, 2012, that a Public Hearing be set before the Planning Commission on July 16, 2012, and that a Public Hearing and Final Reading be set before City Council on August 13, 2012.

The Committee recommended approval of staff's recommendation.

By consent agenda, Mr. Bonar moved for approval of the Committee's recommendation, seconded by Mr. Hutchison and carried by a unanimous roll call vote. *(The First Reading of the ordinance will take place during the latter part of the meeting.)*

Proposed Ordinance #2012-16 - Amendment to Chapter 114 - Vegetation, to Create a New Article III - Bamboo

Mrs. Ann Marie Townsend, Director of Planning and Community Development, reviewed a proposed ordinance that would prohibit the planting or growing of bamboo in the City of Dover. She indicated that it would also authorize the City to abate bamboo that has encroached onto adjacent properties and public ways and charge the cost of this abatement to the property owner. She advised members that bamboo is a highly invasive plant that spreads underground. Treating overgrowth of bamboo under the current code requirements does not prevent the plant from invading adjacent properties and the right-of-way. She noted that the only way to effectively control bamboo was to remove it and that the proposed ordinance would allow the City to require removal of bamboo on private property when it has spread. In addition, it would prohibit the planting of bamboo on private property except under certain conditions and in accordance with practices that would prevent the spreading thereof.

Mrs. Townshend advised members that the proposed ordinance would prohibit the planting of bamboo unless planted within a planter or if a steel barrier were installed that would prevent the spreading of the bamboo underground. It would not affect bamboo that is currently in place unless there is expansion and overgrowth of the bamboo that causes it to intrude into other properties.

Staff recommended that the proposed ordinance be forwarded to City Council for a First Reading on June 25, 2012, and a Final Reading and action by City Council on July 9, 2012.

The Committee recommended adoption of Proposed Ordinance #2012-16 - Amendment to Chapter 114 - Vegetation, to Create a New Article III - Bamboo, as recommended by staff.

By consent agenda, Mr. Bonar moved for approval of the Committee's recommendation, seconded by Mr. Hutchison and carried by a unanimous roll call vote. *(The First Reading of the ordinance will take place during the latter part of the meeting.)*

FY2013 - Five-Year Capital Investment Plan (CIP)

Mr. Scott Koenig, City Manager, reviewed the Fiscal Year 2013 draft Capital Investment Plan for Fiscal Year 2013 through Fiscal Year 2017.

Referring to the Dover Park - Roof Replacement Project for FY2013 in the amount of $30,000, Mr. Koenig explained that staff has been contemplating whether or not the facility would continue in the future. He stated that staff planned to issue a Request for Proposals (RFP) after June 1, 2012 to determine if a third party, non-profit organization would be interested in renting and/or using the facility. If there was such interest, staff would present a lease and allow Council to determine whether they wished to keep the facility in operation through a third party. Should Council wish to keep the facility in operation by the City, roof repairs would be necessary. If no interest was expressed by a third party and the City had no interest in maintaining the facility, Mr. Koenig stated that the $30,000 could be utilized to demolish the building and create open space for future redevelopment.

Mrs. Russell stated her desire to maintain the Dover Park facility, explaining that there is a need for the children who reside in this area and are not able to travel across town to use other facilities. She indicated no objections to a third party using the facility as long as it is utilized for youth and/or senior citizens.

In response to Mr. Anderson, Mr. Koenig stated that the $10,000 to be budgeted in FY2016 for Skate Parks would be used to begin designs. Referring to the need for the Splash Pad, which is proposed for FY2015 and FY2016, Mr. Anderson suggested the possibility moving the project forward to begin prior to FY2015. Responding, Mr. Koenig stated that the project was delayed due to lack of funding in the General Fund.

Mr. Bonar suggested that staff investigate the possibility of obtaining grant monies and other opportunities to help fund the Splash Pad project. In addition, he felt that the City should take steps to clean Silver Lake and felt that there were funds available through the Federal Government. He noted that such a project would include draining, excavation, capping, and allowing the Lake to refill.

Noting that Mr. Zachery Carter, Parks and Recreation Director would be retiring, Mrs. Russell relayed appreciation for his work and dedication to the youth in the community and wished him well in his future endeavors.

The Committee recommended acceptance of the FY2013 Five-Year Capital Investment Plan (CIP).

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

UPDATES

The following updates were provided to members:

Planning and Funding for New Library

Mr. Zachery Carter, Parks and Recreation Director, stated that construction on the new Dover Public Library remained on time and within budget. He reminded members that a $100,000 matching challenge pledge donation was received and that, to date, the City needs to raise an additional $44,000.

Within the next month, Mr. Carter stated that the parking lot should be paved and the Reading Garden should be completed. He noted that the "green" roof is currently being installed and most of the exterior and interior work has been completed.

The Committee recommended acceptance of the Update on Planning and Funding for the New Library.

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

CDBG Program

Mrs. Tracey Harvey, Planner I, reported on the Status of FY2011 CDBG Projects as of June 2012. She assured members that staff has met the requirement for the expenditure of funds in a timely manner and that grantees are continuing to draw down funds.

Housing and Recovery Act of 2008 Funds (Neighborhood Stabilization Fund)

Mrs. Tracey Harvey, Planner I, reviewed the Update on the Housing and Recovery Act of 2008 Funds (Neighborhood Stabilization Program) for Fiscal Year July 1, 2011 through June 30, 2012.

Dover Youth Advisory Committee

Mrs. Russell advised members that the Committee members have now graduated from high school and are moving on to college. As a result, she noted that it would be necessary to appoint new members; however, the president would continue to serve since she will be attending Delaware Technical and Community College and had a desire to continue to serve.

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

UTILITY COMMITTEE REPORT - JUNE 11, 2012

The Utility Committee met on June 11, 2012 with Chairman Bonar presiding.

McKee Run Generating Station Industrial Wastewater Discharge System

Mr. Vince Scire, Manager of the McKee Run Generating Station, submitted a new Capital Improvement Project - Industrial Waste Water Discharge System at McKee Run Generating Station and Exceptions in Capital Outlay. He advised members that the project has been developed to address a change in wastewater discharge requirements identified during an internal program audit and that there are three (3) main items being addressed simultaneously, as follows:

1) In the Fall of 2011, during a program assessment, it was identified that the McKee Run facility did not have metering in place for its sanitary wastewater discharge. Additionally, it was identified that, due to changes in the Kent County code, the facility needed to apply for an Industrial Wastewater Discharge Permit (IWDP). Based on both these requirements, the facility needs to segregate its industrial and sanitary sewer flows, meter both discharges, and sample the industrial flows per Kent County requirements.

2) This project facilitates the diversion of the current National Pollutant Discharge Elimination System (NPDES) wastewater discharges at outfalls 004 and 005 to the Kent County Wastewater Treatment Plant (WWTP). During the same wastewater assessment, and based on operational data supporting the decision to divert the flows, the cooling tower blowdowns will be re-routed from the McKee Run stream, to the Kent County sewer. Minimal additional work in the project scope has been required to make this change which will provide regulatory and operational flexibility to the facility during run times. The facility is at risk of not meeting the discharge parameters set forth by the Delaware River Basin Commission (DRBC) in Docket No. D-2009-014 CP-1. After evaluating various methods to comply, it was determined that the Kent County WWTP would be both willing and able to treat the cooling water discharge and this could be added into the already required IWDP application. This would also alleviate the need for the facility to conduct a thermal study of the discharge as required by the DRBC in the above Docket, a study which would likely provide no value and cost in the tens of thousands of dollars to conduct. In the past, due to the infrequent running of the cooling towers, bacterial growth (enterococci) has been a NPDES permit limit of concern and great care must be taken to both disinfect and circulate the cooling tower water prior to discharge. Diverting this discharge to the sanitary sewer alleviates this risk.

3) As the wastewater discharge is currently routed, a large amount of dilution water must be sent to the cooling towers to maintain the discharge concentrations of Total Dissolved Solids (TDS) to remain below permit limits as set by the DRBC. Based on current data and calculations, and depending on the operating conditions, it is projected that water consumption will increase between three (3) and 10 times to foster compliance. Additionally, it has been projected that if Unit 3 was to be called to run for an extended period of time, such as longer than one (1) week, the TDS parameter would eventually rise to a level exceeding the permit limit, due to restrictions on how much dilution water could be added. Permit non-compliance would be simply a matter of when, not if, under an extended operating scenario. This increased water usage also directly contradicts the efforts the facility has made to conserve water, especially in times of drought, when the extended operating scenario would be most likely to occur.

Mr. Scire reviewed a Presentation - McKee Run Industrial Wastewater System, Tie-In of the McKee Run Industrial Wastewater Flow to the Kent County Sewer System and Elimination of the NPDES Industrial Discharge Points, as well as the benefits to implementing this project. He advised members that in the time since these needs were identified, an official application for an IWDP had been submitted to Kent County and the permit was ready to finalize. The permit included an exception, granted by Kent County Levy Court, to discharge the cooling water to the sanitary sewer. The proposed permit also included language specific to the McKee Run site which would allow for the operational flexibility needed to run the facility as required by the current demands placed on it. Preliminary engineering had been completed for the overall industrial wastewater system changes, and the site had been developing estimated project costs based on the best available information.

Mr. Scire reviewed the next steps to be taken involving this project. He noted that this was a new project that was not identified or funded in the original 2012 Capital Budget. In order to support the funding of the new project, he advised members that exceptions in the capital outlay for various original projects had been identified which will provide the needed offset in funding, as follows:

CIP	Original Projects	Approved 2012 budget	Proposed 2012 Budget	Notes
EG1102	Units #1-#2 Cooling Tower Life Extension	$25,410.00	$0.00	Project workscope deferred to 2014 due to run time
EG1107	Units #1-#2 Boiler / Turbine Life Extension	$196,331.00	$113,000.00	Work put on hold waiting for decision on continued operation of Units 1 and 2.
EG1112	Unit #3 Air Heater Expansion Joint	$82,807.00	$77,000.00	Project Complete
EG1113	Units #1-#2 Boiler Controls Upgrades	$25,700.00	$28,000.00	Project Complete
EG1114	Unit #3 Gas Line Modifications	$20,207.00	$16,000.00	Project Complete
EG1201	Unit #3 Boiler Air Heater	$440,000	$395,000.00	Project Complete
EG1202	Unit #3 Boiler Systems	$130,000.00	$121,000.00	Includes 40k for fuel
EG1203	Unit #3 ID and FD Fan Controls Upgrades	$92,000.00	$81,000.00	Complete in May
EG1206	McKee Run DI Controls Replacement	$65,000.00	$0.00	Workscope to be deferred due to higher priority workscope
EG1208	MCKee Run Switchyard Blast Walls	$50,000.00	$45,000.00	Project Complete
EG1210	Unit #3 Cooling Water Line Inspection	$25,000.00	$0.00	Reschedule to 2013 due to Unit run time
EG1211	Unit #3 Stack Repairs	$25,000.00	$20,000.00	Project Complete
EG1212	Unit 3 Turbine Inspection	$424,000	$405,000.00	Project closeout remaining
	Total Original Projects	$1,601,455	$1,301,000	
	Newly Proposed Project			
EG12XX	Industrial Waste Water System		$272,000	
	Total New Projects		$272,000	
	Revised Total		$1,573,000.00	

Mr. Bonar noted that there was a notoriously long backorder time for parts for projects such as this and questioned if the parts required were readily accessible and could be obtained in a timely fashion. Responding, Mr. Scire stated that he anticipated the longest lead item would be approximately four (4) to six (6) months.

In response to Mr. Blakeman, Mr. Scire indicated that stormwater discharges at the other outfalls were related to wastewater discharge to the cooling towers at the station and that the limits associated with these cooling towers were the concern. Clarifying, Mr. Brian Hoyt, Compliance Specialist, explained that the cooling tower portion of those outfalls would be taken out of service and they would be converted to general stormwater outfalls that are governed under the general permit in the State of Delaware. This would result in four (4) outfalls with much less stringent stormwater guidelines.

Responding to Mr. Bonar, Mr. Scire felt assured that the requested changes to the Power Plant Capital budget should not have an impact on any long-term CIPs.

The Committee recommended approval of the new Capital Investment Plan (CIP) for the Industrial Waste Water Discharge System at the McKee Run Generating Station and the transfer of funding from existing CIPs, as recommended by staff.

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

Annual Engineering Consultant's Report on the Operation and Maintenance of the Electric System - Fiscal Year 2011

Members were provided the Annual Engineering Consultants's Report on the Operation and Maintenance of the Electric System for Fiscal Year 2011, as prepared by Burns and McDonnell Engineering Company, Inc.

Mrs. Donna Mitchell, Controller/Treasurer, advised members that the report was required to fulfill the City's bond covenants. She reviewed the conclusion of the report (Page ES-6) which indicated that the City's power generation facilities were being operated and maintained in a manner consistent with accepted electric utility practices in the United States.

Responding to Mr. Blakeman, Mrs. Mitchell stated that, to her knowledge, this is the only inspection conducted. Elaborating, Mr. Vince Scire, Manager of the McKee Run Generating Station, indicated that insurance representatives conduct inspections at least once per year and these inspections are accomplished during the general overhaul period so that internal components can be inspected and internal procedures and processes can be reviewed.

Mr. Blakeman noted that the report indicated that *"the Electric Division has nine line crews to work on the system. Four crews are responsible for overhead lines, four crews are responsible for underground lines, and one crew is responsible for maintenance"* and questioned if one (1) crew was sufficient to maintain the system. Responding, Mr. Jeremy Johnson, Interim Electric Director, stated that although there was only one (1) maintenance crew, the four (4) overhead crews were also utilized for maintenance when necessary.

Noting that the report indicated that the majority of the four (4) overhead crews' time was spent on new construction, Mr. Blakeman questioned how much time is spent on maintenance. Responding, Mr. Richard Gardner, Line Crew Superintendent, stated that the underground crews generally work

on new construction building infrastructure, since most new construction is underground. He advised members that the overhead crews work on new distribution upgrade projects; however, there are times when they are needed and utilized for maintenance.

The Committee recommended acceptance of the Annual Engineering Consultant's Report on the Operation and Maintenance of the Electric System for Fiscal Year 2011.

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

FY 2013 Five-year Capital Investment Plan (CIP)

Mr. Scott Koenig, City Manager, provided members with the draft FY2013 Five-Year Capital Investment Plan (CIP) for the Public Utilities. He noted that these were the same projects that have been presented and discussed by the Committee and Council during the past several months. In addition to Fiscal Year 2012-2013, the Plan included Fiscal Years 2013-2017

In response to Mr. Blakeman, Mr. Vince Scire, Manager of the McKee Run Generating Station, confirmed that the photo provided for project EG1202 was incorrect, as it reflected the package boiler and not the main boiler.

No further action was taken by the Committee.

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

Members were provided a Project Tracking Report, as of April 30, 2012, for the Utility (Electric and Water/Wastewater) Related Capital Investment Plan (CIP).

No further action was taken by the Committee.

Update - Garrison Oak Technical Park Project

Mr. Scott Koenig, City Manager, stated that the Garrison Oak Technical Park had been platted and approved. The City was continuing to work with the Garrison Energy Center on finalizing amendments to their lease, which is expected to be presented to the Legislative, Finance, and Administration Committee for their review and recommendation. He stated that the organization was working on the preliminary authorization from the Planning Commission, noting that there were several issues that needed to be addressed, such as performance standards, compliance with stormwater management, etc. He stated that the Garrison Energy Center was also working through air permitting with the State of Delaware.

Mr. Koenig indicated that the project was on track and the organization had apprised staff that they were anticipating building permits to be obtained during the first part of 2013, with capacity into the PJM grid in the summer of 2015.

In response to Mr. Hutchison, Mr. Koenig stated his understanding that Calpine and LS Power were meeting last week to resolve their issues. He stated that if these concerns were not resolved, the City would become involved with the matter; however, he advised members that they have committed to work out their differences.

Update - Green Energy Funding and Programming

Mr. Scott Koenig, City Manager, noted that members had received an update on Green Energy Funding and Programming and offered to respond to any questions.

Update - National Pollution Discharge Elimination System (NPDES) Municipal Separate Storm Sewer Systems (MS4) Permit

Referring to the National Pollution Discharge Elimination System (NPDES) Municipal Separate Storm Sewer Systems (MS4) Permit, Mrs. Ann Marie Townshend, Director of Planning and Community Development, relayed appreciation to the generosity of the Wesley College Environmental Sciences Program, which provided an intern during the school year who, she stated, has been working for the City for 10 hours per week, at no charge, to help keep the City permit compliant.

Mrs. Townshend noted that the City held two (2) Compost Workshops and that Drip Irrigation Workshops would be held at the Public Assembly Room at the Dover Police Department on June 28 and June 30, 2012. She stated that the City was working on incorporating environmental programming into the City's Summer Day Camp Program. She stated that the progress the City has made in this regard was due to the assistance provided by Wesley College.

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

LEGISLATIVE, FINANCE, AND ADMINISTRATION COMMITTEE REPORT - JUNE 11, 2012

The Legislative, Finance, and Administration Committee met on June 11, 2012 with Chairman Lynn presiding.

Review and Recommendation - Filling Critical Positions - Library Clerk II - Dover Public Library

Mr. Scott Koenig, City Manager, reviewed a request to fill a Library Clerk II position in the Dover Public Library. He stated that it was anticipated that the individual selected would begin employment on or about August 1, 2012. He reminded members that, as the opening of the new Library approaches, it will be imperative that the City return to the previous staffing level of the Library in order to maintain the current level of service. This position was previously budgeted and has remained unfilled. Although it was not included in the FY12 budget, it has been included in the FY13 budget. He estimated the budgetary impact for wages and benefits at $40,245.

The Committee recommended approval of the request to fill the position of Library Clerk II, as recommended by staff.

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

Proposed 15% Healthcare Premium Cost Sharing Arrangement - Non-Bargaining Only ***(Referred Back to Staff by City Council on May 29, 2012 for Further Evaluation)***

During the Council Committee of the Whole Meeting on May 29, 2012, members considered a proposal submitted by the City Manager for a 15% healthcare premium cost sharing arrangement for non-bargaining employees. After much discussion, the Committee recommended that the proposal be referred back to staff for further evaluation.

Mr. Scott Koenig, City Manager, read a memorandum dated June 7, 2012, from the City Manager to Members of the Legislative, Finance, and Administration Committee regarding Health Insurance Premiums for Non-Bargaining Employees, as follows:

> *During the Council Committee of the Whole meeting on Tuesday, May 29, 2012, a motion was made to refer the issue of a 15% cost sharing contribution for all non-bargaining employees back to the City Manager for further consideration. Attached are eight (8) different cost sharing scenarios as described, as well as, the estimated annualized savings to the City if the scenario were to be implemented for non-bargaining employees:*
>
> | | | |
> |---|---|---|
> | *1)* | *HB81* | *$ 44,973* |
> | *2)* | *Premiums Based Upon First State Basic* | *$ 46,547* |
> | *3)* | *Stepped Percentage (10, 15, 18 & 20)* | *$ 58,057* |
> | *4)* | *Stepped Percentage (10, 15, 20 & 20)* | *$ 60,170* |
> | *5)* | *15% Across the Board (City Manager's Preferred Option)* | *$ 66,559* |
> | *6)* | *Stepped Percentage (12, 15, 18 & 21)* | *$ 66,724* |
> | *7)* | *Stepped Percentage (10, 15, 20 & 25)* | *$ 66,835* |
> | *8)* | *Additional 15% to All Current Percentages* | *$ 114,554* |
>
> *I also held a meeting on Monday, June 4, 2012 with a group of approximately thirteen (13) non-bargaining employees to receive their ideas and feedback on the City Manager's original 15% Across the Board proposal. Several revenue generating proposals were put forth by staff that could be implemented to generate additional revenue for the city. The employees also expressed a number of concerns that I would like the opportunity to relay to the committee during a brief verbal update to the committee on Monday night. I am therefore requesting a few minutes at the podium to further express their concerns to the committee.*

Mr. Koenig noted that members had received spreadsheets with details regarding the eight (8) scenarios as well as the "Other Postemployment Benefit GASB 45 Actuarial Valuation," which indicated an unfunded Other Post-Employment Benefit (OPEB) liability for the City of Dover in the amount of $76,393,013, as of June 30, 2012.

Mr. Koenig advised members that the ideas that employees had suggested as revenue-generating proposals related to itinerant merchant licenses, rental and lodging fees, business license fees, open gym fees, downtown banner fees, etc. Several of these fees, such as business licenses, had been

brought before City Council in previous years and were not supported. As a result, it was his feeling that staff could not present such revenue ideas to offset the unfunded liability costs. He reiterated that the unfunded liability was a long-term issue that he was attempting to address through the cost sharing proposal and that each employee has a vested interest in ensuring that the benefit will be available in retirement.

Mr. Koenig stated that non-bargaining employees also relayed concerns about representation, since they were not unionized. He explained his difficulty in representing both sides of the issue. He indicated that the non-bargaining employees were concerned that they would become an isolated group in this matter, and that the 15% cost-sharing would be implemented for them and not be carried through to the unions. Mr. Koenig indicated that he could make no guarantees in this regard, since his role was to make proposals rather than to act on them. Although his intent was to bring forward proposals that would achieve the same scenario for union employees, he could not guarantee their approval.

Mr. Koenig stated that concerns were also relayed by employees who were eligible or nearly eligible for retirement that the City was "changing the game" near the end of their careers, and they questioned if implementation of the proposal could be delayed for employees with significant years of service. He explained the difficulty of implementing the proposal "fairly" since others would feel that such a proposal was unfair. In addition, he stated that employees have brought up the possibility of providing a phase-in for the proposal. He noted that when the State proposed HB81, approximately 18 months prior notice was provided to employees that they would begin to pay for health insurance. Mr. Koenig stated that, because of the timing of the budget and the expiration of union contracts, he was unable to work with that type of horizon and reminded members that the draft budget included a "tag line" for 15% healthcare cost sharing across the board, with a credit of approximately $250,000 to the budget if approved. The credit for non-bargaining employees would only be approximately $66,750. Therefore, he stated that the budget submitted to Council included an assumption that on July 1, 2012, 15% healthcare sharing across the board would be implemented for all four (4) of the employee groups (non-bargaining employees and all three (3) union groups). As previously indicated, he explained he could not disclose the nature of collective bargaining discussions or agreements. He also could not guarantee that all three (3) union contracts would be signed by July 1, 2012.

Mr. Koenig stated that the non-bargaining employees also reminded him and wanted members of Council to be aware that they received no step or Pay-for-Performance increases in FY12 and that the current draft budget for FY13 did not allow for any non-bargaining increases.

At the request of Mrs. Mitchell, Controller/Treasurer, Mr. Koenig advised members that, of the eight (8) scenarios, only two (2) had been studied and analyzed by the City's Actuary - Scenarios #1 (HB81) and #5 - 15% across the board. As such, he stated that these were the only two (2) options that provided certainty regarding the City's long-term liabilities. He noted that, over the past two (2) years, the City had spent approximately $57,000 for the Actuary's work for the Health Benefits Committee to assist in determining which options would benefit the City's long-term liabilities. He reminded members that this was not a one-time budget concern but a long-term issue for the City.

Mr. Koenig noted the receipt of several letters and other correspondence from various employees which were submitted for consideration. He reminded members that, as the City Manager, he represented employees, Council, rate payers, and taxpayers to the best of his ability, and as such, he recommended the 15% across-the-board proposal. Mr. Koenig stated that this recommendation was based on all information provided, including the independent administrative evaluation. He considered this the option that would cause the least harm to the organization. He acknowledged that employees receiving individual healthcare would be the most affected; however, he felt that this was a fair proposal when viewed over the span of an employee's career.

In response to Mr. Shevock, Mrs. Donna Mitchell, Controller/Treasurer, stated that the City follows State guidelines, including the requirement of an affidavit regarding spousal coverage, and the coverage that the City's employees have is predicated on those forms being completed; therefore, any change in coverage as a result of these forms was built into the budget. She was not aware of the savings that this provided, if there were a savings, since this was already included in the budget. Noting that the City pays 75% for dependent coverage and that dependent coverage for State employees is paid 100% by the employee, Mr. Shevock questioned if the City had considered this option. Responding, Mr. Koenig stated that staff had considered this option; however, due to the costs and the employees who would be affected (primarily those below mid-level management), it was determined that some of the City's lower paid employees would not be able to afford this insurance.

Mr. Anderson relayed appreciation for the work staff had conducted on this matter and supported the efforts to contain costs for the City. He questioned if the City should take a position before the provisions of the union contracts were known, explaining his concerns regarding parity and fairness. Responding, Mr. Koenig stated his desire to be fair and estimated that signed contracts with the unions should be obtained by August or September, and possibly sooner. He indicated concern that if the Committee were to recommend approval of staff's recommendation, this matter would be considered by City Council on June 25, 2012, with a possible implementation date of July 1, 2012. This would create an administrative problem for employees wishing to retire. Should members wish to delay implementation until September 1, 2012 for current employees, he felt that this could be handled administratively and would not affect the proposed budget. However, he suggested that there be a caveat included that any new non-bargaining employees hired would be responsible for the 15% cost sharing for healthcare costs.

Responding to Mr. Lynn, Mr. Koenig advised members that in discussions with other managers throughout the State, it appeared that almost every municipality was unique, noting that some were completely non-unionized, others did not offer any post-employment benefits, and others intermingle health insurance with Workman's Compensation insurance. As a result, it was difficult to obtain an "apples to apples" comparison. He advised members that employees who were hired in recent years from the private sector had indicated to him that even if required to pay the 15%, they would still be paying less than they paid previously.

Mr. Koenig noted that the Controller/Treasurer indicated that if HB81 were applied to all City employees and retirees, this would be the best option for the City and would actually reduce healthcare costs for some employees; however, staff has had a difficult time discussing this issue as it pertains to retirees. He reminded members that one of the recommendations of the Health Benefits Committee was for the City not to take action regarding retirees' healthcare.

At the request of Mr. Lynn, Mr. Perza stated that the report of the Salary and Benefits Compensation Comparison Committee, which includes information comparing healthcare and retirement benefits of various jurisdictions, had not yet been released. To his recollection, the comparison included larger towns such as Newark, Wilmington, Middletown, Dover, Harrington, Smyrna, Lewes, etc., as well as the three (3) Delaware counties and the State of Delaware. He confirmed that there was some form of cost sharing across the board; however, this varied by degree depending on the size of the municipality. There was no consistent percentage or unified factor for cost sharing.

In response to Mr. Hutchison, Mr. Koenig confirmed that one year ago, the City's budget reflected a $3.4M shortfall. Over the past year, that deficit had been reduced to approximately $630,000 and there has been a reduction of 12 employees. He advised members that the five (5) year projection for the General Fund budget reflected a $2M deficit in FY14, which must be addressed by adjusting the budget, gaining an increase in economic activity, cutting costs, or a combination of these approaches.

Responding to Mr. Anderson, Mr. Koenig stated that the scenario recommended by staff would have no impact on current retirees. If the recommendation were approved for implementation on July 1, 2012, employees who retired after that date would carry the 15% cost sharing into retirement.

Referring to Scenario #7, Mr. Bonar requested that the City Manager provide more detail and an explanation of the stepped percentages which he stated varied between a financial contribution of $58,057 and $66,835. Mr. Koenig explained that the steps were based on the percentage of contribution; for example, on Spreadsheet #3, an employee with only "employee" coverage would pay 10% of the premium for the plan selected, an employee with "child" coverage would pay 15% of the premium for the plan selected, an employee with "spouse" coverage would pay 18% of the premium for the plan selected, and an employee with "family" coverage would pay 20% of the premium for the plan selected.

Mr. Bonar questioned if an analysis had been performed for a stepped cost sharing based on years of service. Responding, Mr. Koenig stated that such an analysis was not conducted, since he personally had multiple years of service and he did not want his recommendation to be considered self-serving. He advised members that there were 78 non-bargaining employees and, although staff had the data to conduct such an analysis, they would have to bring the information forward at a later time. Although he understood the position of the City Manager, Mr. Bonar indicated that it was the role of staff to present recommendations and it was ultimately Council's decision as to the final action taken on matters. He felt that a stepped cost sharing based on years of service would be more palatable.

In response to Mr. Bonar's suggestion, Mrs. Donna Mitchell, Controller/Treasurer, reminded members that entry-level employees, who are paid at a lower rate, would be hit hardest under such a proposal. Although in most instances higher paid employees have been employed by the City the longest, she noted this was not always the case, such as newly employed department heads.

Mr. Lynn opened the floor for public comment and reminded all that each individual was provided three (3) minutes or less to speak. He requested that individuals refrain from duplicating comments and suggested that, since some individuals would also be speaking later in the evening before City Council, it might be appropriate to select a representative to speak.

Mrs. Patricia Virdin, 70 Peach Blossom Lane, Camden, (Police Department) stated that she had been an employee of the City for over 20 years and read the following statement into the record:

> *My name is Patricia Virdin, I live at 70 Peach Blossom Lane in Camden. I have been an employee of the city for over 20 years and I have the honor of working at the Police Department.*
>
> *At a prior council meeting, the city manager made the comment that he felt 92 dollars was not a significant amount. I beg to differ. At the current rate, nearly 6% of my pension will go toward this new expense. And that is at TODAY's rate of 92 dollars per month. We all know that the cost will go up. Combined with the lack of pay increases for the past two years, I fully expect this new expense to wipe out more than 10% of my pension. I hardly call that insignificant. As I am coming towards the end of my career, I have had no time to adequately plan for this expense.*
>
> *My husband is also a city employee, so this measure hits my family doubly hard. However, if this proposal is implemented on my husband's salary, it will be because the FOP negotiated, voted, and agreed to it. As a non-bargaining employee, I have not been afforded that opportunity. All I have – the only thing I have – is a city handbook that was issued to me upon my hire in 1992. This handbook has 11 chapters that cover both my responsibility to the city and the city's responsibility to me. Clearly stated in Article 9 is the fact that the city will pay 100% of an employee's healthcare and will continue to do so for retirees.*
>
> *If, as the city manager believes, the handbook is simply a "guideline" and the city is not required to abide by the statements therein, it seems to follow that the employees who are not otherwise governed by a union contract* ***cannot be required*** *to adhere to the policies in the handbook. Policies governing such things as absences, use of city equipment, outside employment, personal conduct, disciplinary actions, and so on, would be useless.*
>
> *Although morale among employees is at a record low, the non-bargaining employees are united and more organized than I have ever known. I stand with my 77 non-bargaining co-workers to ask that you abide by the city handbook and implement this policy on new hires only. We have honored and abided by the terms of this handbook for our entire careers; we ask that you do the same.*

Mr. Dave Truax, 35 Upland Avenue, Dover, (Fire Marshal's Office) stated his frustration that previous action by Council approved additional monies to be given to organizations and for providing cameras downtown, etc., and Council transferred funds to accommodate these expenses; however, never addressed the $630,000 budget deficit. He requested that members consider the possibility of funding the $66,000 that would be acquired by implementing the City Manager's recommendation, in a way similar to what has been done for others. This would provide everyone an additional year to consider and prepare for such a change and to know the results of contract negotiations. He expressed confidence that the City Manager and Council would take the appropriate action. He indicated that he had been an employee for 22 years and stated his hope that there would be no change to his healthcare benefits.

Mr. Paul Bernat, 185 Captain Davis Drive, Camden, (Police Department) read the following statement into the record:

> *Good evening, my name is Paul Bernat and I reside at 185 Captain Davis Dr., Camden, Delaware. I am the Deputy Chief of Police for the Dover Police Department. I have been a loyal City employee for the past 23 years. I am standing before you this evening asking you not to lessen my health benefits.*
>
> *I was promoted to the rank of Major in April of 2010. With my promotion I left the FOP Union and became part of the non-bargaining group of the City, which is predominately management. In fiscal year 2012 all of the Unions received raises. The non-bargaining group did not receive a raise and are not receiving raises again this year. The three City Unions are currently in contract negotiations and are in the bargaining process. The Unions will receive "something" in exchange for the 15% healthcare cost sharing.*
>
> *Last year around this time I contacted the Public Employment Relations Board (PERB) and began the process to join the FOP. I later withdrew my application, after Chief Hosfelt requested I do so. Chief Hosfelt felt confident that the City Council will do the right thing and take care of the non-bargaining employees. Little did I know that ten months later the City Manager would propose in the City budget that the non-bargaining group pay 15% towards their healthcare.*
>
> *I also need to mention that I attended all of the Salary and Benefits Compensation Comparison Committee meetings and was disappointed when my salary was called out as "above the maximum for the pay grade". I looked into it further and discovered that the pay information that was provided to the committee from the City was the "2008 MAG" study. It is not reasonable to compare 2008 wages to 2012 wages.*
>
> *In my 23 year career I have never felt as unappreciated as I do now. I feel that Council has the mind set that city employees are merely an expense and do not contribute to the excellent service that is provided to your constituents.*

I do understand that the growing trend is to reduce government employees' benefits. However, I believe any lessening of benefits should apply to new hires or take effect in ten years for tenured employees. Currently the City has several employees that are at the 20 year mark and will retire within the next ten years. It is imperative that the City not lose all of the knowledge and expertise from tenured employees. Lessening current employees benefits are causing good employees to retire early. This is causing the City to pay retirement benefits and new employee benefits as well.

In conclusion, I would like to reiterate that the non-bargaining employees did not receive a raise last year, when Union employees did. The proposed 15% healthcare cost share would only save the City a nominal amount but will continue to affect employees in their retirement for the rest of their lives. Thank you for your time and much needed support.

Mrs. Nancy Swaggard, 2629 Farm Lane, Camden Wyoming, (Customer Service Department) stated she was an 18 year employee who had taken a non-bargaining position approximately six (6) years ago. She advised members that when she first took the position, she had five (5) employees and now has two (2), with the same amount of normal work to perform and additional responsibilities transferred from other departments that have also been shorted employees. She assured members that staff was doing the best they could and that having benefits taken away only hurts. Mrs. Swaggard noted that, taking her salary into consideration and the 15% healthcare costs, her employees would actually be making more money than she would receive as their supervisor. She indicated that there were others in the same situation and relayed concern that this could affect their hard work and will to do a good job. She requested that all non-bargaining employees in attendance stand united and be recognized *(City Clerk's Office Note: There were approximately 18 individuals who stood.)*

Ms. Carolyn Courtney, 24 Lamplighter Lane, Dover (Parks and Recreation Department) advised members that she was born and raised in the City of Dover and had worked for the Parks and Recreation Department for over 11½ years. As a taxpayer, she felt that the City provides excellent services, parks, facilities, flowers, clean streets, etc., and stated that residents are able to put out almost anything for the trash to be picked up by the City. She noted that other jurisdictions do not have such services; however, their residents pay much higher taxes. She relayed no objections to a slight tax increase to continue to pay for the services and noted the benefit of "writing off" taxes on income tax returns. As an employee, Ms. Courtney relayed concerns regarding the lack of pay raises and reminded members that the last time a raise was provided, the City instituted furlough days; therefore, there was no pay raise realized. She noted that members of Council have continued to fund events, festivals, and downtown economic development; however, they are unable to fund the City's obligation to employees as reflected in the Employee Handbook. She explained that employees were hired with the understanding that the Employee Handbook reflected the employee's benefit package. She stated that although she has had opportunities to work in the private sector at a much higher salary since being employed with the City, she declined and remained employed by the City due to the benefit package. She requested that members consider the effect their decision would have on those employees who are and have been dedicated.

Mr. Paul Cookson, 233 Hibiscus Terrace, Magnolia, (Police Department) read the following statement into the record:

My name is Paul Cookson. I reside at 233 Hibiscus Terrace, in Magnolia. I have been a loyal and dedicated employee, working in the Police Department, for over 20 years.

My employment with the City had a unique start, and I feel that I had a part in starting something meaningful. In 1991, while finishing my Bachelors Degree in Law Enforcement Administration at Western Illinois University, I was required to complete an internship with an agency of my choice for a full semester. I contacted several police departments here in Delaware to see if they would take me. One of those agencies was Dover PD. The chief at the time, Chief Hutchison, explained to me that Dover had never received any prior intern requests. Nevertheless, I must have done something right since he offered to work with me. I don't know if Chief Hutchison knew at the time that I had contacted several other agencies: Rehoboth Beach PD, and the Department of Natural Resources. Both of those agencies had offered me a paid internship in an enforcement officer capacity. Dover's internship was offered with no pay; only for the experience. In considering the possibility that my internship could lead to future employment, I took into consideration the organizations and what they had to offer. The paid positions would most likely lead to permanent police officer positions. However, I saw a good thing with Dover and its excellent benefits and that is what I chose.

My 16 weeks of experience working with the various units paid off, as I was hired the following year in the communications center. The rest is history. Dover still takes on interns to this day.

My point here is not about my internship, only that I had a choice of where to conduct it. The benefits offered by prospective future employment played a big part in my decision. When I picked Dover I felt that I made the right choice and would be working for an organization I could trust, and retire securely with the benefits outlined for me. I am sure there are many similar stories from those behind me that will not have the chance to be heard tonight.

Every employee regardless of position is an important part of this organization. Your non-bargaining employees, from middle-management right up to department heads, are what hold everything together. They are your longest serving and most experienced employees. They are your foundation. If they cannot trust their employer, that foundation is undermined. When a foundation is not sound, neither is what is above it. You MUST honor what was offered to your employees when they came on board, and stop putting the burden of financial woes on their shoulders. If you do not, you will be setting a precedence that will surely be weighed by your future foundation.

Ms. Diane Glenn, 218 Northdown Drive, Dover, (Police Department) noted that at a recent Council meeting, members approved, with little to no resistence, an amended budget that included transferring $600,000 from the Electric Department's Reserve to offset the deficit. She was excited that money was found at a time when employees were advised that cuts and extreme measures would need to be taken. All the while, she thought the $600,000 eliminated the need for a healthcare cost share with non-bargaining employees. Although these funds did not offset the $66,000 necessary to eliminate the need for a healthcare cost share, the necessary funds were found for the continuation of two (2) City festivals for the next fiscal year. At this point, she felt that members of Council must feel that these two (2) festivals are more important to them than the non-bargaining employees. She felt that Council had the opportunity to transfer the necessary $66,000 but chose to fund the festivals only. Mrs. Glenn indicated her understanding for the need to "tighten the purse strings" and forego a pay raise and have furlough days; however, the healthcare cost share would result in a decrease in salary. She advised members that she is a single mother and moved to Dover 19 years ago to take the job with the City and has no family in the area. She explained that the benefits offered by the City lured her to make the move. She requested that City Council and the City Manager work together to develop a proposal that would not include an attempt to "balance the budget on the backs of the employees."

Ms. Christina Kober, 343 Orchard Grove Drive, Camden, (Police Department) advised members that she has been a loyal and dedicated employee for 23 years and would be eligible for retirement in only two (2) years. She reminded members that non-bargaining employees did not receive a pay increase last year or this year. She stated that non-bargaining employees have no rights to negotiate benefits, which were promised during employment and into retirement. It was her understanding that the Employee Handbook, approved by City Council, was equivalent to a contract. She trusted and hoped that members of Council would honor those written agreements. She felt it was clear and evident that the financial impact for non-bargaining employees was a genuine hardship and a severe blow to employee morale that may not be reversible. Ms. Kober requested that members honor the written promise (or agreement), as stated in the Employee Handbook, that the City would pay 100% of each full-time, regular employee's individual coverage and eliminate healthcare premium cost sharing for non-bargaining employees.

Ms. Robin Adkins, 27 Waterwheel Circle, (Police Department) indicated that she had been employed with the City of Dover Police Department for almost 13 years. In addition to the issues previously discussed, she stated her concern that non-bargaining employees do not have the ability to negotiate for any benefit changes, salaries, etc. She reminded members that bargaining employees receive step increases as well as promotions and that there are no step increases or automatic increases built into the non-bargaining employees' pay scale. She indicated that there was no set schedule after retirement; therefore, as healthcare costs increase, the retirement pay for retired non-bargaining employees would continue to decrease. Ms. Adkins advised members that one (1) of the main reasons for selecting the City's employment was the benefit package. She encouraged members to consider the concerns relayed in making their decision regarding this matter.

Mr. Anderson felt that it was essential for members of Council to be provided with information regarding long-term healthcare costs; however, he noted that it was necessary for immediate action to be taken at this time. He explained that Scenario #2 would provide the employee the choice to

maintain a 100% premium for basic coverage and if additional coverage were desired, the employee could pay more. This would address the concerns of those who could not afford cost sharing and, at the same time, save the City a substantial amount of money.

The Committee recommended approval of employee cost sharing of health insurance premiums for non-bargaining employees based upon Scenario #2 - Premiums Based Upon First State Basic, to be effective July 1, 2012.

Mr. Bonar advised members and those in attendance that he departed the meeting during the public comment period to make some telephone calls regarding healthcare premiums. Based on these three (3) calls, he discovered that monthly premiums for health insurance ranged from a $96 contribution to a $274 contribution. He noted that the $274 monthly contribution in the private sector also included a $10,000 deductible on health insurance premiums. He suggested that this information provided an indication of how the City compared to the private sector.

Mr. Lynn moved for approval of the Committee's recommendation, seconded by Mr. Bonar.

Mr. Scott Koenig, City Manager, referred to a joint memorandum submitted by the Controller/Treasurer and himself ***(Exhibit #4)*** and read the following paragraphs:

> *The City Manager and I have discussed the proposal for non-bargaining health care cost sharing that was approved by the Legislative, Finance, & Administration Committee. We have some concerns. One concern is approving a different calculation method for the non-bargaining group will lead to having four different methods for all groups of employees. This will add cost and inefficiencies into our already complex payroll processes. Another concern is that this methodology was not chosen by the Health Benefits Committee for the Actuary to analyze. Therefore, we have no data to understand the long-term effects of this proposal.*
>
> *In order to provide relief to the employees with the greatest financial impact, those with individual coverage, we would like to propose for Fiscal Year 2013 these employees contribute 9.5% with the 15% starting in Fiscal Year 2014. Anyone who retires July 1, 2012 or later would retire with the 15% employee contribution. This should help to address any concerns of a large exodus of employees. This proposal will also keep to the City Manager's original recommendation which we have the data for the long-term financial effects by our Actuary. Attached is the revised cost analysis which equates to an additional budgetary requirement of $20,168 for all non-bargaining employees.*

Mr. Koenig noted that the 9.5% proposal for FY2013 would impact employee coverage by requiring an additional premium of $58.86 per month. He reiterated that this has been a difficult issue that has been discussed and debated at length at various levels. Mr. Koenig stated that staff attempted to standardize the recommendation across the budget, which has been difficult since there are multiple union groups; however, considering the long-term financial impact for the City and administrative reasons, staff supported the phasing-in of the 15% healthcare premium cost sharing arrangement over a two (2) year period.

In response to Mrs. Williams, Mr. Koenig clarified that the 9.5% proposal was only for the "employee only" coverage and that all other coverages (child, spouse, and family) would be 15% across the board. The $20,000 gap that would be created would be across all funds; therefore, staff felt that the cost differential could be absorbed through the year over those three (3) funds by attrition, reduced spending for supplies, etc.

Mr. Lynn relayed concerns with taking action regarding this matter at this time, advising members that the non-bargaining group has filed a petition with PERB. He indicated his reluctance to take any action that would be adverse to the non-bargaining group while they have a petition pending with PERB to be recognized as a union.

Mr. Anderson noted that this was a very serious issue and that most have recognized that long-term healthcare is a great driving factor. He stated his wish that the Health Benefits Committee had scored this particular option; however, he noted that another option was scored that mirrors the State (equivalent to HB 81) and was very similar to the proposal. He felt that this option addressed the concerns of the Finance Department, maintained the minimum healthcare 100%, and addressed the long-term costs of this issue. If the City made a change in this regard, he felt that this would be the option to choose.

Mr. Bonar moved for approval of the recommendation presented by the City Manager and Controller/Treasurer and detailed in the memorandum dated June 21, 2012 (see Exhibit #4). The motion was seconded by Mr. Hutchison and carried by a roll call vote of eight (8) yes and one (1) no (Mr. Lynn).

Proposed Ordinance #2012-10 - Amending Chapter 1 - General Provisions, Section 1-13 - Denial of Permits or Approvals for Failure to Comply with Requirements for Payment, Actions, or Filings (Clean Hands) with CA-#1 through #4 ***(Referred to Committee by City Council on May 14, 2012; Deferred by Council Committee of the Whole on May 29, 2012)***

During the Annual Council Meeting of May 14, 2012, members referred CA-#1 through CA-#4 to Proposed Ordinance #2012-10 to the Legislative, Finance, and Administration Committee for their review and recommendation. During the Council Committee of the Whole Meeting of May 29, 2012, consideration of Proposed Ordinance #2012-10 amending Chapter 1 - General Provisions, Section 1-13 - Denial of Permits or Approvals for Failure to Comply with Requirements for Payment, Actions, or Filings (Clean Hands) was deferred due to time constraints.

Mr. Anderson stated that, after speaking with Mrs. Ann Marie Townshend, Director of Planning and Community Development, regarding CA-#1, he no longer wished to make these changes at this time and provided an overview, including a narrative, of CA-#2 through CA-#4, as follows:

CA-#2 - The proposed language would ensure that the inclusion of owners and/or members of corporations would apply to owners of a one-half or greater interest in the said corporation. It would ensure that members of non-profit boards and other minority owners in corporations would not be denied services or permits due to the delinquencies of that corporation.

Mr. Perza questioned how the City would be able to determine owners of a one-half or greater interest since LLC's and corporations are private entities and the percentages of ownership would not be known. Responding, Mrs. Townshend explained that it was staff's intent that if a corporation applied for a permit or site plan, a disclosure form would be required listing the owners above the specified threshold as of the date of application.

In response to Mr. Hare, Mrs. Townshend confirmed that homeowners wishing to rent properties were required to obtain a permit; however, owners of commercial buildings were not required to obtain a permit to rent to another business or entity.

The Committee recommended adoption of CA-#2 to proposed Ordinance #2012-10.

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

CA-#3 - The proposed language would allow for persons to serve on city committees, commissions, or boards, even if they are responsible for delinquencies or code violations; however, it requires that the city clerk inform the city council president of such delinquencies or violations and that an executive session of council be held to discuss such delinquencies or violations.

The Committee recommended adoption of CA-#3 to proposed Ordinance #2012-10.

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

CA-#4 - The proposed language would add an appeal to city council for applicants aggrieved by the decision of the city manager.

The Committee recommended adoption of CA-#4 to proposed Ordinance #2012-10.

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

The Committee recommended adoption of proposed Ordinance #2012-10, as amended to include CA#2, CA#3, and CA#4.

By consent agenda, Mr. Bonar moved for approval of the Committee's recommendation, seconded by Mr. Hutchison and carried by a unanimous roll call vote. *(The First Reading of the ordinance will take place during the latter part of the meeting.)*

Proposed Ordinance #2012-17 - Amending Chapter 26 - Businesses, Article I - In General, Section 26-1 - Sale of Dangerous Substances

Members reviewed proposed Ordinance #2012-17 - Chapter 26 - Businesses, Article I - In General, Section 26-1 - Sale of Dangerous Substances. Mrs. Ann Marie Townshend, Director of Planning and Community Development, explained that the proposed ordinance was developed in response to the chemical industry moving faster than staff's ability to present code amendments. As a result, she stated that the proposed ordinance would amend the City Code regarding sale of Bath Salts to refer to Delaware Code, Title 16, Chapter 47, as it relates to Schedule 1 Controlled Substances, rather than listing the prohibited substances by name. It would also amend the penalties to declare any businesses that sells such substances a public nuisance and refers to license revocation through summary action.

Mr. Lynn commended staff for taking immediate action to address the epidemic occurring with bath salts.

Mr. Anderson relayed concern that the proposed ordinance could affect potential legislation dealing with medicinal marijuana, the use of which he felt would be appropriate.

The Committee recommended adoption of proposed Ordinance #2012-17.

By consent agenda, Mr. Bonar moved for approval of the Committee's recommendation, seconded by Mr. Hutchison and carried by a unanimous roll call vote. *(The First Reading of the ordinance will take place during the latter part of the meeting.)*

Elimination of Pay for Performance

Mr. Hutchison questioned if the Pay for Performance policy identified the value of each and every job and a recommendation for entry-level, midpoint, and maximum salary for every employee. Responding, Mr. Scott Koenig, City Manager, stated that the Pay for Performance policy currently includes a salary table that states a minimum, midpoint, and maximum. This was the salary scale that was in place for Fiscal Year 2008. He stated that there is a scale that considers every position in the City, puts it on a grade, and provides a pay "band." This was the table that was presented to the Salary and Benefits Committee.

Mr. Hutchison questioned how the salaries for certain employees could become inconsistent with the policy. Mr. Koenig explained his understanding that, under the previous City Manager, the annual budget included a section called Pay for Performance, which included a matrix that provided a score. In addition, there was a page that included the existing salary scale and a proposed salary scale. For several years, he stated that City Council adopted the matrix but never adopted the new salary scale (which included a cost of living increase for the entire scale). He explained that this was the reason several positions that were identified in the Salary and Benefits Committee were beyond the scale, because the scale itself did not move forward as the raises were earned.

Based on this information, Mr. Hutchison noted the need for fairness and the need to identify each employee's value and to develop a salary scale. He suggested that staff consider the use of bonuses rather than salary increases. He felt that Council, along with the help of the City Manager, must "get a handle" on this matter for the future.

In addition to concurring with Mr. Hutchison, Mr. Anderson relayed concern that there were employees who received raises based upon factors that had very little to do with the core performance of their jobs. He noted that job descriptions did not match the actual job responsibilities and the Pay for Performance system seemed to slide based on the favor of the evaluator more than job performance. As such, he felt that the City should rework the Pay for Performance system. He indicated that he was not opposed to the concept of pay for performance, but that the current system was irrevocably broken, should be discarded, and a totally new system developed.

Mr. Hutchison requested, if members decide to move forward with the development of a new system, that this be accomplished by City staff (a management team).

Mrs. Russell advised members that she served as a president and chief shop steward for over 25 years and had never believed in pay for performance, feeling that it generates unfairness.

Mr. Anderson moved to recommend that the current Pay for Performance system to be eliminated effective July 1, 2012, seconded by Mr. Hare.

Mr. Shevock relayed concern with eliminating a system if there were no system to replace it, explaining that this could potentially cause chaos for the City Manager.

Mr. Hutchison requested that the motion be amended to request the City Manager to develop a recommendation and allow for the Pay for Performance System to remain in place until such time as a new system is in place.

Mr. Bonar suggested that the City Manager be provided a specific date, such as August 1, 2012, as a set date to submit a recommendation in order to ensure a timely response, and that members of Council be included in the discussion with the City Manager, as well as the Human Resources staff.

Disagreeing, Mrs. Russell requested that staff be provided ample time to develop a recommendation due to the importance of the issue and its effect on employee salaries, noting that this would not affect the current budget.

The Committee recommended that the Pay for Performance be eliminated effective upon the approval of a new system to be brought forth by the City Manager and staff.

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

Reduced Rates for All-Electric Homes in December, January, and February *(Requested by Ted George During Open Forum at City Council)*
Due to time constraints, this item was deferred until the next meeting.

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

FOP LABOR CONTRACT AGREEMENT

Mr. Scott Koenig, City Manager, introduced Mr. Glenn Mandalas, Counsel and Chief Negotiator for the City for the FOP Agreement.

Mr. Mandalas, Baird & Mandalas, LLC, of Dover, commended the professionalism and work of the City staff who served on the negotiating team, including Mr. Scott Koenig, City Manager; Mrs. Donna Mitchell, Controller/Treasurer; Mrs. Kim Hawkins, Human Resources Director; and Mr. James Hosfelt, Chief of Police. He also commended the members of the FOP's negotiating team who, although not always in agreement, conducted themselves in a very professional manner. He advised members that both teams had a goal of reaching an agreement outside of the mediation and arbitration process.

Mr. Mandalas noted that the nation has a changed economy, which is dimming, and this has caught up to the City with decreased revenues and increased cost; yet the expectations of City residents is for services to remain at a high standard, creating a need for the City to do more with less. He reminded members that the City's negotiating team was charged with obtaining an agreement that would realize a reduction in total compensation. Mr. Mandalas provided a summary of the FOP Agreement ***(Exhibit #5)***, and reminded members that this matter was detailed during a recent executive session.

Mr. Mandalas indicated that the Agreement was ratified by the FOP, and the City's negotiating team recommended that City Council also approve the FOP Agreement. Once approval was obtained, he stated that the Agreement would be finalized and executed. He indicated that the City's Police Force is a high caliber organization that deserved to be adequately compensated. It was felt that the proposed FOP Agreement met those needs, as well as the City's needs.

Several members complimented both the City and FOP negotiating teams and relayed appreciation for their hard work and commitment.

Mr. Lynn moved that City Council ratify the FOP Agreement and authorize the City Manager to execute the same on behalf of the City, seconded by Mr. Bonar and carried by a unanimous roll call vote.

EVALUATION OF BIDS - CITY HALL GENERATOR (DEMA GRANT)

Mr. Scott Koenig, City Manager, advised members that staff solicited proposals for the purchase of a generator for City Hall through a Delaware Emergency Management Agency (DEMA) grant. Nine (9) bids were received and were evaluated based on specifications, lead time, and installation. The lowest bid had a 12-16 week lead time, which resulted in the completion date falling outside the DEMA grant requirement. Any portion of the project completed after the DEMA deadline would not be reimbursed by the grant. Staff contacted the lowest bidder to confirm that the delivery dates were firm. The response was that the dates were the best that they could do. In addition to the

timeline issue, the lowest bidder proposed a generator that was physically larger than the generator specified. This resulted in reduced clearance, which decreased maintenance and operational safety. The second lowest bidder proposed the generator specified by staff, at a cost of $82,600, and met the DEMA deadline requirements. Mr. Koenig noted that this proposal was within the DEMA grant award amount of $93,000.

Staff recommended that the City purchase the 200KW generator from Cahill Contracting Inc. for $82,600, to include installation and a five (5) year warranty. It was noted that the information submitted on the Action Form incorrectly indicated an amount of $84,400 rather than $82,600 (as listed on the bid tabulation).

Mrs. Williams moved for approval of staff's recommendation to authorize the purchase of a 200KW generator from Cahill Contracting Inc., in the amount of $82,600, to include installation and a five (5) year warranty. The motion was seconded by Mr. Bonar and carried by a unanimous roll call vote.

SETTING OF ELECTRIC UTILITY RATE FOR FISCAL YEAR 2012/2013

Members were advised that, as approved by City Council on February 13, 2012, Burns & McDonnell updated the 2008 Cost of Service Study for the Electric Revenue Fund. The study was completed in light of the City's reduced cost of current and forecasted power supply and presented to City Council on May 29, 2012. Staff provided members with the revised rates and tariffs for implementation on July 1, 2012. It was noted that these rates were forecasted to cover the years FY13, FY14 and FY15. In implementing these rates, the City would be required to use forecasted budget balances over the 8% policy, in addition to funds in the rate stabilization reserve, as a means of balancing the budget for the Electric Operating Fund. The financial forecast would put the Electric Revenue Fund back to the policy requirement at the end of the third year.

Mr. Scott Koenig, City Manager, read a brief conclusion included in correspondence from Mr. Ted Kelly, Principal, Burns & McDonnell, to Mrs. Donna Mitchell, Controller/Treasurer, as follows:

> *Due mainly to the reduction in purchased power costs for the last two fiscal years, the Electric Division's projected annual cash flows resulted in over recovery of electric rate revenue. To help curb the over recovery, the City employed a PPA which is in use today. The Electric Division financial forecast projects the continued decline of annual purchased power costs through FY 2015. This Study was conducted to eliminate the over collection of retail electric rate revenues, as well as use of the PPA in order to recover rate revenue in a fair and equitable fashion. To meet these goals, the forecast was reviewed, a cost-of-service analysis was conducted, and revised retail rates were developed and are proposed. The implementation of the revised retail rates on July 1, 2012 will help the Electric Division meet its annual revenue requirements and debt service covenants without the over collection of retail rate revenue.*

We appreciate the opportunity to work with the City, the Electric System, and its staff. We are grateful for the cooperation and assistance we receive. Sincerely, Burns & McDonnell

Staff recommended approval of the proposed electric rates and tariffs as presented by Mr. Kelly on May 29, 2012.

Mr. Anderson moved for approval of staff's recommendation, seconded by Mr. Bonar and unanimously carried.

REAPPOINTMENTS RECOMMENDED BY MAYOR CAREY
Mayor Carey requested approval of the following reappointments:

Board of Adjustment - Three (3) Year Terms to Expire July 2015
James N. Keller
Richard Senato

Planning Commission - Three (3) Year Terms to Expire June 1, 2015
Michael J. Ambruso, Sr. - Second District
Thomas Holt - Second District

Public Advisory Committee (PAC) of the Dover-Kent County MPO - Two (2) Year Term to Expire July 2014
Dr. Carlton L. Cannon, Jr.

By consent agenda, Mr. Bonar moved for approval of the reappointments, as recommended by Mayor Carey, seconded by Mr. Hutchison and carried by a unanimous roll call vote.

APPOINTMENT RECOMMENDED BY MAYOR CAREY - PLANNING COMMISSION - THREE (3) YEAR TERM TO EXPIRE JUNE 1, 2015
Mayor Carey recommended the appointment of Mr. Dean E. Holden to serve on the Planning Commission for a three (3) year term to expire June 1, 2015.

By consent agenda, Mr. Bonar moved for approval of the appointment, as recommended by Mayor Carey. The motion was seconded by Mr. Hutchison and carried by a unanimous roll call vote.

FIRST READING - PROPOSED ZONING TEXT AMENDMENTS
Council President Leary reminded the public that copies of the proposed ordinances were available at the entrance of the Council Chambers or could be obtained from the City Clerk's Office. Since the ordinances propose amendments to the Zoning Code, a public hearing would be required. Staff recommended referral of the amendments to the Planning Commission on July 16, 2012 and that a public hearing be set to take place during the Council Meeting of August 13, 2012, at 7:30 p.m., at which time final action by Council would take place.

Mrs. Williams moved to refer the amendments to the Planning Commission meeting on July 16, 2012 2012 and set a public hearing before City Council for August 13, 2012 at 7:30 p.m., as recommended by staff. The motion was seconded by Mr. Bonar 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:

ORDINANCE #2012-13 AMENDING APPENDIX B - ZONING, ARTICLE 5 - SUPPLEMENTARY REGULATIONS, SECTION 4 - SUPPLEMENTARY SIGN REGULATIONS

ORDINANCE #2012-14 AMENDING APPENDIX B - ZONING, ARTICLE 3 - DISTRICT REGULATIONS, SECTION 23 - AGRICULTURAL ZONE (A)

ORDINANCE #2012-15 AMENDING APPENDIX B - ZONING, ARTICLE 3 - DISTRICT REGULATIONS, SECTION 9 - GENERAL RESIDENCE AND OFFICE ZONING (RGO)

FIRST READING - PROPOSED ORDINANCES

Council President Leary reminded the public that copies of the 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 would take place during the Council Meeting of July 9, 2012.

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

ORDINANCE #2012-16 AMENDING CHAPTER 114 - VEGETATION, TO CREATE A NEW ARTICLE III - BAMBOO

ORDINANCE #2012-17 AMENDING CHAPTER 26 - BUSINESSES, ARTICLE I - IN GENERAL, SECTION 26-1 - SALE OF DANGEROUS SUBSTANCES

FINAL READING - PROPOSED ORDINANCE #2012-10

The First Reading of the following proposed ordinance was accomplished during the Council Meeting of April 23, 2012.

Ordinance #2012-10 - Amending Chapter 1 - General Provisions, Section 1-13 - Denial of Permits or Approvals for Failure to Comply with Requirements for Payment, Actions, or Filing (Clean Hands) with LF&A #1 through #3

Mrs. Williams moved that the Final Reading of proposed Ordinance #2012-10 with LF&A Amendments #1-#3 be acknowledged by title only, seconded by Mr. Anderson and unanimously carried.

Council President Leary reviewed proposed amendments, as recommended by the Legislative, Finance, and Administration Committee, as follows:

Amendment #1 - The proposed language would ensure that the inclusion of owners and/or members of corporations would apply to owners of a one-half or greater interest in the said corporation. It would ensure that members of non-profit boards and other minority owners in corporations would not be denied services or permits due to the delinquencies of that corporation.

Amendment #2 - The proposed language would allow for persons to serve on city committees, commissions, or boards, even if they are responsible for delinquencies or code violations; however, it requires that the city clerk inform the city council president of such delinquencies or violations and that an executive session of council be held to discuss such delinquencies or violations.

Amendment #3 - The proposed language would add an appeal to city council for applicants aggrieved by the decision of the city manager.

There being no objections, Council President Leary declared adoption of LF&A Amendment #1 through #3, as recommended.

Mr. Anderson moved for adoption of the proposed ordinance, as amended, seconded by Mr. Bonar and, by a roll call vote of eight (8) yes and one (1) no (Mr. Perza), Council adopted Ordinance #2012-10, as follows:

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

That Chapter 1 - General Provisions, Section 1-13 - Denial of permits or approvals for failure to comply with requirements for payment, actions, or filings be amended to read as follows:

Sec. 1-13. - Clean hands.

(a) *Eligibility to receive city utilities or services.* No person, artificial entity, or owner of a one-half or greater interest in that artificial entity shall be eligible to receive any city services, utilities, permits, licenses, or approvals if that person, artificial entity, or owner of a one-half or greater interest in that artificial entity owes outstanding payments to the city; or if that person, artificial entity, or the owner of a one-half or greater interest in that artificial entity is responsible for documented violations of the Dover Code of Ordinances that have remained unresolved for more than 45 days. If the party, artificial entity, or owner of a one-half or greater interest in that artificial entity requesting city approval is current on some but not all obligations owed to the city, the request shall be denied until such time as the person, artificial entity, or owner of a one-half or greater interest in that artificial entity is current and in compliance with all city obligations.

(b) *Obligations which must be current*. Applicants for city services, utilities, permits, licenses, or approvals shall be current on all of the following obligations to the city, including interest, penalties, court costs, and/or attorney's fees if applicable, prior to receiving such approvals:

(1) Property taxes.
(2) Applicable Delaware realty transfer taxes.
(3) Water, sewer, and electric connection/disconnection, front footage and/or usage charges.
(4) Trash fees.
(5) Application fees.
(6) Permit fees, including building permits, building code and inspection/reinspection fees.
(7) Vacant building fees.
(8) Inspection fees.
(9) Charges for the costs of razing or demolition of buildings done through public expenditure.
(10) Charges for duly authorized improvements or maintenance to the exteriors of buildings or property done through public expenditure.
(11) Assessments for the installation of sewer lines, water mains, sidewalks, and curbing.
(12) Charges for the costs of removing weeds, grasses, refuse, rubbish, trash, or other waste material done through public expenditure.
(13) Miscellaneous charges.

(c) *Appointment to committee, commission, or board.* Prior to any person being appointed to a city committee, commission, or board, the city clerk will determine if there are outstanding payments due to the city in their name or the name of any artificial entity in which they own one-half or more interest; or if they are responsible for outstanding, documented violations of the Dover Code of Ordinances that have been unresolved for more than 45 days. If it is determined that such delinquency or violation exists, this shall be reported to the council president and an executive session shall be scheduled to discuss the nature of the delinquency prior to appointment. If an appointed member of a city committee, commission, or board is determined to have such a delinquency or outstanding violation during their appointment, the city clerk shall report such delinquency or violation to the council president and an executive session shall be scheduled to discuss the violation or delinquency. City council may reject an appointment or remove an appointee from a city committee, commission, or board due to such delinquency or violation.

(d) *Responsibility of city personnel*.

(1) The administrative agency to which a request has been submitted shall have the responsibility to make a reasonable effort to determine whether there are outstanding payments or outstanding documented violations of the Dover Code of Ordinances.

(2) The appropriate administrative agency shall notify an applicant that the request cannot be processed because of an outstanding payment or an outstanding documented

violation. Said notice shall be in writing and shall be sent within ten working days of receipt of the request.

(e) *Exception*. Notwithstanding the provisions of this section, the building inspector, with the concurrence of the city manager, may issue permits and approvals for work that is necessary to correct violations associated with Chapter 22 - Buildings and Building Regulations, Article XI - Dangerous Buildings.

(f) *Appeal of denial of utilities, services or approvals.*

(1) *Appeal to city manager.* Any applicant, person, corporation, or other entity or any owner or member of that corporation or other entity requesting such city services, utilities, permits, licenses, or approvals who receives the aforesaid written denial may appeal that denial to the city manager within 20 calendar days of such denial. The city manager, or his/her designee, shall thereafter hold a hearing at which said applicant shall be permitted to give evidence that such payment has been made or that a required action has been carried out, or otherwise show that such denial is based on incorrect information or is not lawful as to that applicant.

(2) *Appeal to city council.* An applicant aggrieved by the decision of the city manager regarding his/her appeal may appeal such decision to city council within 20 calendar days of such decision. City council shall schedule a hearing at which said applicant shall be permitted to give evidence that such payment has been made or that a required action has been carried out, or otherwise show that such denial is based on incorrect information or is not lawful as to that applicant.

FINAL READING - PROPOSED ORDINANCE #2012-18

The First Reading of the following proposed ordinance was accomplished during the Council Meeting of June 11, 2012.

Ordinance #2012-18 - Budget Ordinances - 2012/2013 City of Dover Budget

Mr. Bonar moved that the Final Reading of the proposed ordinance be acknowledged by title only, seconded by Mr. Anderson and unanimously carried.

Council President Leary reminded members that during the First Reading of proposed Ordinance #2012-18 held during the Regular Council Meeting of June 11, 2012, there was a motion to table the proposal to increase the trash fee from $11.70 per month to $17.00 per month.

Mr. Hare moved to remove the matter from the table, seconded by Mr. Hutchison and carried by a roll call vote of six (6) yes and three (3) no (Mr. Lynn, Mr. Perza, and Mr. Bonar).

Mr. Hare moved that there be no increase in the trash fee, seconded by Mrs. Williams.

Mr. Anderson stated his desire for no increase in the City's costs for gas, tipping fees, and other costs involved in order to provide trash service; however, the City has no control over these factors. It was his opinion that if the Sanitation Department is not run on an even keel, it will wreak havoc with the City's finances, hurt employee benefits, employee retention, public safety, economic development, etc.

The motion for no increase in the trash fee failed by a roll call vote of five (5) no and four (4) yes (Mr. Perza, Mr. Bonar, Mrs. Williams, and Mr. Hare). As a result, Council President Leary announced that the trash fee would be increased from $11.70 to $17.00 per month.

Mr. Bonar moved for adoption of Ordinance #2012-18, as amended, seconded by Mr. Hutchison.

Responding to Mr. Hare, Mr. Koenig stated that an increase in the trash fee from $11.70 to $15.50 would generate an additional $630,000 in revenue, which was necessary to cover the shortfall. By increasing the trash fee to $17.00 per month, he confirmed that an additional $160,000 would be generated, which was more than necessary to cover the shortfall. In addition, Mr. Hare noted that the elimination of either the Economic Development Office or the donation to the Downtown Dover Partnership from the budget would also result in more income that could possibly help to offset the costs the City would be charging employees for healthcare or help with the trash fees.

Mr. Hare moved to eliminate the Economic Development Office and pay the employees' healthcare. The motion failed for the lack of a second.

On a call for the question by Mr. Bonar, the motion to adopt Ordinance #2012-18, as amended *(Exhibit #6)*, was carried by a roll call vote of six (6) yes and three (3) no (Mr. Perza, Mrs. Williams, and Mr. Hare).

COUNCIL MEMBERS ANNOUNCEMENTS

There were no announcements by members of City Council.

Mr. Bonar moved to adjourn into executive session to discuss legal and personnel matters, seconded by Mr. Lynn and unanimously carried.

Meeting Adjourned at 9:18 P.M.

TRACI A. McDOWELL
CITY CLERK

All orders, ordinances, and resolutions adopted by City Council during their Regular Meeting of June 25, 2012, are hereby approved.

CARLETON E. CAREY, SR.
MAYOR

/TM/jg
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Exhibits

Exhibit #1 - Presentation - Violation of Dangerous Building Ordinance - 171 Orchard Avenue (Exhibit to Original Minutes Only)

Exhibit #2 - Presentation - Violation of Dangerous Building Ordinance - 488 North East Avenue (Exhibit to Original Minutes Only)

Exhibit #3 - Presentation - Violation of Dangerous Building Ordinance - 827 Townsend Boulevard (Exhibit to Original Minutes Only)

Exhibit #4 - Joint Memorandum Dated June 21, 2012 - Fiscal 2013 Budget - Final Reading (Healthcare Premium Cost Sharing)

Exhibit #5 - Summary of FOP Agreement

Exhibit #6 - Ordinance #2012-18 - Budget Ordinances - 2012/2013 City of Dover Budget (Exhibit to Original Minutes Only)

Violation of Dangerous Building Ordinance 171 Orchard Avenue

Planning & Inspections Department

Dover, Delaware

June 25, 2012

EXHIBIT #1
Regular Council Meeting of 6/25/2012

171 Orchard Avenue
Case History

- Eleven code enforcement cases since 2006
  - Exterior violations
  - Tall grass and weeds
  - Abandoned vehicle
  - Vacant Building
- Registered as Vacant by Bank of America in August 2010
- Subject of fire in June 2010
- Condemned by City Staff in June 2010
- Source of neighbor complaints
- Outstanding Charges
  - Grass Cutting Charges
  - Code Enforcement Fines

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

(5) *Unfit for habitation.*

(4) *Fire Damage, etc.*

(9) *General welfare.*

(10) *Code violations.*

(12) *Unoccupied buildings.*


171
06/25/2012 10:00


171
06/25/2012 10:01


06/25/2012 10:01


06/25/2012 10:02


06/25/2012 10:02


06/25/2012 10:02

Recommended Council Action

- Declare this building and all accessory structures on this property dangerous.
- Order the property repaired or demolished by **July 25, 2012** by the owner or equity owner at their own risk.
- 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**.
- 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.

Violation of Dangerous Building Ordinance 488 North East Avenue

Planning & Inspections Department

Dover, Delaware

June 25, 2012

EXHIBIT #2
Regular Council Meeting of 6/25/2012

488 North East Avenue
Case History

- Four code enforcement cases since 2009 (2 minor cases prior to 2009)
  - Tall grass and weeds
  - Vacant building
- Currently in foreclosure process with Wells Fargo.
- Registered as vacant building by staff in August 2009.
- Source of neighbor complaints.
- Outstanding Charges
  - Utilities

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

(5) *Unfit for habitation.*

(9) *General welfare.*

(10) *Code violations.*

(12) *Unoccupied buildings.*


06/25/2012 10:31














06/25/2012 10:33


06/25/2012 10:33


06/25/2012 10:34


06/25/2012 10:34

Recommended Council Action

- Declare this building and all accessory structures on this property dangerous.
- Order the property repaired or demolished by **July 25, 2012** by the owner or equity owner at their own risk.
- 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**.
- 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.

Violation of Dangerous Building Ordinance 827 Townsend Boulevard

Planning & Inspections Department

Dover, Delaware

June 25, 2012

EXHIBIT #3
Regular Council Meeting of 6/25/2012

827 Townsend Boulevard Case History

- Eight code enforcement cases since 2006, two involving maintenance of the pool.
- Pool is source of neighbor complaints.
- Outstanding Charges
  - Code Enforcement Fines
  - Utilities

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

(9) *General welfare.*

(10) *Code violations.*


06/25/2012 10:21


06/25/2012 10:22

Recommended Council Action

- Declare the pool on this property dangerous.
- Order the pool repaired or demolished by **July 25, 2012** by the owner or equity owner at their own risk.
- Order the Building Inspector to cause the repair or demolition of the pool 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 pool 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
Finance Department
PO Box 475
Dover DE 19903-0475
Phone: (302-736-7018
Fax: (302) 736-4930

MEMORANDUM

To: Mayor & City Council

From: Donna Mitchell, Controller/Treasurer & Scott Koenig, City Manager

Cc: Kim Hawkins, Human Resources Director & Traci McDowell, City Clerk

Date: June 21, 2012

Subject: Fiscal Year 2013 Budget – Final Reading

The City Manager and I have discussed the proposal for non-bargaining health care cost sharing that was approved by the Legislative, Finance, & Administration Committee. We have some concerns. One concern is approving a different calculation method for the non-bargaining group will lead to having four different methods for all groups of employees. This will add cost and inefficiencies into our already complex payroll processes. Another concern is that this methodology was not chosen by the Health Benefits Committee for the Actuary to analyze. Therefore, we have no data to understand the long-term effects of this proposal.

In order to provide relief to the employees with the greatest financial impact, those with individual coverage, we would like to propose for Fiscal Year 2013 these employees contribute 9.5% with the 15% starting in Fiscal Year 2014. Anyone who retires July 1, 2012 or later would retire with the 15% employee contribution. This should help to address any concerns of a large exodus of employees. This proposal will also keep to the City Manager's original recommendation which we have the data for the long-term financial effects by our Actuary. Attached is the revised cost analysis which equates to an additional budgetary requirement of $20,168 for all non-bargaining employees.

Another matter we would like to address is the General Fund shortfall. If the City Manager's options for trash fee or tax rate increases do not gain consensus, it is our preference that we maintain the shortfall in the General Fund as permitted in our Financial Policies. While we understand there are a couple of alternative suggestions by Council to address the shortfall, we believe we need some time to perform a more diligent review of legal requirements and accounting standards. Therefore some of the suggestions discussed may very well be brought back for consideration next year.

Respectfully submitted.

Non-Bargaining Health Insurance Analysis with FY13 Phase-in for Employee Only

PPO	Number of Non-bargaining Members	Total FY12 Monthly Rate	Current Employee Contribution FY12	Monthly Contribution from All Employees	Current Contribution Percentage	Proposed %	Employee Contribution FY13	Monthly Contribution from All Employees	Add't Monthly Premium from Each Employee
Employee	42	619.53	0.00	0.00	0	9.50%	58.86	2,471.92	58.86
Child	12	953.35	83.46	1,001.52	8.75%	15.00%	143.00	1,716.03	59.54
Spouse	5	1,282.69	165.80	829.00	12.93%	15.00%	192.40	962.02	26.60
Family	6	1,602.88	245.84	1,475.04	15.34%	15.00%	240.43	1,442.59	-5.41
Blue Care									
Employee	8	567.24	0.00	0.00	0	9.50%	53.89	431.10	53.89
Child	2	866.45	74.80	149.60	8.63%	15.00%	129.97	259.94	55.17
Spouse	1	1,195.73	157.12	157.12	13.14%	15.00%	179.36	179.36	22.24
Family	1	1,491.20	231.00	231.00	15.49%	15.00%	223.68	223.68	-7.32
Aetna									
Employee	0	566.78	0.00	0.00	0.00%	9.50%	53.84	0.00	53.84
Child	0	865.59	74.70	0.00	8.63%	15.00%	129.84	0.00	55.14
Spouse	1	1,191.97	156.30	156.30	13.11%	15.00%	178.80	178.80	22.50
Family	0	1,486.67	229.98	0.00	15.47%	15.00%	223.00	0.00	-6.98
	78			3,999.58				7,865.44	
						Monthly Difference		3,865.86	
						Yearly Difference		46,390.28	
						FY13 Budget Impact		20,168.40	

DOVER CITY COUNCIL
June 25, 2012

Collective Bargaining Agreement
Fraternal Order of Police, Lodge 15

Summary of Proposed FOP Agreement

		YEAR 1 (FY13)	YEAR 2 (FY14)	YEAR 3 (FY15)
1	Wages (FOP Scale) & Benefits	$0	$0	$264,100 (2.8%)
2	Healthcare (15%)	-$54,358 (15%)	-$54,358 (15%)	Netted in Item 1
3	OPEB Reduction with 15%	-$50,000	-$60,000	Netted in Item 1
4	Court Pay (Court Liaison Program)	-$81,000	-$81,000	-$81,000
5	Holidays during Terminal Leave	-$2,679	-$2,679	-$2,679
6	Academy Rate	-$11,631	-$11,631	-$11,631
7	No furloughs	$0	$0	$0
	TOTAL	-$199,668	-$209,668	$168,790

-$240,546

Annual Total Compensation: **$9,548,900**
Total Compensation for Three Year Period: **$28,957,200**
REDUCTION: -.83%

Long-Term Liabilities
Reduction in sick leave accrual for terminal leave approximately 27.5 days **= $547,700; 21% of $2.6 million long-term liability**
PRESENT VALUE OF TOTAL REDUCTION : -2.7%

Summary of Proposed FY15 FOP Wage Table

	Ptlm	PFC	Cpl.	MCpl	Sgt.	Lt	Capt
Academy	41,722						
Year: 1	45,999						
2	49,496						
3	52,599						
4		54,915					
5		57,122					
6		59,635		66,300			
7		62,782		66,300			
8		62,782		68,048	74,255		
9		62,782	65,295	69,819	76,506		
10		62,782	65,295	72,157	78,800		
11		65,776	68,398	75,151	81,116	88,503	
12		65,776	68,398	75,151	81,116	88,503	
13		67,091	69,766	76,654	82,738	89,836	
14		67,091	69,766	76,654	82,738	89,836	99,713
15		68,433	71,162	78,187	84,393	91,632	99,713
16		68,433	71,162	78,187	84,393	91,632	101,707
17		69,802	72,585	79,751	86,081	93,465	101,707
18		69,802	72,585	79,751	86,081	93,465	103,741
19		71,198	74,036	81,346	87,803	95,334	103,741
20		71,198	74,036	81,346	87,803	95,334	105,816
21		72,622	75,517	82,972	89,559	97,241	105,816
22		72,622	75,517	82,972	89,559	97,241	105,816
23		72,622	75,517	82,972	89,559	97,241	105,816
24		72,622	75,517	82,972	89,559	97,241	105,816
25		72,622	75,517	82,972	89,559	97,241	105,816
26		72,622	75,517	82,972	89,559	97,241	105,816
27		72,622	75,517	82,972	89,559	97,241	105,816
28		72,622	75,517	82,972	89,559	97,241	105,816
29		72,622	75,517	82,972	89,559	97,241	105,816
30		72,622	75,517	82,972	89,559	97,241	105,816

CITY OF DOVER ORDINANCE # 2012-18
PROPOSED 2012-2013 BUDGET ORDINANCES

BE IT ORDAINED BY THE MAYOR AND COUNCIL OF THE CITY OF DOVER, IN COUNCIL MET:
The amount hereinafter named aggregating Thirty Eight Million Three Hundred Sixty Four Thousand dollars ($38,364,000) or so much thereof as may be necessary are hereby appropriated from current revenues and other funds for the use by several departments of the Municipal Government for the fiscal year beginning July 1, 2012 and ending June 30, 2013:

GENERAL FUND
REVENUES AND BUDGET FOR 2012-2013

	2011/12 REVISED	2012/13 BUDGET
BEGINNING BALANCE	$ 3,561,837	$ 2,666,600
REVENUES		
FINES AND POLICE REVENUE	579,000	605,000
911 FEE	60,000	63,000
INVESTMENT INCOME	80,000	75,000
LIBRARY REVENUES	64,200	66,200
KENT COUNTY BOOK REIMBURSEMENT	385,800	405,900
BUSINESS LICENSES	1,475,000	1,455,000
PERMITS AND OTHER LICENSES	1,370,300	1,053,300
MISCELLANEOUS CHARGES	165,750	55,500
POLICE EXTRA DUTY	300,000	494,400
PROPERTY TAXES	10,983,400	10,997,400
BID REVENUE	51,800	51,600
RECREATION REVENUE	130,000	130,000
FRANCHISE FEE	540,000	550,000
TRASH FEES	1,966,000	2,050,000
RENT REVENUE - GARRISON FARM	62,000	62,000
COURT OF CHANCERY FEES	819,800	753,800
REVENUES SUBTOTAL	19,033,050	18,868,100
INTERFUND SERVICE RECEIPTS		
INTRAFUND SERVICE RECEIPTS WATER/WASTEWATER	930,000	1,104,600
INTRAFUND SERVICE RECEIPTS ELECTRIC	3,270,800	3,224,500
INTERFUND SERVICE RECEIPTS SUBTOTAL	4,200,800	4,329,100
GRANTS		
POLICE RELATED	60,000	85,000
CAPITAL SCHOOL DISTRICT REVENUE	-	-
POLICE PENSION GRANT	593,500	500,000
RECREATION GRANTS	35,383	-
HOMELAND SECURITY GRANT	104,676	-
UNIVERSAL RECYCLING GRANT	79,873	-
GREEN ENERGY GRANT	-	98,500
MISCELLANEOUS GRANTS	-	25,000
GRANTS SUBTOTAL	873,432	708,500
TRANSFERS FROM		
TRANSFER TAX	1,229,500	1,370,000
MUNICIPAL STREET AID	659,200	527,400
CIVIL TRAFFIC PENALTIES	720,000	750,000
WATER/WASTEWATER	424,508	500,000
FUTURE CAPACITY RESERVE	-	633,300
ELECTRIC	7,876,288	8,000,000
VERIZON AND CI RESERVES	-	11,000
TRANSFERS FROM SUBTOTAL	10,909,496	11,791,700
TOTAL REVENUES	35,016,778	35,697,400
TOTALS	**$ 38,578,615**	**$ 38,364,000**

2012-2013 BUDGET ORDINANCES - CONTINUED
GENERAL FUND - REVENUES AND BUDGET FOR 2012-2013

DEPARTMENT EXPENSES	2011/12 REVISED	2012/13 BUDGET
CITY CLERK	$ 296,393	$ 326,900
COUNCIL	120,699	114,200
TAX ASSESSOR	213,175	187,500
FIRE	684,725	688,300
GROUNDS MAINTENANCE	979,922	993,300
LIBRARY	1,159,087	1,250,200
RECREATION	823,144	713,400
LIFE SAFETY	473,096	469,900
CODE INFORCEMENT	284,489	293,100
PLANNING	422,781	410,300
INSPECTIONS	553,907	592,200
ECONOMIC DEVELOPMENT	223,717	231,100
POLICE	12,955,807	13,195,200
POLICE EXTRA DUTY	430,600	579,400
STREETS	914,055	756,700
SANITATION	2,410,849	2,140,700
CITY MANAGER	622,127	420,000
INFORMATION TECHNOLOGY	685,871	642,700
FINANCE	852,283	879,500
PUBLIC SERVICES - ADMINISTRATION	472,692	468,600
FACILITIES MANAGEMENT	952,693	678,800
CENTRAL SERVICES	693,339	576,900
FLEET MAINTENANCE	695,422	712,700
CUSTOMER SERVICES	928,112	901,200
HUMAN RESOURCES	384,758	319,700
MAYOR	81,154	82,400
DEPARTMENT SUBTOTALS	29,314,897	28,624,900
OTHER EXPENSES		
DEBT SERVICE	327,270	624,200
CONTRIBUTION TO DDP	-	180,000
MISCELLANEOUS GRANT RELATED EXPENSES	-	25,000
OPEB UNFUNDED LIABILITY	239,532	-
INSURANCE	550,000	600,000
RETIREES HEALTH CARE	1,374,709	1,620,600
OTHER EMPLOYMENT EXPENSES	-	463,400
PENSION UNFUNDED LIABILITY	1,450,000	1,310,500
POLICE PENSION FUND	620,000	500,000
POLICE PENSION UNFUNDED LIABILITY	95,000	95,000
UNCOLLECTIBLES - TRASH AND OTHER	10,000	10,000
STREET LIGHTS	960,000	869,700
OTHER EXPENSE SUBTOTAL	5,626,511	6,298,400
TRANSFERS		
TRANSFER TO CAPITAL FUND - PROJECTS	770,600	613,400
TRANSFER TO CAPITAL FUND - RESERVE	200,000	-
TRANSFERS SUBTOTAL	970,607	613,400
TOTAL EXPENDITURES	35,912,015	35,536,700
CURRENT YEAR BALANCE	2,666,600	2,827,300
TOTALS	**$ 38,578,615**	**$ 38,364,000**

The City Manager is hereby authorized, without further approval of the City Council, to make interdepartmental transfers of up to five percent of the amount hereinafter appropriated to any department with the exception of any transfers prohibited by City Procedure #F306.

ADOPTED: June 25, 2012

2012-2013 BUDGET ORDINANCES - CONTINUED

BE IT ORDAINED BY THE MAYOR AND COUNCIL OF THE CITY OF DOVER, IN COUNCIL MET:
The amount hereinafter named aggregating Five Million Eight Hundred Sixty Four Thousand Six Hundred dollars ($5,864,600) or so much thereof as may be necessary are hereby appropriated from current revenues and other funds for the use by several departments of the Municipal Government for the fiscal year beginning July 2,2012 and ending June 30, 2013:

GOVERNMENTAL CAPITAL PROJECTS FUND
REVENUES AND BUDGET FOR 2012-2013

REVENUES

	2011/12 REVISED	2012/13 BUDGET
BEGINNING BALANCE - PROJECTS	$ 256,392	$ 294,400
BEGINNING BALANCE - LIBRARY	$ 100,962	$ -
REVENUES		
STATE GRANTS - OTHER	-	108,000
INTEREST EARNINGS	10,900	-
INCOME FROM SALE OF ASSETS	41,700	-
LOAN PROCEEDS - STREETS, CITY HALL FY12	-	2,000,000
LOAN PROCEEDS - GARRISON FARM FY13	-	2,000,000
TRANSFER FROM GENERAL FUND FOR PROJECTS	770,600	613,400
POLICE GRANTS	-	33,800
SUBTOTAL PROJECT RECEIPTS	823,200	4,755,200
STATE GRANTS - LIBRARY	6,559,900	884,200
DEMEC GRANT - LIBRARY	215,000	-
BTOP & GREENHOUSE GAS REDUCTION GRANTS - LIBRARY	90,000	-
KENT COUNTY LIBRARY CONTRIBUTION	795,000	250,000
TRANSFER FROM THE LIBRARY FOUNDATION	1,455,500	67,500
LIBRARY GREEN ENERGY/BRIDGE LOAN - LIBRARY	1,500,000	-
INCOME FROM SALE OF ASSETS - LIBRARY	-	1,200,000
CONSTRUCTION LOAN FOR LIBRARY	275,000	-
TRANSFER FROM COMMUNITY TRANSP FUND	68,000	
TRANSFER FROM LIBRARY RESERVE	2,590,800	-
FRIENDS OF THE LIBRARY DONATION	210,000	-
SUBTOTAL LIBRARY PROJECT RECEIPTS	13,759,200	2,401,700
TOTAL REVENUES	14,582,400	7,156,900
TOTAL BEGINNING BALANCE AND REVENUES	**$ 14,939,754**	**$ 7,451,300**

EXPENSE SUMMARY

DEPARTMENT EXPENSES	2011/12 REVISED	2012/13 BUDGET
FIRE	$ 244,820	$ 238,500
GROUNDS MAINTENANCE	-	112,000
LIBRARY	13,767,100	2,535,000
RECREATION	30,000	30,000
POLICE	65,000	197,000
STREETS	356,460	1,974,000
SANITATION	136,500	150,000
FACILITIES MAINTENANCE	-	381,000
INFORMATION TECHNOLOGY	6,400	57,000
MAYOR	-	33,000
DEPARTMENT SUBTOTAL	14,606,280	5,707,500
LOAN ISSUANCE COSTS	-	56,000
TRANSFER TO CAPITAL ASSET RESERVE	39,100	-
TRANSFER TO COMMUNITY TRANSP FUND	-	1,606,700
CURRENT YEAR BALANCE	294,374	81,100
TOTALS	**$ 14,939,754**	**$ 7,451,300**

The City Manager is hereby authorized, without further approval of the City Council, to make interdepartmental transfers of up to five percent of the amount hereinafter appropriated to any department with the exception of any transfers prohibited by City Procedure #F306.

ADOPTED: June 25, 2012

GENERAL FUND CONTINGENCY
CASH RECEIPTS/REVENUES AND BUDGET FOR 2012-2013

BE IT ORDAINED BY THE MAYOR AND COUNCIL OF THE CITY OF DOVER, IN COUNCIL MET:
The amount hereinafter named aggregating Seven Hundred Thirty One Thousand One Hundred dollars ($731,100) or so much thereof as may be necessary are hereby appropriated from current revenues and other funds for the use by several departments of the Municipal Government for the fiscal year beginning July 1, 2012 and ending June 30, 2013:

CASH RECEIPTS

	2011/12 REVISED	2012/13 BUDGET
BEGINNING BALANCE	$ 711,747	$ 721,400
INTEREST EARNED	9,653	9,700
TOTALS	**$ 721,400**	**$ 731,100**

EXPENSE SUMMARY

	2011/12 REVISED	2012/13 BUDGET
CARRY FORWARD TO NEXT YEAR	$ 721,400	$ 731,100
TOTALS	**$ 721,400**	**$ 731,100**

The City Manager is hereby authorized, without further approval of the City Council, to make interdepartmental transfers of up to five percent of the amount hereinafter appropriated to any department with the exception of any transfers prohibited by City Procedure #F306.

ADOPTED: June 25, 2012

2012-2013 BUDGET ORDINANCES - CONTINUED

GENERAL CAPITAL ASSET REPLACEMENT FUND
CASH RECEIPTS/REVENUES AND BUDGET FOR 2012-2013

BE IT ORDAINED BY THE MAYOR AND COUNCIL OF THE CITY OF DOVER, IN COUNCIL MET:
The amount hereinafter named aggregating Five Hundred Three Thousand dollars ($503,000) or so much thereof as may be necessary are hereby appropriated from current revenues and other funds for the use by several departments of the Municipal Government for the fiscal year beginning July 1, 2012 and ending June 30, 2013:

CASH RECEIPTS

	2011/12 REVISED	2012/13 BUDGET
BEGINNING BALANCE	$ 253,420	$ 500,000
RECEIPTS		
INTEREST EARNINGS	7,500	3,000
TRANSFER FROM GENERAL FUND	200,000	-
TRANSFER FROM GOVERNMENTAL CAPITAL PROJ. FUND	39,100	-
TOTAL RECEIPTS	246,600	3,000
TOTALS	**$ 500,020**	**$ 503,000**

EXPENSE SUMMARY

	2011/12 REVISED	2012/13 BUDGET
CARRY FORWARD TO NEXT YEAR	$ 500,020	$ 503,000
TOTALS	**$ 500,020**	**$ 503,000**

The City Manager is hereby authorized, without further approval of the City Council, to make interdepartmental transfers of up to five percent of the amount hereinafter appropriated to any department with the exception of any transfers prohibited by City Procedure #F306.

ADOPTED: June 25, 2012

MUNICIPAL STREET AID FUND
CASH RECEIPTS/REVENUES AND BUDGET FOR 2012-2013

BE IT ORDAINED BY THE MAYOR AND COUNCIL OF THE CITY OF DOVER, IN COUNCIL MET:
The amount hereinafter named aggregating Five Hundred Twenty Seven Thousand Five Hundred dollars ($527,500) or so much thereof as may be necessary are hereby appropriated from current revenues and other funds for the use by several departments of the Municipal Government for the fiscal year beginning July 1, 2012 and ending June 30, 2013:

CASH RECEIPTS

	2011/12 REVISED	2012/13 BUDGET
BEGINNING BALANCE	$ 102	$ 100
STATE GRANT	526,814	527,400
TOTALS	**$ 526,916**	**$ 527,500**

BUDGET SUMMARY

	2011/12 REVISED	2012/13 BUDGET
TRANSFER TO GENERAL FUND	$ 526,816	$ 527,400
CURRENT YEAR BALANCE	100	100
TOTALS	**$ 526,916**	**$ 527,500**

The City Manager is hereby authorized, without further approval of the City Council, to make interdepartmental transfers of up to five percent of the amount hereinafter appropriated to any department with the exception of any transfers prohibited by City Procedure #F306.

ADOPTED: June 25, 2012

2012-2013 BUDGET ORDINANCES - CONTINUED

WATER/WASTEWATER FUND
REVENUES AND BUDGET FOR 2012-2013

BE IT ORDAINED BY THE MAYOR AND COUNCIL OF THE CITY OF DOVER, IN COUNCIL MET:
The amount hereinafter named aggregating Fifteen Million One Hundred Sixty One Thousand Six dollars ($15,161,600) or so much thereof as may be necessary are hereby appropriated from current revenues and other funds for the use by several departments of the Municipal Government for the fiscal year beginning July 1, 2012 and ending June 30, 2013:

	2011/12 REVISED	2012/13 BUDGET
BEGINNING BALANCE - WATER	$ 2,567,172	$ 865,100
BEGINNING BALANCE - WASTEWATER	1,929,346	853,000
BEGINNING BALANCE - KCSA	(1,243,243)	(553,500)
TOTAL BEGINNING BALANCES	3,253,275	1,164,600
BASE REVENUE		
WATER FEES	4,700,000	4,730,700
WASTEWATER FEES	3,756,700	3,834,600
WASTEWATER ADJUSTMENT FEES	3,050,700	3,090,800
GROUNDWATER INFLOW ADJUSTMENT	1,239,000	1,257,600
WATER TANK SPACE LEASING	307,600	313,500
SEWER IMPACT FEES	323,000	317,000
WATER IMPACT FEES	357,000	350,000
INTEREST - WATER	10,600	8,700
INTEREST - WASTEWATER	17,200	17,100
MISCELLANEOUS SERVICE FEE	58,000	77,000
TOTAL REVENUES	13,819,800	13,997,000
TOTAL BEGINNING BALANCES AND REVENUES	**$ 17,073,075**	**$ 15,161,600**

2012-2013 BUDGET ORDINANCES - CONTINUED

DIRECT EXPENSES	2011/12 REVISED	2012/13 BUDGET
ENGINEERING & INSPECTION	$ 622,230	$ 597,900
WATER CONSTRUCTION	409,988	345,700
WATER DEPARTMENT	382,655	408,200
WATER TREATMENT PLANT	1,543,114	1,522,600
WASTEWATER DEPARTMENT	959,735	993,000
DIRECT EXPENDITURE SUBTOTAL	3,917,722	3,867,400
OTHER EXPENSES		
DEBT SERVICE - WATER	320,853	532,100
DEBT SERVICE - WASTEWATER	416,083	731,500
RETIREES HEALTH CARE	190,830	220,000
UNCOLLECTIBLES	5,000	5,000
OPEB UNFUNDED LIABILITY	372,417	-
OTHER EMPLOYMENT EXPENSES	-	16,200
KENT COUNTY TREATMENT CHARGE	3,600,000	3,600,000
PENSION UNFUNDED LIABILITY	228,400	309,800
INTRAFUND SERVICE FEES	1,228,596	1,235,400
INVENTORY/FIXED ASSET WRITEOFFS	10,000	5,000
OTHER EXPENSES SUBTOTAL	6,372,179	6,655,000
TRANSFER TO		
GENERAL FUND FROM WATER	238,842	250,000
GENERAL FUND FROM WASTEWATER	185,666	250,000
WATER IMP AND EXT	2,750,000	1,700,000
WASTEWATER IMP AND EXT	2,000,000	1,200,000
WATER IMPACT FEE RESERVE	36,147	-
TRANSFER TO CONTINGENCY WASTEWATER	8,000	-
CAPITAL ASSET RESERVE WATER	100,000	70,000
CAPITAL ASSET RESERVE WASTEWATER	300,000	22,000
TRANSFER TO SUBTOTAL	5,618,655	3,492,000
TOTAL EXPENSES	15,908,556	14,014,400
CURRENT YEAR BALANCES		
CURRENT YEAR BALANCE WATER	865,100	482,700
CURRENT YEAR BALANCE WASTEWATER	852,962	664,500
CURRENT YEAR BALANCE KCSA	(553,543)	-
CURRENT YEAR BALANCE SUBTOTALS	1,164,519	1,147,200
TOTAL CURRENT YEAR BALANCES AND EXPENSES	**$ 17,073,075**	**$ 15,161,600**

The City Manager is hereby authorized, without further approval of the City Council, to make interdepartmental transfers of up to five percent of the amount hereinafter appropriated to any department with the exception of any transfers prohibited by City Procedure #F306.

ADOPTED: June 25, 2012

2012-2013 BUDGET ORDINANCES - CONTINUED

WATER/WASTEWATER IMPROVEMENT & EXTENSION FUND
CASH RECEIPTS/REVENUES AND BUDGET FOR 2012-2013

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

The amount hereinafter named aggregating Eleven Million Five Hundred Sixty Thousand Four Hundred dollars ($11,560,400) or so much thereof as may be necessary are hereby appropriated from current revenues and other funds for the use by several departments of the Municipal Government for the fiscal year beginning July 1, 2012 and ending June 30, 2013:

CASH RECEIPTS

	2011/12 REVISED	2012/13 BUDGET
PRIOR YEAR BALANCE - WATER	$ 1,537,774	$ 3,071,800
PRIOR YEAR BALANCE - WASTEWATER	339,673	1,013,600
TOTAL BEGINNING BALANCES	1,877,447	4,085,400
RECEIPTS		
BOND PROCEEDS - WATER - 2013 ISSUE	-	2,000,000
BOND PROCEEDS - WASTEWATER - 2013 ISSUE	-	2,000,000
INTEREST INCOME	-	25,000
STATE LOAN-WATER 2010 ISSUE	1,923,489	-
STATE LOAN-WASTEWATER 2009 ISSUE	1,259,850	-
STATE LOAN-WASTEWATER 2011 ISSUE	765,060	-
TRANS FR WATER/WASTEWATER FOR WATER	2,750,000	1,700,000
TRANS FR WATER/WASTEWATER FOR WASTEWATER	2,000,000	1,200,000
TRANSFER FROM WATER IMPACT FEE RESERVE	-	250,000
TRANSFER FROM WASTEWATER IMPACT FEE RESERVE	867,032	300,000
TOTAL RECEIPTS	9,565,431	7,475,000
TOTALS	**$ 11,442,878**	**$ 11,560,400**

CASH RECEIPTS/REVENUES AND BUDGET FOR 2012-2013

EXPENSE SUMMARY

EXPENSES	2011/12 REVISED	2012/13 BUDGET
WATER	$ 3,086,468	$ 5,140,000
WASTEWATER	4,217,976	3,817,300
WATER TREATMENT PLANT	22,900	24,100
WATER CONSTRUCTION	30,100	31,000
ENGINEERING & INSPECTION	-	23,400
BOND ISSUANCE COST & DEBT SERVICE RESERVE	-	344,000
TOTAL EXPENSES	7,357,444	9,379,800
CURRENT YEAR BALANCE - WATER	3,071,795	1,675,500
CURRENT YEAR BALANCE - WASTEWATER	1,013,639	505,100
CURRENT YEAR BALANCE SUBTOTALS	4,085,434	2,180,600
TOTALS	**$ 11,442,878**	**$ 11,560,400**

The City Manager is hereby authorized, without further approval of the City Council, to make interdepartmental transfers of up to five percent of the amount hereinafter appropriated to any department with the exception of any transfers prohibited by City Procedure #F306.

ADOPTED: June 25, 2012

2012-2013 BUDGET ORDINANCES - CONTINUED

WATER/WASTEWATER CAPITAL ASSET RESERVE
CASH RECEIPTS/REVENUES AND BUDGET FOR 2012-2013

BE IT ORDAINED BY THE MAYOR AND COUNCIL OF THE CITY OF DOVER, IN COUNCIL MET:
The amount hereinafter named aggregating One Million Two Thousand One Hundred dollars ($1,002,100) or so much thereof as may be necessary are hereby appropriated from current revenues and other funds for the use by several departments of the Municipal Government for the fiscal year beginning July 1, 2012 and ending June 30, 2013:

CASH RECEIPTS

	2011/12 REVISED	2012/13 BUDGET
BEGINNING BALANCE - WATER	$ 315,695	$ 425,800
BEGINNING BALANCE - WASTEWATER	167,966	473,000
TOTAL BEGINNING BALANCES	483,661	898,800
RECEIPTS		
INTEREST EARNINGS - WATER	4,105	5,300
INTEREST EARNINGS - WASTEWATER	5,034	6,000
TRANSFER FROM WATER	100,000	70,000
TRANSFER FROM WASTEWATER	300,000	22,000
TRANSFER FROM WATER/WASTEWATER CONTINGENCY	6,000	-
TOTAL RECEIPTS	415,139	103,300
TOTALS	**$ 898,800**	**$ 1,002,100**

EXPENSE SUMMARY

	2011/12 REVISED	2012/13 BUDGET
CURRENT YEAR BALANCE - WATER	$ 425,800	$ 501,100
CURRENT YEAR BALANCE - WASTEWATER	473,000	501,000
CURRENT YEAR BALANCE SUBTOTALS	898,800	1,002,100
TOTALS	**$ 898,800**	**$ 1,002,100**

The City Manager is hereby authorized, without further approval of the City Council, to make interdepartmental transfers of up to five percent of the amount hereinafter appropriated to any department with the exception of any transfers prohibited by City Procedure #F306.

ADOPTED: June 25, 2012

2012-2013 BUDGET ORDINANCES - CONTINUED

WATER/WASTEWATER CONTINGENCY RESERVE
CASH RECEIPTS/REVENUES AND BUDGET FOR 2012-2013

BE IT ORDAINED BY THE MAYOR AND COUNCIL OF THE CITY OF DOVER, IN COUNCIL MET:
The amount hereinafter named aggregating Two Hundred Ninety Two Thousand Nine Hundred dollars ($292,900) or so much thereof as may be necessary are hereby appropriated from current revenues and other funds for the use by several departments of the Municipal Government for the fiscal year beginning July 1, 2012 and ending June 30, 2013:

CASH RECEIPTS

	2011/12 REVISED	2012/13 BUDGET
BEGINNING BALANCE - WATER	$ 108,540	$ 109,543
BEGINNING BALANCE - WASTEWATER	$ 178,973	$ 179,975
TOTAL BEGINNING BALANCES	$ 287,513	$ 289,518
RECEIPTS		
INTEREST EARNINGS	8,005	3,382
TOTAL RECEIPTS	8,005	3,382
TOTALS	**$ 295,518**	**$ 292,900**

BUDGET SUMMARY

EXPENSES	2011/12 REVISED	2012/13 BUDGET
TRANSFER TO CAPITAL ASSET RESERVE	$ 6,000	$ -
TOTAL EXPENSES	6,000	-
CURRENT YEAR BALANCE - WATER	109,543	110,900
CURRENT YEAR BALANCE - WASTEWATER	179,975	182,000
CURRENT YEAR BALANCE SUBTOTALS	289,518	292,900
TOTAL EXPENSES AND CURRENT YEAR BALANCES	**$ 295,518**	**$ 292,900**

The City Manager is hereby authorized, without further approval of the City Council, to make interdepartmental transfers of up to five percent of the amount hereinafter appropriated to any department with the exception of any transfers prohibited by City Procedure #F306.

ADOPTED: June 25, 2012

ELECTRIC REVENUE FUND
REVENUES AND BUDGET FOR 2012-2013

BE IT ORDAINED BY THE MAYOR AND COUNCIL OF THE CITY OF DOVER, IN COUNCIL MET:
The amount hereinafter named aggregating One Hundred Million Six Hundred Ninety Four Thousand Two Hundred dollars ($100,694,200) or so much thereof as may be necessary are hereby appropriated from current revenues and other funds for the use by several departments of the Municipal Government for the fiscal year beginning July 1, 2012 and ending June 30, 2013:

	2011/12 REVISED	2012/13 BUDGET
BEGINNING BALANCE	$ 12,292,573	$ 7,184,000
BASE REVENUE		
DIRECT SALES TO CUSTOMER	95,674,800	85,071,400
PURCHASE POWER ADJUSTMENT	(6,011,300)	-
UTILITY TAX	1,700,000	1,595,200
MISCELLANEOUS REVENUE	850,700	850,700
RENT REVENUE	225,000	225,000
GREEN ENERGY	129,000	129,000
INTEREST EARNINGS	150,000	107,800
TRANSFER FROM RATE STABILIZATION	1,000,000	5,400,000
INTRAFUND SERVICE RECEIPTS WATER/WASTEWATER	240,200	130,800
TOTAL REVENUES	93,958,400	93,509,900
TOTALS	**$ 106,250,973**	**$ 100,693,900**

ELECTRIC REVENUE FUND - CONTINUED
REVENUES AND BUDGET FOR 2012-2013

EXPENSES	**2011/12 REVISED**	**2012/13 BUDGET**
POWER SUPPLY	$ 42,047,430	$ 39,468,900
SOLAR ENERGY	1,618,924	1,414,500
POWER SUPPLY MANAGEMENT	1,170,000	996,000
PJM CHARGES - LOAD	13,424,472	17,508,300
CAPACITY CHARGES	8,506,512	12,564,800
SUB-TOTAL POWER SUPPLY	66,767,338	71,952,500
PLANT OPERATIONS	5,964,817	5,914,900
GENERATIONS FUELS	664,641	586,000
PJM SPOT MARKET ENERGY	-	(772,700)
PJM CREDITS	(1,285,675)	(427,000)
CAPACITY CREDITS	(7,388,283)	(14,318,600)
GENERATION SUBTOTAL	(2,044,500)	(9,017,400)
POWER SUPPLY & GENERATION SUBTOTAL	64,722,838	62,935,100
DIRECT EXPENDITURES		
TRANSMISSION/DISTRIBUTION	3,162,026	3,223,600
ELECTRICAL ENGINEERING	1,177,060	1,163,900
ADMINISTRATION	602,715	501,200
METER READING	215,208	212,500
SYSTEMS OPERATIONS	473,895	517,600
DIRECT EXPENDITURE SUBTOTALS	5,630,904	5,618,800
OTHER EXPENSES:		
UTILITY TAX	1,700,000	1,595,200
ALLOW FOR UNCOLLECTIBLES	150,000	150,000
CONTRACTUAL SERVICES - RFP'S	75,000	190,000
RETIREES HEALTH CARE	646,510	696,500
OTHER EMPLOYMENT EXPENSES	-	157,900
TRANSFER TO PENSION UNFUNDED LIABILITY	1,110,500	1,074,200
OPEB UNFUNDED LIABILITY	1,688,847	-
GREEN ENERGY PAYMENT TO DEMEC	129,000	129,000
INTRAFUND SERVICE FEES	3,270,800	3,224,500
INTEREST ON DEPOSITS	54,500	35,000
INVENTORY WRITE OFFS	175,000	175,000
DEBT SERVICE	3,336,800	3,323,600
OTHER EXPENSES SUBTOTAL	12,336,957	10,750,900
TRANSFER TO		
IMPROVEMENT & EXTENSION	3,500,000	3,500,000
GENERAL FUND	7,876,288	8,000,000
RATE STABILIZATION RESERVE	5,000,000	-
TRANSFER TO SUBTOTAL	16,376,288	11,500,000
TOTAL EXPENSES	99,066,987	90,804,800
CURRENT YEAR BALANCE	7,183,986	9,889,100
TOTALS	**$ 106,250,973**	**$ 100,693,900**

The City Manager is hereby authorized, without further approval of the City Council, to make interdepartmental transfers of up to five percent of the amount hereinafter appropriated to any department with the exception of any transfers prohibited by City Procedure #F306.

ADOPTED: June 25, 2012

ELECTRIC UTILITY IMPROVEMENT AND EXTENSION FUND
CASH RECEIPTS/REVENUES AND BUDGET FOR 2012-2013

BE IT ORDAINED BY THE MAYOR AND COUNCIL OF THE CITY OF DOVER, IN COUNCIL MET:
The amount hereinafter named aggregating Six Million Eight Hundred Five Thousand Three Hundred dollars ($6,805,300) or so much thereof as may be necessary are hereby appropriated from current revenues and other funds for the use by several departments of the Municipal Government for the fiscal year beginning July 1, 2012 and ending June 30, 2013:

CASH RECEIPTS

	2011/12 REVISED	2012/13 BUDGET
BEGINNING BALANCE	$ 3,175,375	$ 2,714,600
RECEIPTS		
INTEREST EARNINGS	25,000	40,700
TRANSFER FROM DEPRECIATION RESERVE	300,000	-
TRANSFER FROM FUTURE CAPACITY RESERVE	-	550,000
TRANSFER FROM INSURANCE STABILIZATION	70,730	-
TRANSFER FROM ELECTRIC	3,500,000	3,500,000
TOTAL RECEIPTS	3,895,730	4,090,700
TOTALS	**$ 7,071,105**	**$ 6,805,300**

EXPENSE SUMMARY

EXPENSES	2011/12 REVISED	2012/13 BUDGET
ELECTRIC GENERATION	$ 1,897,455	$ 1,441,300
TRANSMISSION AND DISTRIBUTION	648,337	596,000
ELECTRICAL ENGINEERING	1,790,716	1,932,700
METER READING	20,000	-
TOTAL EXPENSES	4,356,508	3,970,000
CURRENT YEAR BALANCE	2,714,597	2,835,300
TOTALS	**$ 7,071,105**	**$ 6,805,300**

The City Manager is hereby authorized, without further approval of the City Council, to make interdepartmental transfers of up to five percent of the amount hereinafter appropriated to any department with the exception of any transfers prohibited by City Procedure #F306.

ADOPTED: June 25, 2012

ELECTRIC UTILITY CONTINGENCY RESERVE
CASH RECEIPTS/REVENUES AND BUDGET FOR 2012-2013

BE IT ORDAINED BY THE MAYOR AND COUNCIL OF THE CITY OF DOVER, IN COUNCIL MET:
The amount hereinafter named aggregating One Million Eighty Eight Thousand Eight Hundred dollars ($1,088,800) or so much thereof as may be necessary are hereby appropriated from current revenues and other funds for the use by several departments of the Municipal Government for the fiscal year beginning July 1, 2012 and ending June 30, 2013:

CASH RECEIPTS

	2011/12 REVISED	2012/13 BUDGET
BEGINNING BALANCE	$ 1,056,789	$ 1,072,700
RECEIPTS		
INTEREST EARNINGS	15,911	16,100
TOTAL RECEIPTS	15,911	16,100
TOTALS	**$ 1,072,700**	**$ 1,088,800**

EXPENSE SUMMARY

EXPENSES	2011/12 REVISED	2012/13 BUDGET
TRANSFER TO INSURANCE STABILIZATION RESERVE	-	272,600
TOTAL EXPENSES	**-**	**272,600**
CURRENT YEAR BALANCE	1,072,700	816,200
TOTALS	**$ 1,072,700**	**$ 1,088,800**

The City Manager is hereby authorized, without further approval of the City Council, to make interdepartmental transfers of up to five percent of the amount hereinafter appropriated to any department with the exception of any transfers prohibited by City Procedure #F306.

ADOPTED: June 25, 2012

2012-2013 BUDGET ORDINANCES - CONTINUED

ELECTRIC UTILITY DEPRECIATION RESERVE
SOURCES AND USE OF FUNDS FOR 2012-2013

BE IT ORDAINED BY THE MAYOR AND COUNCIL OF THE CITY OF DOVER, IN COUNCIL MET:
The amount hereinafter named aggregating Nine Million Nine Hundred Twenty Three Thousand Three Hundred dollars ($9,923,300) or so much thereof as may be necessary are hereby appropriated from current revenues and other funds for the use by several departments of the Municipal Government for the fiscal year beginning July 1, 2012 and ending June 30, 2013:

CASH RECEIPTS

	2011/12 REVISED	2012/13 BUDGET
BEGINNING BALANCE	$ 10,412,221	$ 9,772,300
INTEREST EARNINGS	160,079	151,000
TOTALS	**$ 10,572,300**	**$ 9,923,300**

BUDGET SUMMARY

	2011/12 REVISED	2012/13 BUDGET
TRANSFER TO IMPROVEMENT AND EXTENSION	$ 300,000	$ -
TRANSFER TO FUTURE CAPACITY	500,000	-
TRANSFER TO INSURANCE STABILIATION	-	58,500
CURRENT YEAR BALANCE	9,772,300	9,864,800
TOTALS	**$ 10,572,300**	**$ 9,923,300**

The City Manager is hereby authorized, without further approval of the City Council, to make interdepartmental transfers of up to five percent of the amount hereinafter appropriated to any department with the exception of any transfers prohibited by City Procedure #F306.

ADOPTED: June 25, 2012

2012-2013 BUDGET ORDINANCES - CONTINUED

ELECTRIC UTILITY FUTURE CAPACITY RESERVE
SOURCES AND USE OF FUNDS FOR 2012-2013

BE IT ORDAINED BY THE MAYOR AND COUNCIL OF THE CITY OF DOVER, IN COUNCIL MET:
The amount hereinafter named aggregating Nine Million Nine Hundred Sixty Six Thousand Five Hundred dollars ($9,966,500) or so much thereof as may be necessary are hereby appropriated from current revenues and other funds for the use by several departments of the Municipal Government for the fiscal year beginning July 1, 2012 and ending June 30, 2013:

CASH RECEIPTS

	2011/12 REVISED	2012/13 BUDGET
BEGINNING BALANCE	$ 9,178,771	$ 9,826,500
RECEIPT FROM DEPRECIATION RESERVE	500,000	-
INTEREST EARNINGS	147,729	140,000
TOTALS	**$ 9,826,500**	**$ 9,966,500**

BUDGET SUMMARY

	2011/12 REVISED	2012/13 BUDGET
TRANSFER TO ELECTRIC I & E FUND	$ -	$ 550,000
TRANSFER TO GENERAL FUND	-	633,300
TRANSFER TO INSURANCE STABILIZATION	-	54,500
CURRENT YEAR BALANCE	9,826,500	8,728,700
TOTALS	**$ 9,826,500**	**$ 9,966,500**

The City Manager is hereby authorized, without further approval of the City Council, to make interdepartmental transfers of up to five percent of the amount hereinafter appropriated to any department with the exception of any transfers prohibited by City Procedure #F306.

ADOPTED: June 25, 2012

ELECTRIC UTILITY INSURANCE STABLIZATION RESERVE
SOURCES AND USE OF FUNDS FOR 2012-2013

BE IT ORDAINED BY THE MAYOR AND COUNCIL OF THE CITY OF DOVER, IN COUNCIL MET:
The amount hereinafter named aggregating Seven Hundred Twenty Nine Thousand One Hundred dollars ($729,100) or so much thereof as may be necessary are hereby appropriated from current revenues and other funds for the use by several departments of the Municipal Government for the fiscal year beginning July 1, 2012 and ending June 30, 2013:

CASH RECEIPTS

	2011/12 REVISED	2012/13 BUDGET
BEGINNING BALANCE	$ 403,335	$ 339,400
INTEREST EARNINGS	6,795	25,000
TRANSFER FROM ELECTRIC CONTINGENCY	-	272,600
TRANSFER FROM DEPRECIATION RESERVE	-	58,500
TRANSFER FROM FUTURE CAPACITY RESERVE	-	54,500
TOTALS	**$ 410,130**	**$ 750,000**

BUDGET SUMMARY

	2011/12 REVISED	2012/13 BUDGET
TRANSFER TO ELECTRIC IMPROVEMENT & EXTENSION	$ 70,730	$ -
CURRENT YEAR BALANCE	339,400	750,000
TOTALS	**$ 410,130**	**$ 750,000**

The City Manager is hereby authorized, without further approval of the City Council, to make interdepartmental transfers of up to five percent of the amount hereinafter appropriated to any department with the exception of any transfers prohibited by City Procedure #F306.

ADOPTED: June 25, 2012

ELECTRIC UTILITY RATE STABLIZATION RESERVE
SOURCES AND USE OF FUNDS FOR 2012-2013

BE IT ORDAINED BY THE MAYOR AND COUNCIL OF THE CITY OF DOVER, IN COUNCIL MET:
The amount hereinafter named aggregating Ten Million Four Hundred Six Thousand Four Hundred dollars ($10,406,400) or so much thereof as may be necessary are hereby appropriated from current revenues and other funds for the use by several departments of the Municipal Government for the fiscal year beginning July 1, 2012 and ending June 30, 2013:

CASH RECEIPTS

	2011/12 REVISED	2012/13 BUDGET
BEGINNING BALANCE	$ 6,160,168	$ 10,252,600
TRANSFER FROM ELECTRIC REVENUE FUND	5,000,000	-
INTEREST EARNINGS	92,432	95,000
TOTALS	**$ 11,252,600**	**$ 10,347,600**

BUDGET SUMMARY

	2011/12 REVISED	2012/13 BUDGET
TRANSFER TO ELECTRIC FUND	$ 1,000,000	$ 5,100,000
CURRENT YEAR BALANCE	10,252,600	5,247,600
TOTALS	**$ 11,252,600**	**$ 10,347,600**

The City Manager is hereby authorized, without further approval of the City Council, to make interdepartmental transfers of up to five percent of the amount hereinafter appropriated to any department with the exception of any transfers prohibited by City Procedure #F306.

ADOPTED: June 25, 2012

2012-2013 BUDGET ORDINANCES - CONTINUED

WORKERS COMPENSATION FUND
CASH RECEIPTS/REVENUES AND BUDGET FOR 2012-2013

BE IT ORDAINED BY THE MAYOR AND COUNCIL OF THE CITY OF DOVER, IN COUNCIL MET:
The amount hereinafter named aggregating One Million Five Hundred Ninety Nine Thousand Seven Hundred dollars ($1,599,700) or so much thereof as may be necessary are hereby appropriated from current revenues and other funds for the use by several departments of the Municipal Government for the fiscal year beginning July 1, 2012 and ending June 30, 2013:

OPERATING REVENUES

	2011/12 REVISED	2012/13 BUDGET
PRIOR YEAR BALANCE	$ 1,936,697	$ 943,400
INTEREST INCOME	21,937	25,000
PREMIUM FROM CITY	24,528	626,700
INSURANCE REFUND	533,400	-
MISCELLANEOUS REVENUE	6,380	4,600
TOTALS	**$ 2,522,942**	**$ 1,599,700**

OPERATING EXPENSES

	2011/12 REVISED	2012/13 BUDGET
PROGRAM EXPENSES/SUPPLIES - CLAIMS	$ 1,451,640	$ 450,000
INSURANCE	57,402	68,300
BANK FEES	1,500	1,500
STATE OF DEL - SELF INSURANCE TAX	37,000	37,000
CONTRACTUAL SERVICES	32,000	32,000
TOTAL EXPENSES	1,579,542	588,800
CURRENT YEAR BALANCE	943,400	1,010,900
TOTALS	**$ 2,522,942**	**$ 1,599,700**

The City Manager is hereby authorized, without further approval of the City Council, to make interdepartmental transfers of up to five percent of the amount hereinafter appropriated to any department with the exception of any transfers prohibited by City Procedure #F306.

ADOPTED: June 25, 2012

2012-2013 BUDGET ORDINANCES - CONTINUED

COMMUNITY TRANSPORTATION IMPROVEMENT FUND
CASH RECEIPTS/REVENUES AND BUDGET FOR 2012-2013

BE IT ORDAINED BY THE MAYOR AND COUNCIL OF THE CITY OF DOVER, IN COUNCIL MET:
The amount hereinafter named aggregating Two Million Three Hundred Forty Two Thousand Nine Hundred dollars ($2,342,900 or so much thereof as may be necessary are hereby appropriated from current revenues and other funds for the use by several departments of the Municipal Government for the fiscal year beginning July 1, 2012 and ending June 30, 2013:

OPERATING REVENUES

	2011/12 REVISED	2012/13 BUDGET
PRIOR YEAR BALANCE	$ 435,200	$ 435,700
GRANTS REVENUE - DELDOT	300,000	300,000
TRANSFER FROM GENERAL	-	1,606,700
INTEREST INCOME	500	500
TOTALS	**$ 735,700**	**$ 2,342,900**

OPERATING EXPENSES

	2011/12 REVISED	2012/13 BUDGET
PROGRAM EXPENSES - DELDOT	$ 300,000	$ 700,000
PROGRAM EXPENSES - CITY STREET PROGRAM	-	1,606,700
LINCOLN PARK/CLARENCE STREET GRANT EXP.	-	-
CURRENT YEAR BALANCE	435,700	36,200
TOTALS	**$ 735,700**	**$ 2,342,900**

The City Manager is hereby authorized, without further approval of the City Council, to make interdepartmental transfers of up to five percent of the amount hereinafter appropriated to any department with the exception of any transfers prohibited by City Procedure #F306.

ADOPTED: June 25, 2012

2012-2013 BUDGET ORDINANCES - CONTINUED

PARKLAND/RECREATION RESERVE
CASH RECEIPTS/REVENUES AND BUDGET FOR 2012-2013

BE IT ORDAINED BY THE MAYOR AND COUNCIL OF THE CITY OF DOVER, IN COUNCIL MET:
The amount hereinafter named aggregating Two Hundred Two Thousand Six Hundred dollars ($202,600) or so much thereof as may be necessary are hereby appropriated from current revenues and other funds for the use by several departments of the Municipal Government for the fiscal year beginning July 1, 2012 and ending June 30, 2013:

OPERATING REVENUES

	2011/12 REVISED	2012/13 BUDGET
PRIOR YEAR BALANCE	$ 196,672	$ 199,600
INTEREST INCOME	2,928	3,000
TOTALS	**$ 199,600**	**$ 202,600**

OPERATING EXPENSES

	2011/12 REVISED	2012/13 BUDGET
CURRENT YEAR BALANCE	199,600	202,600
TOTALS	**$ 199,600**	**$ 202,600**

The City Manager is hereby authorized, without further approval of the City Council, to make interdepartmental transfers of up to five percent of the amount hereinafter appropriated to any department with the exception of any transfers prohibited by City Procedure #F306.

ADOPTED: June 25, 2012

2012-2013 BUDGET ORDINANCES - CONTINUED

LIBRARY GRANT FUND
CASH RECEIPTS/REVENUES AND BUDGET FOR 2012-2013

BE IT ORDAINED BY THE MAYOR AND COUNCIL OF THE CITY OF DOVER, IN COUNCIL MET:
The amount hereinafter named aggregating Two Hundred Eighty Thousand Five Hundred dollars ($280,500) or so much thereof as may be necessary are hereby appropriated from current revenues and other funds for the use by several departments of the Municipal Government for the fiscal year beginning July 1, 2012 and ending June 30, 2013:

OPERATING REVENUES

	2011/12 REVISED	2012/13 BUDGET
BEGINNING BALANCE	$ 30,168	$ -
STATE GRANT	280,467	280,500
TOTALS	**$ 310,635**	**$ 280,500**

OPERATING EXPENSES

	2011/12 REVISED	2012/13 BUDGET
PROGRAM EXPENSES/SUPPLIES	$ 22,482	$ 15,300
OFFICE SUPPLIES	8,899	15,000
PRINTING/DUPLICATING	5,933	9,500
POSTAGE	500	200
BOOKS	112,053	95,000
FURNITURE	4,907	52,300
AUDIO VISUAL SUPPLIES	70,000	65,000
TRAINING/CONF/FOOD/TRAV	2,915	4,000
CONTRACTUAL SERVICES	4,150	-
OFFICE EQUIPMENT/REPAIRS & MAINT	-	4,200
COMPUTER HARDWARE	78,796	20,000
SUBTOTAL EXPENSES STATE GRANTS	310,635	280,500
CURRENT YEAR BALANCE	-	-
TOTALS	**$ 310,635**	**$ 280,500**

The City Manager is hereby authorized, without further approval of the City Council, to make interdepartmental transfers of up to five percent of the amount hereinafter appropriated to any department with the exception of any transfers prohibited by City Procedure #F306.

ADOPTED: June 25, 2012