COUNCIL COMMITTEE OF THE WHOLE

The Council Committee of the Whole met on May 23, 2017 at 6:01 p.m., with Council President Slavin presiding. Members of Council present were Mr. Anderson, Mr. Sudler (arrived at 6:02 p.m.), Mr. Neil, Mr. Lewis, Mr. Cole, and Mr. Polce. Mr. Hare and Mayor Christiansen were absent. Civilian members present for their Committee meetings were Mr. Caldwell (*Parks, Recreation, and Community Enhancement*), Mr. Keller (*Safety Advisory and Transportation*), and Mr. Blakeman (*Utility*). Mrs. Horsey (*Parks, Recreation, and Community Enhancement*), Mr. Shelton (*Safety Advisory and Transportation*), and Ms. Arndt (*Utility*) were absent.

UTILITY COMMITTEE

The Utility Committee met with Chairman Cole presiding.

AGENDA ADDITIONS/DELETIONS

Mr. Neil moved for approval of the agenda, seconded by Mr. Blakeman and unanimously carried.

The Energy Authority - Presentation of Electric Utility Integrated Resource Plan (IRP)

Mr. William Clarke, Executive Director, Strategic Innovations & Analytics, The Energy Authority (TEA) recognized team members Ms. Lisa Dohogne, Mr. Jim Ford, and Ms. Arlene Holloway who assisted in preparing the Integrated Resource Plan (IRP). He attributed the success of the project to TEA's close collaboration with Mrs. Donna Mitchell, Acting City Manager and Mr. Harry Maloney, Electric Director. Mr. Clarke reviewed a presentation, entitled "The Energy Authority (TEA)/City of Dover 20-Year Integrated Resource Plan (IRP)."

Referring to Mr. Clarke's comment that spending $2.1M on the Vans Sant plant now would typically save $11M or more over the study period, Mr. Anderson asked if these amounts were the present value and if inflation, etc., had been calculated. Mr. Clarke responded that the amounts were present value and he believed that an escalation rate of approximately 2% was used in the process, as well as a discount rate from approximately 3.6%. He noted that everything in the future had been included and discounted back.

Mr. Sudler questioned if they had seen numbers or variables in scenarios from other cities that were not included in the estimates that TEA provided for the City of Dover. Responding, Mr. Clarke indicated that TEA generated and provided the market prices, fuel prices, the cost of new capacity, and the load forecast. He indicated that many of the numbers were generated by TEA because TEA was hired by the City based upon the type of work they do. Mr. Clarke stated that TEA found, when looking at the market conditions, that the plan was robust across all uncertainties. Mr. Clarke noted that these uncertainties could have an impact on the Request for Proposals (RFP); however, they felt strongly that there would not be a change in their recommendation.

In regard to electric forecasting, Mr. Neil stated that solar panels had improved tremendously and noted that the City was supposed to have reserved a section of land for additional solar power in the area where a new civic center had been planned for construction. He asked if this was considered

in the report and what improvements in solar technology would bring to the table. Responding, Mr. Clarke stated that the study included current numbers and projections of what solar costs would be. He indicated that there had been a very dramatic reduction in cost per unit of solar to 20% or less of previous numbers. Mr. Clarke advised that they had not looked at specific land in the City for solar energy; however, he indicated, from working at other locations, that solar energy takes approximately eight (8) acres per MW of capacity and the amount of acreage needed for a City facility could be determined by multiplying 30MW by eight (8).

Mr. Neil noted that a section of landfill-type land was supposed to be held for the sole purpose of solar panels, and a portion of land was to be turned over to Delaware State University. Mr. Clarke stated that this would be an excellent opportunity to use this land for all or part of the 30MW that is recommended.

Mr. Slavin asked if the modeling for 30MW of solar included possible land acquisition. Responding, Mr. Clarke indicated that industry standard numbers were used and, although there was not an exact amount of land in these industry numbers, they made an assessment by considering the net present value basis for each $1M of extra cost for land. He stated that approximately 80% - 90% of this amount was reflected in the net present value and had an impact. Mr. Clarke advised that TEA did not look at the City's individual land cost, explaining that they did not know the City's land and did not feel that this was a part of the study. He noted that they did not want to get in conflict with real estate people.

*Mr. Slavin thanked Mr. Clarke and his team for the study and Mrs. Mitchell for pursuing this matter, and he encouraged taking a long view before making any decisions. He noted the Council's challenges in considering this issue, stating that Council members are part-time legislators, none of whom are in the utility or energy business. Mr. Slavin commented that key decision-makers, such as Council members, may turn over two or four times in the 20-year forecast and that the knowledge transfer between members is almost nonexistent. He asked Mr. Clarke to speak to the inherited risk involved, explaining that he felt there was a lot of risk in being asked to make decisions about a very complicated set of issues that members are not conversant in. Mr. Slavin stated that Council relies on consultants, and he questioned who vets the information that they receive from experts and consultants.

In response, Mr. Clarke stated that he had also received information from consultants over the years and stated that, in addition to turnover, there is much uncertainty with a 20-year plan. He indicated that things could change that are outside the assumptions that were put in place. Mr. Clarke advised that members could fall back on people like Mrs. Mitchell and Mr. Maloney for guidance, who would challenge TEA and ask them questions until they are comfortable with the information, so that Council would feel confident that they are getting good answers. He stated that there is a risk because decisions would be made for something that would be in place for 20 years. Mr. Clarke advised that a self build would be there for 30 years; therefore, it is necessary to know the risk being taken on. He explained that there was also a risk in not taking on a plan, because if the City does not have generation and future load, its costs would increase and reliability could suffer.

Mr. Anderson stated that the City would be looking to retire the McKee Run plant in approximately seven (7) years and asked how long it would take to build a new plant in compliance with existing

regulations. He questioned if the plant was approximately 100 MW, when work would have to start, and what the time line would be for making a decision. Responding, Mr. Clarke advised that the net capacity of McKee Run was approximately 102 MW and there was a potential retirement of the plant in 2027. He noted that the plant seldom runs, partly because of the operating cost and fuel availability. Mr. Clarke stated that the PJM calls on the plant when needed, stating that it was called upon in the last few days to operate for a few hours. He advised that the plant was a hedge against market conditions, and not having long-term ownership of purchased power or generation would put the City at risk from the uncertainty of future market prices. Mr. Clarke estimated that permitting, ordering, and construction would take approximately four (4) or five (5) years on average. Mr. Anderson asked if this estimate would apply to replacing an existing plant. Responding, Mr. Clarke indicated that demolishing the McKee Run plant and building on its site would probably add time to the estimate, and the City would probably be better off by using other land. He indicated that the existing site might be considered a brownfield-type site. Mr. Clarke indicated that the City had a window of a couple of years before making this decision.

In response to Mr. Anderson regarding the definition of an unforced capacity obligation, Mr. Clarke advised that a unit may have a capacity limitation of 100 MW, but its capability is tested in a real world condition and, due to operational conditions, the market may only consider 90 MW or 95MW toward the obligation. He noted that there may be unplanned outages, equipment failures, etc.

Mr. Anderson noted that a new plant would likely operate with higher efficiency and be called on more often. He asked how this would affect the trade-offs and if as much capacity would be needed with the new plant. Mr. Clarke advised that there were two (2) concepts being discussed. He noted, first, that capacity is needed to meet the obligations of PJM, and a unit with 50 MW of capacity would provide 50 MW toward the City's obligation. Mr. Clarke stated that if there is 100 MW of load and a 16% reserve requirement, a capacity of 116 MW is needed. He advised that once the City has that capacity, the market will be looking for the energy from it and will compare how economical and efficient the City's plant is compared with everything else on the marketplace. Mr. Clarke stated that a new unit would be more efficient and would be called upon much more often than the existing facilities. He indicated that the market would buy the energy produced and this would become a revenue source.

Mr. Blakeman stated that this energy would not become a revenue source but would offset having to purchase power, because the plant is not running. He stated that when generation is brought on, the energy would be consumed and would not be available to sell. Mr. Blakeman advised that the City would not have to buy energy, but the power would be generated and used on the City's own system unless there is a price difference large enough to offset the purchase.

Mr. Clarke explained that in today's Regional Transmission Organization (RTO) market environment, the market dictates when, how much, and what energy will be generated, and the City of Dover is part of this whole. He stated that the City, as well as the rest of the PJM market, needs a specific amount of energy to serve its load, and the City buys from the market for this purpose. Mr. Clarke advised that if there is more generation than needed, this is a revenue source. He stated that the City's units support the City on the capacity side to meet its obligations. Mr. Clarke indicated that if the units are not running they are not getting revenue from the market, but the load

is getting a charge from the market. He stated that by having a unit that runs more, the City would sell more energy to the market, which would then be a pure revenue source.

Mr. Blakeman asked if the energy goes to the market or to the Dover system first. Responding, Mr. Clarke advised that it goes to the market first. He stated that the market is buying energy, and the City is buying from the market. Mr. Clarke indicated that, from a financial perspective of dollar flow, the market is giving the City dollars for revenue and taking dollars from the City on cost. He noted that the electrons may be located in the City, but from a settlement and dollar flow perspective, the City is receiving revenue and getting a charge from the market, and it does not matter where the energy is generated. Mr. Clarke compared the energy electricity market to a big pond that people put water into and take water out of.

Referring to page 25 of the presentation, Qualitative Risks, Mr. Blakeman pointed out the statement that there was a risk of having no generation and only a Purchase Power Agreement (PPA) should there be a systemwide outage. He advised that this had been an issue only twice during his 43 years of experience with the City's Electric Department. Mr. Blakeman explained that, during the 1950s, an operator at the St. Jones power plant saw Delmarva going down, separated, and kept the City's power on. In addition, he stated that during the East Coast blackout the City was able to get back online before the rest of the system. Mr. Blakeman stated that while a systemwide outage was indicated to be a concern in the presentation, in actuality it had not been a big issue for the City of Dover. Responding, Mr. Clarke stated that such an event may not be a driver but was a point to be aware of and think about.

Mr. Blakeman stated that if the City was to go entirely with purchased power, all the variables and uncertainties discussed would generally go away except for the purchased power cost, because there would be no generation. Mr. Clarke indicated that this was correct and noted that by obtaining a longer-term contract, the City would try to minimize the uncertainty around this one (1) variable. Mr. Blakeman stated that getting rid of a lot of uncertainties and trying to deal with the one (1) remaining uncertainty by contracting out was not a bad position to be in. Mr. Clarke agreed, but he encouraged having something that the City would own, whether it is a purchased power agreement or steel in the ground in the City or somewhere else.

Referring to page 26, Sensitivities, Mr. Blakeman pointed out the statement, "Recommended strategies not affected significantly by the sensitivities studied for high gas price, low gas price, more restrictive carbon constraints, and higher RPS requirements." He also referred to the statement on page 73 of the City of Dover 2017 Integrated Resource Plan, under Market Risks, that "One of the largest sources of risk on a forward basis for any thermal unit is cost and availability of fuel." Mr. Blakeman questioned why the cost and availability of fuel were not considered as a large source of risk in regard to the recommendations relating to sensitivities. In response, Mr. Clarke indicated that, in general, fuel was one (1) of the most volatile assumptions and this was a key point; however, it was not a driver when looking at the recommendations. He stated that when looking at low gas, base gas, and high gas, the same answer was obtained in regard to the recommendations. Mr. Blakeman expressed his understanding that fuel price was a variable that did not have a big impact. Responding, Mr. Clarke stated that the recommendations related more to capital costs, the efficiency assumptions of the units, and how fuel is used. Mr. Blakeman stated that gas prices would not have a big impact on this.

Referring to page 30 of the presentation, Mr. Blakeman pointed out the statement that, "To make up for the capacity shortfall in 2024, it is recommended an RFP is issued for 50 MWs of capacity to firm up IRP pricing and cost comparison. The options for this RFP should include a Purchase Power Agreement, Installation of 30 MW of Solar PV (11.4 MWs PJM Capacity, Self-Build (GT or RICE installation)." He noted that 200 or 250 acres would be needed for the installation of 30 MWs of solar photovoltaics. Mr. Clarke stated that this would be needed if the City were to build solar itself, noting that eight (8) acres would be needed per MW of capacity.

Mr. Blakeman asked if a reciprocating internal combustion engine (RICE) would be a diesel or gas-fired unit, and Mr. Clarke advised that it would be gas fired. Mr. Blakeman questioned where the City would obtain gas. Responding, Mr. Clarke stated that the City's gas supply is sufficient for its existing units because they do not run very often; however, if something new was put in with higher efficiency that could run more often, there would be a need for a more firm gas supply. He stated that an assumption was made that the City could get this supply, noting that there would be a cost to accommodate this. Mr. Clarke stated that, as a company, TEA had looked at what could be obtained in the way of gas. He indicated that they felt that they could obtain it and that the cost they included was reasonable for that gas capacity.

Mr. Blakeman noted that the City had not been able to get sufficient firm gas to run Unit #3 at the plant, and Calpine had to pay to have a private pipeline built; therefore, gas availability could become an issue. Mr. Clarke responded that this was a fair concern. He reiterated that TEA had included an assumption that they could get gas into the City, and there was a premium put on the price to do that. He explained that it would be unknown if the City could get gas until actually going out to get it; however, they tried to accommodate this uncertainty by putting dollars on it.

Responding to Mr. Blakeman regarding the definition of "tranche," as referred to on page 28 of the presentation, Mr. Clarke explained that, in this case, tranche referred to an amount of supplies or a block of capacity that TEA recommended that the City obtain.

In reference to page 23 of the City of Dover 2017 Integrated Resource Plan, Mr. Blakeman pointed out the statement that, "Electric utilities must have both generation capacity resources and the ability to provide electrical energy instantaneously to serve its retail customers." He asked if utilities must have generation. Responding, Mr. Clarke stated that there must be generation somewhere, either produced by the utility or obtained through purchased power. Mr. Blakeman noted that eight (8) other municipal systems have little or no generation and they operate from purchased power.

Mr. Blakeman referred to the statement on page 24 of the City of Dover 2017 Integrated Resource Plan that, "The design of the capacity market, the associated uncertainties of the supply-demand balance and the frequent modifications to the RPM rules result in significant variability of the RPM capacity prices. RPM capacity prices for the DPL-South zone, which Dover is in, has ranged from a low of $2.51 per MW-Day to a high of $245/MW-Day over the last five years." He asked what the trend was on the capacity prices. Responding, Mr. Clarke stated that prices oscillate, are very volatile, and were expected to increase over the long term, but it was not known how much they would increase.

Referring to page 24 of the City of Dover 2017 Integrated Resource Plan, Mr. Blakeman referred to the statement that "The maximum price for the auctions is 1.5 times the Net Cost of New Entry (Net CONE), or $394/MW-Day for the upcoming BRA for Delivery Year 2021, at a potential cost of $25.9 million to Dover." He questioned the meaning of "BRA," and Mr. Clarke explained that this referred to Base Residual Auctions.

Mr. Blakeman referred to the statement on page 24 of the City of Dover 2017 Integrated Resource Plan that "Dover's annual locational reliability charge could have range from $165,000 to $65.1 million," and he questioned the reason for such a wide variation. Responding, Ms. Dohogne explained that the auction is based upon what people submit to cover their cost, the available capacity in PJM, and the City of Dover and its zone, noting that what is accepted and what is available can vary. In response to Mr. Blakeman regarding the anticipated cap, Ms. Dohogne stated that there is a large cap that is called the Cost of New Entry (CONE). She noted that people submit their bids into the auction to cover their fixed costs, which they try to recover.

Referring to the Risk Factors listed on pages 72-75 of the City of Dover 2017 Integrated Resource Plan, Mr. Blakeman questioned which of these factors the City should be most concerned about. Responding, Mr. Clarke stated that one (1) of the biggest uncertainties was the regulatory risk factor regarding what would happen in the federal government over the next 20 years from an emissions perspective.

Mr. Blakeman asked if new technology was being developed that may be a big game changer for electric supply and generation. In response, Mr. Clarke stated that there were many opinions on this; however, storage was one (1) such factor. He explained that there are limitations for wind, rooftop solar, or other large solar facilities; however, storage capability tied to a utility grade, along with solar and the wind energy, would be a game changer. Mr. Clarke indicated that this technology was in its early stages, companies like Tesla were working on it, and California was mandating the amounts and types of storage. He expressed his personal opinion that perfecting utility grade storage would change the game a lot.

Mr. Blakeman stated that power plants are needed because renewable energy cannot be used if the sun does not shine and the wind does not blow. Mr. Clarke advised that this would change when there are places to store energy. He explained that in California they are talking about a "duck curve," where there is so much renewable energy that fossils are backed off in the middle of the day and then relied on once the sun starts to go down, when there is a steep climb. He noted that this curve could be flattened out through storage. He expressed the need to be ready to be part of this from a utility perspective.

Mr. Polce stated his understanding that the goal of the plan was to reduce costs and create greater sustainability. He asked whether Mr. Clarke had seen, historically through work done in the past, impact on local economies in the attraction or retention of economic drivers. In response, Mr. Clarke stated that if cost drivers are kept down, this helps the local economy. From an anecdotal perspective, he advised that formerly served as an assistant GM for a municipal utility in Indiana that was not much different from Dover. Mr. Clarke stated it was found that if they could keep their costs down, they were able to attract more commercial and industrial customers. He noted that there

is always a question of how to balance the costs between commercial and industrial versus the residential sectors. Mr. Clarke stated that anytime a community can manage the cost to the users of its commodity, this will help grow the customer base.

Mr. Sudler moved to recommend acceptance of the report, seconded by Mr. Blakeman and unanimously carried.

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

Mrs. Donna Mitchell, Acting City Manager, reviewed the Utility Related Capital Investment Plan (CIP) Projects (Electric and Water/Wastewater). In regard to General Fund projects, she stated that work was continuing on the Old PW2 Site Improvements; Mrs. Sharon Duca, Public Works Director, was working on a voluntary cleanup program plan for the site and soils were being tested. Mrs. Mitchell advised that the Silver Lake Valve Replacement project had been completed and an annual inspection of the dam was included in next year's budget. She indicated that the Salt Storage Barn project was complete, although the invoice had not yet been paid. Mrs. Mitchell stated that concrete and asphalt were poured during the past week. She explained that Mr. Neil had met with herself and Mrs. Duca regarding the Persimmon Park Place Drainage Study, which was being discussed with some of the customers, and letters were being sent out.

In regard to recreation projects, Mrs. Mitchell noted that the Dover Park Master Plan had been started and a meeting had been held regarding the park with Mr. David Hugg, Acting Director of Planning and Community Development, last week. She advised that many of the recreation projects had been started but would not be completed this year and their funding had been moved to next year's budget. Mrs. Mitchell indicated that the Street and Alley Program was underway. She advised that documents had been received for the Silver Lake Dam improvements, and staff was working on getting this awarded.

In regard to Electric Fund projects, Mrs. Mitchell advised that staff was working through Metering System Upgrades, which would be a long-range project over several years. She stated that the Van Sant Capacity Increase project was complete, and the Horsepond Road 69 kV Rebuild was also complete and awaiting release of final billing. Mrs. Mitchell advised that the Towne Point/White Oak Distribution Feeders was another multi-year project in process. She explained that the Van Sant Exhaust Plenum Replacement Project was awaiting final invoices. Mrs. Mitchell advised that the Unit #3 Stack Repairs were complete. In regard to the 69 kV Cable Replacement on North Street, she stated that engineering work had started and noted that this project had been pushed out because the Delaware Department of Transportation (DelDOT) had to complete their work at this location first. Mrs. Mitchell stated that the Horsepond Road Underground Distribution Feeders were complete and some of the new upgrades at the Oak Grove Trailer Park and Dover East Estates were in process. She indicated that the North Street Overhead to Underground project was also being scheduled around DelDOT. Mrs. Mitchell advised that the Meeting House Branch Pole Relocation would not be completed this year but would be moved out because of the work that must go into the cleanup of Old PW2.

In regard to the Water/Wastewater Improvement and Extension Fund projects, Mrs. Mitchell advised that there had been problems acquiring land for the 1 MG Elevated Water Storage Tank and

Mrs. Duca was getting ready to work on the water model to determine whether or not that tank was still needed. She indicated that the Westover Pump Station was still in process, the Hazlettville Road Interceptor was awaiting the final retainage invoice, as well as the Retreat Pump Station. Mrs. Mitchell advised that the Rolling Acres Pump Station was in process and awaiting materials for construction. She noted that the Delaware Avenue Sanitary Sewer Extension was scheduled to begin in April; however, she believed it had not yet been started and indicated that she would check with Mrs. Duca on this. Mrs. Mitchell advised that the new fence at Well #6 was complete and most of the rest of this year's projects were in process. She noted that the Bradford Street Survey was completed and the Delaware Tech Pump Station and all of the 2017 wastewater projects were in design or construction stages.

Updates

Green Energy Funding and Programming
Due to time constraints, this item was deferred until the next meeting.

National Pollution Discharge Elimination System (NPDES) Municipal Separate Storm Sewer Systems (MS4) Permit
Due to time constraints, this item was deferred until the next meeting.

Mr. Neil moved for adjournment of the Utility Committee meeting. The motion was seconded by Mr. Blakeman and unanimously carried.

Meeting adjourned at 7:17 p.m.

SPECIAL PARKS, RECREATION, AND COMMUNITY ENHANCEMENT COMMITTEE

The Special Parks, Recreation, and Community Enhancement Committee met with Chairman Sudler presiding.

AGENDA ADDITIONS/DELETIONS
Mr. Anderson moved for approval of the agenda, seconded by Mr. Neil and unanimously carried.

Proposed Resolution No. 2017-07 - Establishment of a City Community Sustainment Fund Through Voluntary Contributions (Sponsor: Anderson)
Mr. Anderson advised that the City's finances were in good condition, as suggested by its bond rating upgrades; however, the State was having some challenges. He noted that the federal government had been claiming tight budgets for 30 years; therefore, there was a reason for local people to take care of local problems. Mr. Anderson stated that a gentleman had suggested a voluntary system whereby people could contribute a dollar to make a difference, and Proposed Resolution No. 2017-07 would provide a mechanism to implement this suggestion. He explained that the Proposed Resolution would give the City some insurance against federal cuts to Community Development Block Grant (CDBG) funds. Mr. Anderson indicated that there was currently a

proposal to zero out CDBG funding and, although he doubted that this would happen, he stated that there would probably be cuts greater than the 5% that had been projected, due to the current dynamics. He stated that cutting other programs or raising taxes would be ways to replace the money; however, he did not think that these were viable options, and he expressed his belief that people would be willing to support their community. Mr. Anderson advised that there had been many worthy projects that would not have happened without CDBG funding, including downtown rebuilding, encouraging home ownership, helping seniors and low-income people to repair houses, helping the homeless shelter, rebuilding Serenity Place, and saving the Elizabeth W. Murphy School.

Mr. Anderson explained that a negative checkoff system was proposed, whereby a "Dollar for a Difference" would be added to utility bills on a voluntary basis. He advised that the program would be voluntary but automatic; therefore, until a payer opts out, they would be in the program, resulting in a reasonably steady and dependable stream of revenue. Mr. Anderson advised that typical negative check off systems had historically shown 80% compliance and that even 10% compliance would be enough to make up for an approximate 10-15% cut in CDBG funding; therefore, even relatively low participation would offset cuts. He estimated that participation could top out around $300,000 per year, and the probable return would be between $24,000 and $300,000. Mr. Anderson indicated that the program would have to run for approximately six (6) months before gaining an understanding of its acceptance by the community; therefore, the City would have to start the program without doing any budgeting based on it. He advised that by the time the supplemental budget is considered, around the beginning of the year, the federal budget would be known, and it would then be known if there would be extra money for other charities, such as the Police Athletic League or the Mayor's Blue Ribbon Panel on Homelessness. Mr. Anderson pointed out that the City already has a mechanism to make awards through the Parks, Recreation, and Community Enhancement Committee that includes an application process, point system, and professional evaluation, so there would be no need to set up new criteria or do anything differently.

Mr. Anderson reiterated that negative checkoff compliance rates are reasonably high and stated that if it is communicated to people and not hidden, there should not be much of a drop-off. He noted that the base of participants would be much broader than the property tax base because there are people located outside of the City who do not pay taxes but pay utilities, are part of the City's economy, and would also benefit from participating. Mr. Anderson indicated that the low amount of $1 would not be enough to cause people to be upset; however, a 40% compliance rate with 10,000 participants who contribute $12 per year would raise approximately $120,000 per year. He pointed out that it would be unknown how effective the program would be in Dover for at least six (6) months; however, there was nothing to lose because existing mechanisms would be used and there would be no costs and no need for a new collection facility or staff. Mr. Anderson stated that the program would offer the potential to raise funds to address deep-seated problems that are hurting the City's economy and the community's security in the long run. He noted that, without these funds, the plans, work and studies done by other commissions would likely go nowhere. Mr. Anderson stated that this was a win-win proposal and the City had nothing to lose.

Mr. Slavin expressed appreciation for the creativity of the proposal and of the fact that it was being discussed in response to a local suggestion; however, he stated concern about the mechanics of people opting in or out. He advised that there would be costs for collecting the money, such as programming fees on utility bills, accounting fees, and the impact on Customer Service for opting

in or out. Mr. Slavin stated the desire to have this conversation as part of larger budget discussions and actions that members would take on in the next couple of weeks. He recommended deferring this matter to the budget hearings.

In addition, Mr. Slavin stated that there was a philosophical question that the State, County, and City were facing regarding whether they were willing to absorb the cuts being passed on by the federal government. He noted that the President had just released a budget with very deep cuts to many programs; however, Mr. Slavin did not believe that it would be the place of the City of Dover to take this on and come up with new financing schemes for people to donate their money to City government. Mr. Slavin expressed his personal belief that charity is a matter of the heart, and it should be left to individuals to direct where they want to donate their money. He stated that he had never checked off a box to give a dollar to any funds on his income tax returns because he did not believe that these funds would go to solve the problems indicated. Mr. Slavin stated that there are high overhead fees for a government to run such funds, and that he thought there were better places for his money to go.

Mr. Neil applauded Mr. Anderson for a brilliant, out-of-the-box idea and for thinking in terms of making something happen if other things around it are failing. He expressed his concern about not-for-profit organizations having to pay. Mr. Neil indicated that he thought this matter needed further discussion and stated the desire to discuss the mechanics in connection with the budget for the new fiscal year.

Mr. Lewis commended Mr. Anderson for the excellent idea, stating that he did not think it a bad idea as long as it is kept voluntary. He expressed concern about managing the program and whether there would be related fees. Mr. Lewis stated that the proposal should be discussed further.

Mr. Anderson expressed his belief that people are too often boxed in with their thinking but were starting to understand that the most efficient way to tackle local problems is not by an international movement or by a one-size-fits-all solution, but by local people evaluating and solving them. Mr. Anderson stated that it takes years to set up a system like the existing CDBG system and the Proposed Resolution would set up a mechanism to put money into an existing fund. He noted that the cost would be low, noting that there are already fees that are a dollar or two (2) and this would just be another. Mr. Anderson indicated that he was open to the question about whether the program should be voluntary for non-taxpayers, noting that he had passed the proposal around to the community to a number of non-profit organizations, churches, and other foundations, none of whom had a problem with it. He advised that they had liked the idea because the fee was low and, philosophically, they tended to see themselves as community-oriented. Mr. Anderson noted that the proposal would apply to non-taxpayers as well as any group that makes a Payment in Lieu of Taxes (PILOT), and they could opt out if they already make a voluntary contribution to the City. He stated that it would not be a stumbling block if Council wanted to adjust the proposal, noting that this was a small part of the issue; however, it could affect some of the certainty of the revenue. Mr. Anderson reminded members that only about 60% of the City's base is taxpayers and 40% of its value basis is from non-taxpaying customers.

Mr. Anderson stated he thought it would be valuable to begin this discussion now because there are many other moving pieces within the budget and the budget hearing, and this piece could be lost in

the discussion. He noted that if the Proposed Resolution was recommended for approval now, it would take at least two (2) weeks to go through it, and even longer if delayed.

Mr. Caldwell indicated that this was a good plan in the long run but expressed concern about the administrative and management part of the program and what it would cost in the long term. He stated that it should be discussed during Council's budget hearings to go over the fine print of everything that must take place. Mr. Caldwell indicated that he liked to see people volunteering their time and money; however, there was more to be focused on that was not being heard at this point.

Mr. Slavin moved to recommend deferring consideration of the Proposed Resolution until the budget hearings, seconded by Mr. Neil.

Mr. Anderson stated that there was merit in the Mr. Slavin's motion; however, he thought it would be better to refer the matter to staff for review. He indicated that this would allow for an answer to the one (1) question remaining about administrative overhead. Mr. Anderson pointed out that the question would still remain a month from now if the matter was deferred until the budget hearings. He stated that staff could bring their recommendation when the proposal is brought forth in the budget.

Mr. Slavin stated that nothing would preclude staff from preparing some of the answers if the proposal was deferred until the budget hearing.

The motion to recommend deferring consideration of the Proposed Resolution until the budget hearings was unanimously carried.

Proposed Change in Frequency - Community Development Block Grant (CDBG) Program Updates

Mr. David Hugg, Acting Director of Planning and Community Development, advised members that staff recommended that Community Development Block Grant (CDBG) program updates be provided to the members every six (6) months rather than quarterly, unless there were significant changes. He explained that this was due to the uncertainty in the CDBG program and other demands on staff. Mr. Hugg noted that recent quarterly reports had stated that there were no actions in the last quarter.

Mr. Cole moved to recommend acceptance of staff's recommendation, seconded by Mr. Anderson and unanimously carried.

Mr. Anderson stated that there may be a desire to go back to quarterly reports in the future and noted that the reports had been valuable in the past in identifying hang-ups with money. Responding, Mr. Hugg stated that staff would monitor this and would not wait for six (6) months to inform members if issues come up in the interim. He advised that if the CDBG program is funded and moves forward, staff will continue the quarterly reports.

Mr. Lewis moved for adjournment of the Parks, Recreation, and Community Enhancement Committee meeting. The motion was seconded by Mr. Anderson and unanimously carried.

Meeting adjourned at 7:44 p.m.

SAFETY ADVISORY AND TRANSPORTATION COMMITTEE

The Safety Advisory and Transportation Committee met with Councilman Lewis presiding.

AGENDA ADDITIONS/DELETIONS
Mr. Sudler moved for approval of the agenda, seconded by Mr. Neil and unanimously carried.

Proposed Ordinance #2017-07 Amending Chapter 46 - Fire Prevention and Protection, Article II - Fire Department, Division 2 - Officers, Section 46-77 (3) - Election and Voting Regulations for Nominees - Eligible Voters (Sponsors: Slavin and Hare)
Fire Chief Carleton Carey, Jr. advised members that Proposed Ordinance #2017-07 would amend language in the Dover Code regarding eligible voters for fire department officers. He indicated that the ordinance would replace the term "at least 25 percent of the alarms" with "at least one-hundred twenty-five (125) of the alarms" with respect to the requirement for eligible voters to have active membership in the Fire Department. Chief Carey explained that this was being requested because fewer members were able to meet the 25% requirement since the Department was receiving more alarms each year; therefore, fewer members were eligible to vote for Fire Department officers. He explained that the original ordinance was put in place many years ago when there were 250 - 500 calls per year; however, they were now averaging 1,300 and had 470 already this year. Chief Carey noted that they now had only 25-30 voters for line officers, whereas previously there were well over 50 eligible voters.

Mr. Neil stated his understanding that they would be going from a percentage to a raw number and asked if there was a concern that members would have to respond to a very low number of calls to be eligible. Responding, Chief Carey indicated that this was a concern; however, with the current average required, members were required to have almost 170 calls to vote. He indicated that they had studied calls going back 10 years and calls had averaged 600 per year when he started as a fire line officer in 1991. Chief Carey advised that they had reached 1,000 calls in 1997, had never had less than 1,000 calls since then, and were now reaching 1,300 calls per year.

Mr. Anderson stated that he thought the Proposed Ordinance was positive and would encourage more involvement. He expressed his understanding that people would not be responding to fewer calls than they did 20 or 25 years ago and asked if 125 calls per month was within the historical norms. Mr. Carey stated that it was and that 125 calls would average to approximately two (2) calls out of the 20-30 calls they receive per week.

Mr. Anderson questioned how this would help involvement in the Fire Department. In response, Chief Carey explained that the rule had always been that members can vote only if they ride a fire truck. He noted that in some departments every member can vote, regardless of their position; however, the Dover Fire Department had never done that and he did not believe they would want to.

Mr. Keller asked if there had been a concerted effort to recruit. Responding, Chief Carey stated that the Fire Department was currently in this process and had 2,500 pamphlets made at a cost of $1,800 that would hopefully pay off. He noted that they were getting ready to meet with Delaware State University and Wesley College and would distribute pamphlets to them. Chief Carey noted that Wesley students previously from out of State had previously served and had been outstanding.

Mr. Keller stated that the City of Dover was very fortunate to have the volunteer Fire Department, noting that their equipment is in topnotch condition.

Mr. Lewis extended his appreciation to Fire Chief Carey for doing an outstanding job.

Chief Carey thanked Council for their support and expressed his belief that the Department's relationship with the City had improved in the past few years since he had returned to the Fire Department. He noted that the Fire Department needs the City and vice versa.

Mr. Neil moved to recommend adoption of Proposed Ordinance #2017-07, seconded by Mr. Anderson and unanimously carried.

Proposed Resolution No. 2017-01 - Complete Streets Policy

During the Regular City Council Meeting of April 10, 2017, Council considered the Quarterly Update - Bicycle/Pedestrian Subcommittee and approved the Safety Advisory and Transportation Committee's recommendation to place Proposed Resolution No. 2017-01 - Complete Streets Policy, back on an agenda for consideration by the Safety Advisory and Transportation Committee.

Mr. David Hugg, Acting Director of Planning and Community Development, advised members that the Proposed Resolution was part of a plan to have Dover designated as Bicycle Friendly Community. He explained that Dover's ordinances have the components of a Complete Streets Policy, but not under that specific name. Mr. Hugg stated that Proposed Resolution No. 2017-01 would tie together the various components of Complete Streets that are already part of the City's codes and policies and reaffirm Dover's commitment to a multi-modal transportation system, safety, and accessible use of the public rights-of-way.

Staff recommended adoption of Proposed Resolution #2017-01.

Mr. Slavin moved to recommend adoption of Proposed Resolution No. 2017-01, seconded by Mr. Anderson.

Mr. Anderson proposed amending line #30 to remove the phrase "and reduces automobile dependency," stating that this was not necessary and that it was not the role of the City government to try to get people out of their cars. He indicated that the City's role was to provide options, which is what the Proposed Resolution was about, and line #30 was unnecessarily controversial and took the wrong direction.

Mr. Anderson moved to recommend amending the Proposed Resolution to by removing "and reduces automobile dependency" from line #30, seconded by Mr. Neil.

Mr. Sudler noted that lines #29 and #30 would implement a network of "Complete Streets in Dover that achieves principles of connectivity; fosters walkable, bikable, and transit-friendly communities; and reduces automobile dependency." He stated that he did not believe the Resolution implied that the City was trying to get rid of vehicles but that the City was trying to make the environment more friendly. He indicated that, while he understood Mr. Anderson's point of view, he did not think that the spirit of the Resolution was to decrease dependability on automobiles but to create different avenues, and he asked Mr. Hugg for his thoughts on this matter.

In response, Mr. Hugg stated that the goal of Complete Streets and multi-modal transportation was to give people options so that they do have to drive to get a loaf of bread but can use public transit, ride their bikes, and walk safely. He indicated that, in that context, there is the notion of providing options and not necessarily requiring that people be dependent on their automobiles all the time. Mr. Hugg stated that he did not believe this was a negative term but a reflection that the whole program was intended to provide a set of options.

Mr. Sudler asked if Mr. Hugg thought that something should be added to bring more clarity to the Resolution. Responding, Mr. Hugg stated that he did not believe striking the words would be detrimental to the Resolution in any way, and it was implicit in the resolution that biking, walking, transit, and all other kinds of transportation and accessibility would by default make people less dependent on automobiles. He indicated that putting a period after "transit-friendly communities" would not weaken or decrease the value of the Resolution.

The motion to recommend amending the Proposed Resolution by removing "and reduces automobile dependency" from line #30 failed by a roll call vote of seven (6) no (Sudler, Lewis, Cole, Polce, Slavin, Keller) and two (2) yes (Anderson and Neil).

The motion to recommend adoption of Proposed Resolution No. 2017-01 carried, with Mr. Anderson voting no.

Quarterly Update - Bicycle/Pedestrian Subcommittee

Mr. David Hugg referred members to the Bicycle & Pedestrian Subcommittee Quarterly Update - May 2017, stating that no action was required.

During the Regular City Council Meeting of April 10, 2017, members considered the Quarterly Update - Bicycle/Pedestrian Subcommittee Report and approved the recommendation of the Council Committee of the Whole/Safety Advisory and Transportation Committee to send a letter to the Delaware Department of Transportation (DelDOT) to request a traffic study at the crossing of the shared use path at Ridgely Boulevard and the West Dover Connector.

Mr. Anderson asked if there was an update on the safety concern regarding the crossing. Responding, Mr. Hugg stated that he did not have an update but would try to find out the status. He noted that there were two (2) issues involving the West Dover Connector, the crossing that Mr. Anderson mentioned and a connecting access to a parcel near the end of the road, which had been brought to DelDOT's attention. He stated that did not have an update but would provide this information.

Mr. Neil moved to recommend acceptance of the report, seconded by Mr. Anderson and unanimously carried.

Mr. Sudler stated that he had heard a concern from Mr. Francis Bethel, 120 Ann Avenue, regarding excessive traffic and speeding on Ann Avenue and speed bumps were requested. Mr. Sudler indicated that he advised Mr. Bethel that the City no longer provides speed bumps, and Mr. Bethel wanted to look at an alternative. Mr. Sudler had indicated that he would pass this concern on to the Safety Advisory and Transportation Committee, noting that he had asked for this concern to be placed on the agenda for the Committee's next meeting and possibly have Mr. Bethel come voice to his concern personally.

Mr. Sudler moved for adjournment of the Safety Advisory and Transportation Committee meeting, seconded by Mr. Neil and unanimously carried.

Meeting adjourned at 8:06 p.m.

Mr. Anderson moved for adjournment of the Council Committee of the Whole meeting. The motion was seconded by Mr. Sudler and unanimously carried.

Meeting adjourned at 8:06 p.m.

Timothy A. Slavin
Council President

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