REGULAR COUNCIL MEETING

The Regular Council Meeting was held on October 23, 2017 at 7:30 p.m. with Council President Slavin presiding. Council members present were Mr. Anderson, Mr. Sudler, Mr. Neil, Mr. Lewis, Mr. Cole, Mr. Polce, Mr. Hare, and Mr. Lindell.

Staff members present were Police Chief Mailey, Ms. Peddicord, Mrs. Mitchell, Mr. Hugg, Fire Chief Carey, City Solicitor Rodriguez, and Mrs. McDowell. Mayor Christiansen was also present (departed at 7:36 p.m.).

OPEN FORUM

Due to a scheduling conflict, the Open Forum was not held.

The invocation was given by Pastor Mark Walter, followed by the Pledge of Allegiance.

AGENDA ADDITIONS/DELETIONS

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

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

ADOPTION OF MINUTES - SPECIAL COUNCIL MEETING OF OCTOBER 9, 2017

The Minutes of the Special Council Meeting of October 9, 2017 were unanimously approved by motion of Mr. Neil, seconded by Mr. Anderson and bore the written approval of Mayor Christiansen.

ADOPTION OF MINUTES - REGULAR COUNCIL MEETING OF OCTOBER 9, 2017

The Minutes of the Regular Council Meeting of October 9, 2017 were unanimously approved by motion of Mr. Neil, seconded by Mr. Anderson and bore the written approval of Mayor Christiansen.

PRESENTATION - APPRECIATION AND CONGRATULATIONS - JOHN C. BLANCHFIELD

The City Clerk read the following Certificate of Appreciation and Congratulations into the record:

MAYOR AND COUNCIL

Be It Hereby Known To All that the Mayor and Council Commend

JOHN C. BLANCHFIELD

for Dedicated Service to the City of Dover

September 1989 - October 2017
28 Years of Service

The Mayor and Council Extend Sincere Appreciation and Congratulations

On behalf of the Mayor, Council, and the citizens of Dover, Mayor Christiansen and Mrs. Sharon Duca, Public Works Director, presented Mr. John C. Blanchfield with a City of Dover Certificate of Appreciation and Congratulations, Plaque, and Dover Cup in recognition of his 28 years of service to the City from September 1989 to October 2017.

Mr. Blanchfield thanked his family and friends for their support and the City of Dover for letting him serve the community for 28 years.

COUNCIL COMMITTEE OF THE WHOLE REPORT - OCTOBER 10, 2017

The Council Committee of the Whole met on October 10, 2017 at 6:00 p.m., with Mr. Hare presiding in the absence of Council President Slavin. Members of Council present were Mr. Sudler, Mr. Neil, Mr. Lewis, Mr. Polce, and Mr. Lindell. Mr. Anderson and Mr. Cole were absent. Mayor Christiansen was also absent. Civilian members present for their Committee meetings were Mr. Caldwell (*Parks, Recreation, and Community Enhancement*), Ms. Arndt (*Utility*), and Mr. Shevock and Dr. Stewart (*Legislative, Finance, and Administration*). Dr. Warfield (*Parks, Recreation, and Community Enhancement*) was absent.

PARKS, RECREATION, AND COMMUNITY ENHANCEMENT COMMITTEE

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

Proposed Resolution No. 2017-12 Naming of the Bicentennial Playground

During the Regular City Council meeting of August 14, 2017, members considered Continental Park's Workshop Update and accepted the July 2017 Chair's Report.

Mr. Dave Hugg, Acting Director of Planning and Community Development, reminded members that a meeting was held a number of months ago with residents in Bicentennial Village, to discuss some of the park opportunities and issues in that neighborhood, particularly related to Continental Park. He explained that, as a result of that meeting, everyone was in favor of building a small playground in a different location than Continental Park. Mr. Hugg indicated that the George Washington Drive area was selected. He advised that funds had been secured for this project from the Parks and Recreation Capital Investment Plan (CIP), and equipment had been ordered for a tot lot, primarily for children aged two (2) to six (6) years old. Mr. Hugg stated that, in order to avoid confusion and give the park some recognition, staff believed that it needed a name, and the name that had been suggested to staff was Bicentennial Playground. Mr. Hugg advised that Proposed Resolution No. 2017-12 would authorize naming the park as Bicentennial Playground and putting up a sign, and it would also allow for noting the playground on maps, etc.

Staff recommended adoption of Proposed Resolution No. 2017-12.

Responding to Mr. Sudler, Mr. Hugg advised that the name of the development was Bicentennial Village. Mr. Sudler asked if Mr. Hugg thought that some may feel that all of the playgrounds should be named Bicentennial Village rather than Continental Park. Responding, Mr. Hugg explained that the original name in the approved subdivision plan was Continental Park, and this area had been known as Continental Park for some time. He noted that it was planned to leave Continental Park as a passive recreation area with a couple of benches and do some improvements to the adjoining woodland edge. Mr. Hugg indicated that he did not think there would be any confusion or issues, noting that this was consistent with what had been done previously for other parks. He stated, for example, that Mayfair Park was named after the Mayfair subdivision.

In response to Mr. Sudler, Mr. Hugg stated that no other recommendations were received from constituents or residents in that community for other possible names, although an extensive survey was not done. He advised that, at this point, staff was trying to differentiate the park from Continental Park.

The Committee recommended adoption of Resolution No. 2017-12, as recommended by staff.

By consent agenda, Mr. Neil moved for adoption of Resolution No. 2017-12 (Exhibit #1). The motion was seconded by Mr. Anderson and carried by a unanimous roll call vote.

UTILITY COMMITTEE

The Utility Committee met with Mr. Hare presiding in the absence of Chairman Cole.

AGENDA ADDITIONS/DELETIONS

Mrs. Donna Mitchell, Acting City Manager, requested that item #3 - Agreement for Establishment of Wastewater Service - Winding Creek, be deferred for further review.

Mr. Lindell moved for the deletion of item #3, Agreement for Establishment of Wastewater Service - Winding Creek, seconded by Mr. Neil and unanimously carried.

Mr. Neil moved for adoption of the agenda, as amended. The motion was seconded by Mr. Lewis and unanimously carried.

Americans with Disabilities Act (ADA) Transition Plan: Pedestrian Facilities in the Public Right-of-Way

Mr. Jason Lyon, Water/Wastewater Manager, explained that the Americans with Disabilities Act (ADA) was enacted by the Federal Government on July 26, 1990, and one (1) of the requirements of this Act was for each government agency to

produce a Transition Plan to ensure reasonable, accessible paths of travel in the public right-of-way for everyone, including people with disabilities. Mr. Lyon stated that staff had worked with the University of Delaware T2 Center to develop a draft plan based on federal requirements. He reviewed a presentation, entitled "Americans with Disabilities Act Transition Plan: Pedestrian Facilities in the Public Right-of-Way," and indicated that the proposed Transition Plan would make the City of Dover compliant with the aforementioned regulation. Mr. Lyon noted that one (1) aspect of the Transition Plan was to allow for public comment on the document, and the City would publicly advertise the document and provide directions for the public to provide feedback. He indicated that it was recommended that the Transition Plan be advertised to the public for a minimum of thirty (30) days to obtain input from citizens and, once the public comment period is over, staff will assemble the comments, make alterations to the plan, if necessary, and present it to the Utility Committee for recommendation to Council.

Staff recommended approval to solicit public comment on the proposed Americans with Disabilities Act Transition Plan.

Mr. Polce asked how the City had historically dealt with ADA compliance issues within subdivisions of communities that do not have a homeowners' association (HOA). He stated, for example, that a constituent in Bicentennial Village had reached out to him several times with concerns and noted that this subdivision does not have a formalized or active HOA. Mr. Polce asked who is liable and responsible for ensuring that a sidewalk is up-to-standard and ADA compliant. Responding, Mr. Lyon advised that the analysis would be done by staff, who would check into the sidewalk, as it is in the right-of-way. He indicated that this constituent would have to reach out to staff so that they can go to the location, and analyze the sidewalk, document it, and put it on the list of things to be repaired.

Referring to the photos on page 11 of the presentation, Ms. Arndt noted that it looked like the street had been widened. Responding, Mr. Lyon explained that this was just the angle of the photo and the street had not been widened.

Ms. Arndt asked if the historic brick sidewalks downtown would be an issue. She stated that those sidewalks need repair; however, she would hate to see the bricks taken out completely and replaced with concrete, noting that this had happened in her neighborhood. Responding, Mr. Lyon stated that the State ADA Coordinator and many federal agencies do not like brick because bricks heave and pop up and down. He indicated that it is very difficult to install brick completely flat, and it is necessary to put a concrete base underneath the brick and a leveling feature below to make sure that it stays flat. Mr. Lyon stated that it was his best guess that it would be determined on a case-by-case basis whether or not bricks would be taken out. He noted that there had been situations when staff had reached out to constituents to see what their preference was. Mr. Lyon advised that brick sidewalks can be done; however, they are more difficult to complete. Ms. Arndt stated that, given Dover's

historic aspect, it would be worthwhile to look into maintaining brick sidewalks as much as possible.

Mr. Neil stated his understanding that when a street or something comes up that has a barrier, staff will automatically look into making it ADA accessible; however, if a complaint comes in, staff will look at that specific item to analyze it and begin taking action or put it in a priority status. In response, Mr. Lyon stated that this was correct. He explained that currently the work order process for complaints received is to map them into the Geographic Information System (GIS) and then put them in a queue of areas that need to be addressed. Mr. Neil stated that, having worked 20 years in vocational rehabilitation in Maryland, he thought this was terrific. He suggested getting the word out about accessibility, noting that this would help seniors who have walkers and wheelchairs, mothers with kids in strollers, and businesses who have carts, etc., to move items. Mr. Neil stated that accessibility is an overall benefit for the population.

Referring to Mr. Polce's comments regarding ADA compliance issues within subdivisions of communities that do not have HOAs, Mr. Neil stated that the State of Delaware Division of Vocational Rehabilitation has a lot of expertise and may be able to help in certain circumstances, for example, the installation of a walkway for a private home for a person who has a disability to be able to get into their home. He noted that for every inch of height, a foot is needed for a wheelchair to operate. Mr. Neil advised that a three-foot ramp is needed for a three-inch step; otherwise, a wheelchair could tilt over or an individual may not be able to maneuver it. He suggested that, if there is a problem that is not within staff's ability to take care of, they contact the Division of Vocational Rehabilitation to see if they have the expertise or are able to do some installations within the homes.

Mr. Sudler asked if a two-inch by four-inch brick size is currently used, and Mr. Lyon stated that nominal size brick is used. Mr. Sudler suggested using six-inch, by nine-inch, by two-and three-eighths-inch-thick brick, which is more sturdy and durable, and using stone dust instead of sand for the bed. He noted that he has a lot of experience with laying pavers and retaining walls as a contractor and mason.

Referring to Mr. Neil's remarks, Mr. Sudler stated that there is also funding for people in residential communities through the State of Delaware Division of Rehabilitation and Occupational Therapy, noting that he had done some work for them as a construction vendor. He explained that a resident has to qualify by saying that they are going to go back to work but need help or assistance, such as a handicapped ramp. Mr. Sudler advised that this agency will find a contractor who will build a ramp according to the City Code, noting that he had gone through this process. He stated that the Division of Rehabilitation and Occupational Therapy does not necessarily have the ADA requirements but just has a list of contractors, who would obtain the ADA requirement when they go to get a permit from the city in which they are providing the service. Mr. Sudler advised that the resident has to be

in the process of trying to get back to work, which is the occupational aspect. He stated that he thought that this program is worth looking at, and that staff could at least provide information to the community in regard to other ADA resources.

The Committee recommended approval to solicit public comment on the proposed Americans with Disabilities Act Transition Plan, as recommended by staff.

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

LEGISLATIVE, FINANCE, AND ADMINISTRATION COMMITTEE

The Legislative, Finance, and Administration Committee met with Chairman Hare presiding.

AGENDA ADDITIONS/DELETIONS

Mr. Polce moved for the deletion of item #3 - Proposed Ordinance #2017-14 - City of Dover Ethics Initiative, due to the absence of Council President Slavin, who was a sponsor of the ordinance, and due to Mr. Polce's conversations with Mrs. Traci McDowell, City Clerk, regarding tightening up some of the language. The motion was seconded by Mr. Lindell and unanimously carried.

Mr. Neil moved for approval of the agenda, as amended. The motion was seconded by Mr. Shevock and unanimously carried.

Annual Review of Investment Policy

Ms. Lori Peddicord, Acting Controller/Treasurer, advised that a few small changes were recommended for the City of Dover Investment Policy Statement. She explained that it was recommended to add "Fitch" to the minimum short-term rating requirements on page 7, the table on page 8, and the Policy Considerations section regarding securities downgrades on page 9. Ms. Peddicord noted that currently only Standard and Poor's, and Moody's were included in these sections of the Policy.

Staff recommended approval of the submitted changes.

The Committee recommended approval of the submitted changes to the City of Dover Investment Policy Statement, as recommended by staff.

By consent agenda, Mr. Neil moved for approval of the Revised City of Dover Investment Policy Statement (Exhibit #2). The motion was seconded by Mr. Anderson and carried by a unanimous roll call vote.

By consent agenda, Mr. Neil moved for acceptance of the Council Committee of the Whole Report, seconded by Mr. Anderson and carried by a unanimous roll call vote.

QUARTERLY REVENUE REPORT

Members were provided the Quarterly Revenue Report as of September 30, 2017.

By consent agenda, Mr. Neil moved for acceptance of the Quarterly Revenue Report as of September 30, 2017. The motion was seconded by Mr. Anderson and carried by a unanimous roll call vote.

SEMI-ANNUAL INSPECTION BY CITY MANAGER - ROBBINS HOSE COMPANY

In accordance with Chapter 46 - Fire Prevention and Protection, Article II - Fire Department, Division 1 - Generally, Section 46-43 - Semiannual Inspections, of the City Code, the Acting City Manager, Mrs. Donna Mitchell, met with the Fire Chief to discuss fire company issues. Mrs. Mitchell submitted a memorandum outlining the items discussed and noted that the Robbins Hose Company was extremely helpful with their assistance in her understanding of the operations.

By consent agenda, Mr. Neil moved for acceptance of the report of the Semi-Annual Robbins Hose Company Inspection, as submitted by the Acting City Manager. The motion was seconded by Mr. Anderson and carried by a unanimous roll call vote.

EVALUATION OF BIDS - SOUTH BRADFORD STREET AND WILLIAM STREET WATER MAIN REPLACEMENT PROJECT

Mrs. Donna Mitchell, Acting City Manager, reviewed the Background and Analysis for the South Bradford Street and William Street Water Main Replacement project.

Responding to Council President Slavin, Mrs. Mitchell stated that this is some of the oldest infrastructure in the City.

Staff recommended awarding the contract to Teal Construction, Inc., for the City of Dover South Bradford Street and William Street Water Main Replacement Project, Bid #18-0006PW, for the amount of $682,682.

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

APPOINTMENT OF JUDGES - ROBBINS HOSE COMPANY ELECTION

The Robbins Hose Company election is scheduled for November 20, 2017. The following persons were recommended to serve as judges for the election:

1. Charlie Boyer 2. Carleton Carey, Sr. 3. James Hurley

By consent agenda, Mr. Neil moved for approval of the appointment of judges for the Robbins Hose Company election as recommended. The motion was seconded by Mr. Anderson and carried by a unanimous roll call vote.

ACTING CITY MANAGER'S ANNOUNCEMENTS

There were no announcements by the Acting City Manager.

COUNCIL MEMBERS' ANNOUNCEMENTS

Mr. Anderson advised that he and Mr. Sudler would be holding an event for the Woodcrest and Northwest Dover Heights residents in November and that announcements and flyers would be provided soon.

Mr. Anderson reminded everyone that it was Cyber Awareness Month and encouraged them to keep up their cyber awareness.

Mr. Sudler moved for adjournment, seconded by Mr. Hare and unanimously carried.

Meeting adjourned at 7:39 p.m.

TRACI A. McDOWELL
CITY CLERK

All ordinances, resolutions, motions, and orders adopted by City Council during their Regular Meeting of October 23, 2017, are hereby approved.

ROBIN R. CHRISTIANSEN
MAYOR

/TM
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Exhibits
Exhibit #1 - Resolution No. 2017-12
Exhibit #2 - Revised City of Dover Investment Policy Statement

City of Dover

MAYOR AND COUNCIL

COUNCIL RESOLUTION NO. 2017-12

A RESOLUTION NAMING BICENTENNIAL PLAYGROUND

WHEREAS: parks and playgrounds offer opportunities for relaxation, exercise, contemplation, and interaction with nature; and

WHEREAS: The City of Dover has an extensive system of park and recreation facilities that add to the quality of life in the community; and

WHEREAS: providing quality affordable recreation and leisure services that promote healthy lifestyles for residents of Dover is a goal of the Parks and Recreation Department; and

WHEREAS: City Staff engaged the Bicentennial Village community in assessing their recreational needs and opportunities; and

WHEREAS: as a result of that initiative plans were developed and funding was secured to create a playground facility for 2-5 year olds in the community; and

WHEREAS: this new facility deserves to have a proper identity linking it to the community it serves.

NOW, THEREFORE, BE IT RESOLVED:
The Dover City Council designates this facility the "BICENTENNIAL PLAYGROUND" and instructs the Department of Public Works in conjunction with the Department of Parks and Recreation to install a proper sign in recognition thereof.

ADOPTED: OCTOBER 23, 2017
S:\RESOLUTIONS-PROCLAMATIONS-TRIBUTES\2017\DRAFT\RESOLUTION NO. 2017-12 PROPOSING THE NAMING OF BICENTENNIAL PLAYGROUND\Naming of the Bicentennial Park Playground Resolution 2017-12 - Revised 09-29-17 for Signature.doc

ROBIN R. CHRISTIANSEN
MAYOR

TIMOTHY A. SLAVIN
COUNCIL PRESIDENT

Actions History
10/10/2017 - Introduction – Council Committee of the Whole/Parks, Recreation, and Community Enhancement Committee

City of Dover, DE

Investment Policy Statement

Dated October 23, 2017

1.0 Governing Authority

It is the policy of the City of Dover to invest public funds under its control in a manner that will provide the highest investment return consistent with the maximum safety of principal, while meeting cash flow needs of the City. The investment program shall conform to all state and local statutes governing the investment of public funds.

2.0 Scope

This Investment Policy Statement (the "Policy") applies to all financial assets of the City of Dover for which the City retains direct or indirect daily control. Funds for which the City has retained outside fund manager(s) shall also be governed by this Policy or, in the case of bond proceeds, related governing bond documents.

2.1 Accounts

2.1.1 Cash and Liquidity Accounts: The majority of the City's cash balance available for investment is maintained in the cash and liquidity accounts. These accounts will be managed and invested by investment managers, selected by the City Council through competitive bid, in order to maximize the return to the City while, at the same time, providing for safety of principal and sufficient liquidity for the City to meet its cash needs. The City will manage its short-term investments to ensure sufficient liquidity and prevent their premature sale for the purpose of covering expenditures. Short-term investments should mature at face value in sufficient amounts to meet any liquidity needs.

2.1.2 Reserve Cash (Intermediate) Account: To the extent cash is not expected to be needed on short notice, the City shall invest such funds in the Reserve Cash Account. This fund shall be managed and invested by an investment manager or managers**,** selected by the City Council after a competitive bid, in order to maximize the return on said money to the City while providing for the safety of principal.

All of the City of Dover's funds are accounted for in its Comprehensive Annual Financial Report. Those funds to which this Policy applies include (excluding the Deferred Compensation Plan and Pension Trusts):

2.2 Funds

2.2.1 General Fund
2.2.2 Capital Project Funds
2.2.3 Special Revenue Funds
2.2.4 Enterprise Funds
2.2.5 Internal Service Funds
2.2.6 Any new fund created by the City Council, unless specifically exempted

3.0 Objectives

The primary objectives of the City of Dover's investment activities, in order of importance shall be:

3.1 Safety

Preservation of principal is the foremost objective of the investment program. To attain this objective, funds shall be diversified among securities of high credit quality and liquidity, so that risk of loss of principal is minimized.

3.2 Liquidity

The City's investments shall be made for such periods as to enable the City to meet all operating requirements that may be scheduled or reasonably anticipated.

3.3 Return on Investments

A goal of the investment program shall be to maximize investment return within the constraints of Sections 3.1 and 3.2.

4.0 Delegation of Authority

Authority to manage the City of Dover's investment program is derived from this Policy, which is approved by City Council, and "Dover Code, PART I, Subpart A, Article II, Section 17" (attachment B) which states in part that "The Controller/Treasurer shall be the custodian of all of the City funds."

The City's Controller/Treasurer shall:

1) Review this Policy annually and recommend changes, if any, to City Council;
2) Be charged with implementing the Policy, and may delegate authority to make investments to an investment advisor. The Controller/Treasurer shall be responsible for all investment transactions and shall establish controls to regulate the activities of the investment advisor, if any.
3) Ensure that records of the City's investment activities are kept for ten years.

5.0 Prudence, Ethics and Conflicts of Interest

Any official of the City or investment advisor/manager empowered to make investments on behalf of the City of Dover shall comply with the following:

5.1 "Prudent Person" Rule

Investment decisions shall be made with the judgment and care which persons of reasonable intelligence, under circumstances prevailing at the time the investment is made, would exercise in the management of their own investments assuming that their objectives are those shown in Section 3.0 of this policy.

5.2 Ethics and Conflict of Interest

The delegate authorized to make City investments shall act at all times in an ethical manner, and shall not engage in activity that could impair or be perceived to impair their ability to make impartial investment decisions. They shall disclose to the Mayor and City Council any material interests in financial institutions with which the City has financial dealings, and which may be related to the performance of the investment program. Employees and officers shall refrain from undertaking personal investment transactions with the same individual(s) with whom business is conducted on behalf of the City.

6.0 Authorized Institutions and Dealers

All broker/dealers that desire to become qualified for investment transactions with the City shall meet the following:

1. Primary dealers and regional dealers that qualify under Securities and Exchange Commission Rule 15C3-1 (uniform net capital rule)
2. Capital of at least $25,000,000 or capital of $5,000,000 for firms incorporated in the State of Delaware
3. Registered as a dealer under the Securities Exchange Act of 1934
4. Member of the Financial Industry Regulatory Authority (FINRA)
5. Registered to sell securities in the State of Delaware
6. Engaged in the business of effecting transactions in U.S. government, federal agency, and corporate securities for at least five (5) consecutive years

To the extent the City utilizes the services of an outside Investment Advisor, it shall be the responsibility of the Investment Advisor to maintain an approved list of brokers.

7.0 Safekeeping and Custody

To ensure that securities are deposited in an eligible financial institution prior to the release of funds, all trades of marketable securities will be executed by delivery vs. payment ("DVP").

Further, all securities will be held by an independent third-party custodian, in the name of the City, and evidenced by safekeeping receipts in the City's name. The custodian shall provide daily confirmation of held securities as well as a monthly transactions and holdings report.

8.0 Authorized Investments and Trading of Securities

The Controller/Treasurer or authorized delegate may invest only in the types of securities listed below. The maximum stated maturity of any security shall be limited to 10 years at settlement, unless otherwise stated. The maximum average maturity of the portfolio shall be seven years. For asset backed and Agency mortgage backed securities, the maximum maturity shall be defined as the weighted average life ("WAL"). WAL is a convention that estimates the expected weighted amount of time, in years, for the principal amount of an issue to be fully paid. For Agency mortgage backed securities, WAL shall be limited to 10 years, measured at the settlement date, provided by Bloomberg Financial Markets. For asset backed securities, the average life must not exceed two years, except for such securities that are subject to periodic reset of coupon or interest rate - - these may have an average life not to exceed three years.

8.1 United States Government Securities

Marketable securities issued by the U.S. Government and supported by the full faith and credit of the U. S. Treasury either by statue or an opinion of the attorney general of the United States. The maximum maturity shall be limited to 10 years. Up to 100% of the portfolio may be invested in this sector.

8.2 Government Agency Securities

Debt securities issued by government-sponsored enterprises ("GSE"), federal agencies, federal financing banks, and instrumentalities of the U.S. Government. The maximum maturity shall be limited to 10 years. Up to 50% of the portfolio may

be invested in this sector, with a maximum of 20% in any one issuer.

8.3 Certificates of Deposit and Time Deposits

8.3.1 **Domestic Institutions**: Issued or endorsed by a domestic bank, or a savings and loan association, organized and supervised under the laws of the United States and denominated in U.S. dollars; provided, however, that deposits are fully insured or guaranteed by the Federal Deposit Insurance Corporation ("FDIC").

If not insured by the FDIC:

- The banking institution must have assets of not less than $5 billion; and
- Issuers must have a short-term rating in the highest category by Standard & Poor's, Moody's, or Fitch and a long-term rating of at least the "A" category by Standard & Poor's, Moody's, or Fitch.

The maximum maturity of any investment in this sector shall be limited to 10 years at trade settlement. This sector shall not exceed 25% of the total portfolio. No single issuer shall exceed 5% of the City's portfolio.

8.3.2 **Delaware-Domiciled Institutions**: Issued by or endorsed by any bank or savings association domiciled in the State of Delaware and organized and supervised under federal or State of Delaware banking laws which does not meet the requirements of Section 8.3.1 hereto; provided, however, that:

- For each of the latest two years, the bank or association has had a return on total average assets of 0.50% or greater and an average capital ratio (defined as total equity capital to total assets) of at least 1 to 20, or the instrument is secured as set forth in Section 9, "Collateralization of City Deposits," hereto; and
- Not more than the lesser of $10 million or 25% of an issuer's total equity capital, may be invested in any one issuer. (Investments due to mature in one business day may be excluded from the computation of this percentage.)
- The Board expressly affirms that, consistent with these guidelines, Delaware banks and savings associations should be considered as a source of investment.
- The maximum stated maturity of any investment in this sector shall be limited to 10 years at time of purchase. This sector shall not exceed 20% of the total portfolio. No single issuer shall exceed 5% of the City's portfolio.

8.4 Corporate Debt Instruments

Such instruments include commercial paper bankers' acceptances, and non-convertible senior debt securities (bonds and debentures).

8.4.1 Corporate securities must be denominated/issued in US dollars. Many foreign corporations issue debt/securities in the US market, in US dollars.

8.4.2 No single issuer shall exceed 5% of the City's portfolio.

8.4.3 Commercial Paper shall be limited to a final maturity of 270 days. This

sector shall not exceed 25% of the total portfolio. Issuers shall be rated in the highest short-term category by Standard & Poor's, Moody's, or Fitch.

8.4.4. Bankers' Acceptances shall be limited to a final maturity of 365 days. This sector shall not exceed 25% of the City's Portfolio. Issuers shall be rated in the highest short-term rating by Standard & Poor's, Moody's, or Fitch.

8.4.5 Corporate bonds and debentures shall be limited to a final maturity of 10 years. This sector shall not exceed 50% of the total portfolio. Issuers shall hold a long-term rating of at least the "A" category by Standard & Poor's, Moody's, or Fitch.

8.5 Repurchase Agreements

The underlying collateral shall consist of U.S. government and/or GSE securities provided, however, that:

8.5.1 All repurchase agreements must be governed by a written master repurchase agreement;

8.5.2 Agreements will be entered into only with respect to underlying securities in which the investment manager may otherwise invest as described above, and only with a recognized U.S. Government/broker or a bank which meets the requirements set out under paragraph Section 8.3.1 or 8.3.2 above;

8.5.3 In the case of repurchase collateral held in book-entry form in the Federal Reserve System, all deliveries of securities must be made, for the transfer thereof, through the Federal Reserve book-entry system to the account designated by the investment manager for such purpose. Securities held in certificated form must be delivered to the investment manager or a custodian as directed by the investment manager.

8.5.4 Any collateral employed under this paragraph shall be counted towards the applicable maximum limits set forth within these guidelines for such type of investment, and such collateral shall be valued at market at not less than 103 percent of the maturity value of the agreement and marked-to-the-market as requested by the investment manager.

8.5.5 Repurchase agreements shall be limited to a maximum maturity of 90 days from date of purchase. This sector shall not exceed 50% of the total portfolio. No single issuer shall exceed 25% of the City's portfolio.

8.6 Registered Investment Companies (Money Market Funds)

No single fund shall exceed 25% of the City's portfolio. Money market funds shall be rated AAA by Standard & Poor's. A current prospectus must be obtained before investing in any money market fund, and current holdings reports must be maintained at least each month.

8.7 Mortgage-Backed Securities

Mortgage-backed securities issued by the following: Government National Mortgage Association (GNMA), Federal National Mortgage Association (FNMA) or Federal Home Loan Mortgage Association (FHLMC). This sector, combined with the asset backed security sector, shall not exceed 10% of the total portfolio.

8.8 Asset Backed Securities

These investments include auto loan receivables, credit card receivables, home equity loans, and manufactured housing loans. These can be fixed or floating rate and must be rated in the highest long-term category by Standard & Poor's, Moody's, or Fitch. This sector, combined with the mortgage-backed security sector, shall not exceed 10% of the City's portfolio. No single issuer shall exceed 5% of the City's portfolio.

8.9 Municipal Obligations

Taxable and tax-exempt securities issued by state and local governments and public authorities in the United States. The maximum stated maturity of any investment in this sector shall be limited to 10 years at time of purchase. This sector shall not exceed 30% of the City's portfolio. No single issuer shall exceed 5% of the City's portfolio. Issuers shall be rated in at least the "A" category by Standard & Poor's, Moody's, or Fitch. Additionally, Issuers in the short term market (under one year) shall be rated at a minimum of "mig-1", "f1" or "sp-1" for Moody's, Fitch and Standard &Poor's.

8.10 State of Delaware Investments Pool

8.10.1 Delaware Local Government Investment Pool (DELGIP) -The investment in this pool is permitted in relation to the City's cash flow and the guidelines set forth by the State of Delaware. The investment in this pool will not exceed 25% of the total funds available and will be monitored by the City's Finance Department on a monthly basis.

8.10.2 Delaware Local Government Retirement Investment Pool (DELRIP) The investment in this pool is permitted in relation to the City's Post-Retirement Benefits Fund. The investment in this pool will not exceed 25% of the total funds available and will be monitored by the City's Finance Department on a monthly basis.

8.11 Trading Securities

The Controller/Treasurer is hereby authorized to sell securities prior to their stated maturity date in the following circumstances:

1. A security with declining credit may be sold prior to its maturity to minimize loss of principal;
2. A security swap may be executed if it would improve the quality, yield, or target duration of the portfolio;
3. Securities may be sold to provide needed liquidity.

8.12 Internal Control on such transactions

8.12.1 An investment report will be provided to the Council on a quarterly basis.

8.12.2 All investment reporting documents will be provided to the independent auditors.

8.12.3 Investment records will be kept by the City for ten (10) years.

8.12.4 The trading shall not involve any hedge, derivatives and/or borrowing funds for trading purposes.

A summary of permitted investments is below:

Investment Type	Sector Limit	Issuer Limit	Maturity Limit	Credit Quality Minimum
United States Government Securities	100%	100%	10 Years	N/A
Government Agency Securities	50%	20%	10 Years	N/A
Mortgage-Backed Securities	Combined 10% limit	N/A	10 Year WAL	N/A
Asset Backed Securities		5%	2 Year WAL	Highest long-term rating by Fitch, Moody's or S&P
Municipal Obligations	30%	5%	10 Years	Long-term rating of at least "A" by S&P, Moody's, or Fitch For issuers in short term market, rating of at least "mig-1", "f1 or "sp-1" for Moody's, Fitch & S&P
FDIC-Insured Deposits	25%	5%	10 Years	N/A
Certificates of Deposit and Time Deposits (not insured by FDIC)	25%	5%	10 Years	Highest short-term rating by Fitch, Moody's or S&P. Long-term rating of at least "A" by S&P, Moody's, or Fitch
Delaware-Domiciled Institutions	20%	5%	10 Years	N/A
Commercial Paper	25%	5%	270 Days	Highest short-term rating by Fitch, Moody's or S&P
Bankers' Acceptances	25%	5%	365 Days	Highest short-term rating by Fitch, Moody's or S&P
Corporate Bonds and Debentures	50%	5%	10 Years	Long-term rating of at least "A" by S&P, Moody's, or Fitch
Repurchase Agreements	50%	25%	90 days	N/A
Registered Investment Companies (Money Market Funds)	100%	25%	N/A	AAAm by S&P
Delaware Local Government Investment Pool	25%	N/A	N/A	N/A
Delaware Local Government Retirement Investment Pool	25%	N/A	N/A	N/A

9.0 Collateralization of City Deposits

If the City deposits funds in any financial institution, those funds will be subject to the following collateralization requirements. The financial institution shall:

9.1 Collateralize the City's daily ledger balance(s) if, for any quarter during the most recent eight quarters the bank has not met both of the following two criteria:

- Return on total average assets of 0.50 percent or greater.
- Average capital ratio (total equity to total assets) of 5.00 percent or greater.

9.2 If either criterion in paragraph 9.1 is not satisfied collateral must be pledged and shall consist of one or more of the following securities:

- U.S. Government securities
- U.S. Government agency securities
- Federal Home Loan Board letters of credit
- State of Delaware securities
- Mortgage backed securities as referenced in Section 8.7
- Securities of a political subdivision of the State of Delaware with a Moody's rating of "A" or better

9.3 Ensure that the securities pledged as collateral (except for Federal Home Loan Board letters of credit) have a market value equal to or greater than 102 percent of the ledger balance(s) in the account(s) marked to market each day.

9.4 Ensure that securities pledged as collateral are housed at the Federal Reserve Bank or a mutually agreed upon third party depository. (The trust department of the winning vendor will not be acceptable.)

9.5 Provide reports on a monthly basis to the City Finance Department detailing the collateral pledged.

9.6 Provide a Call Report (Consolidated Report of Condition and Income, FFIEC 031) on a quarterly basis to the City Finance Department.

10.0 Policy Considerations

If securities owned by the City are downgraded by either Standard & Poor's, Fitch or Moody's to a level below the quality required by this Policy, it shall be the City's policy to review the credit situation and make a determination as to whether to sell or retain such securities in the portfolio.

If a security is downgraded two grades below the level required by the Policy, the security shall be sold immediately.

If a security is downgraded one grade below the level required by this Policy and matures within 6 months, the security may be held to maturity. The Controller/Treasurer may determine to sell the security if it is determined that there is a probability of default prior to maturity.

If a decision is made to retain a downgraded security in the portfolio, its presence in the portfolio will be monitored and reported monthly to the Controller/Treasurer.

11.0 Internal Controls

The Controller/Treasurer is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the City are protected from loss, theft, or misuse. The Controller/Treasurer shall also establish a process for an annual independent review by an external auditor to assure compliance with policies and procedures. The internal controls shall address the following:

- Control of collusion
- Separation of transaction authority from accounting and recordkeeping
- Custodial safekeeping
- Prohibition of physical delivery securities
- Clear, written delegation of authority to subordinate staff members
- Written confirmation of transactions for investments and wire transfers

12.0 Performance Standards

The City of Dover's investment decisions shall be made with the objective of obtaining a rate of return commensurate with the investment risk constraints and the cash flow needs. On a quarterly basis, the Controller/Treasurer shall compare the City's portfolio against the Merrill Lynch 0-5 Year U.S. Treasury Index, in terms of time-weighted total return and average duration for the period under review.

13.0 Reporting

At the end of each calendar quarter, the Controller/Treasurer will submit a report of all quarter-ending investments to the Mayor and City Council. Reports shall include the following:

- Listing of individual securities held as of last day of reporting period, sorted by sector
- Par, market, and amortized cost values of each security
- Coupon, current yield, and final stated maturity date of each security

14.0 Investment Policy Adoption

The City of Dover's investment policy will be adopted by the City Council after review and recommendation of the Legislative and Finance Committee. The policy will be reviewed at least once every year by the Legislative and Finance Committee, which is charged with considering the existing policy and any recommendations to modify the policy. Any modifications to the policy must be approved by the City Council.

LEGEND

1. Original approval by City Council - November 14, 1988
2. Revised policy approved by City Council - March 7, 2005
3. City Council Approved with No Changes – April 14, 2008
4. Revised policy approved by City Council – July 25, 2011
5. Revised policy approved by City Council – August 12, 2013.
6. Revised policy approved by City Council – September 8, 2014
7. Revised policy approved by City Council – October 10, 2016
8. Revised policy approved by City Council – October 23, 2017

ATTACHMENT A

GLOSSARY

AGENCIES: Federal agency securities, otherwise known as "Government Sponsored Enterprises."

CERTIFICATE OF DEPOSIT (CD): A time deposit with a specific maturity evidenced by a certificate. Large denomination CD's are typically negotiable.

BANKERS ACCEPTANCE: A short-term credit investment which is created by a non-financial firm and whose payment is guaranteed by a bank.

COLLATERAL: Securities, evidence of deposit or other property which a borrower pledges to secure repayment of a loan. Also refers to securities pledged by a bank to secure deposits of public monies.

COMMERCIAL PAPER: An unsecured obligation issued by a corporation or bank to finance its short-term credit needs. Maturities typically range from one (1) to 270 days.

COMPREHENSIVE ANNUAL FINANCIAL REPORT (CAFR): The official annual report for the City of Dover. It includes five combined statements for each individual fund and account group prepared in conformity with GAAP. It also includes supporting schedules necessary to demonstrate compliance with finance-related legal and contractual provisions, extensive introductory material, and a detailed Statistical Section.

CORPORATE BONDS: A debt security issued by a corporation based in the United States of America. Such bonds usually have a par value of $1,000, have a term maturity, and are traded on a major exchange.

DEALER: A dealer, as opposed to a broker, acts as a principal in all transactions, buying and selling for his own account.

DIVERSIFICATION: Dividing investment funds among a variety of securities offering independent returns, in an attempt to limit risk.

FEDERAL CREDIT AGENCIES: Agencies of the Federal government set up to supply credit to various classes of institutions and individuals, e.g., S&L's, small business firms, students, farmers, farm cooperatives, and exporters.

FEDERAL DEPOSIT INSURANCE CORPORATION (FDIC): A federal agency that insures bank deposits, currently up to $250,000 per deposit.

FEDERAL FUNDS RATE: The rate of interest at which Fed funds are traded. This rate is currently pegged by the Federal Reserve through open-market operations.

FEDERAL HOME LOAN BANKS (FHLB): The institutions that regulate and lend to savings and loan associations. The Federal Home Loan Banks play a role analogous to that played by the Federal Reserve Banks vis-a-vis member commercial banks.

FEDERAL NATIONAL MORTGAGE ASSOCIATION (FNMA): FNMA, like GNMA was chartered under the Federal National Mortgage Association Act in 1938. FNMA is a federal corporation working under the auspices of the Department of Housing and Urban Development (HUD). It is the largest single provider of residential mortgage funds in the United States. Fannie Mae, as the corporation is called, is a private stockholder-owned corporation. The corporation's purchases include a variety of adjustable mortgages and second loans, in addition to fixed-rate mortgages. FNMA's securities are also highly liquid and are widely accepted.

FEDERAL RESERVE SYSTEM: The central bank of the United States created by Congress and consisting of a seven member Board of Governors in Washington, D.C., 12 regional banks and about 5,700 commercial banks that are members of the system.

GOVERNMENT NATIONAL MORTGAGE ASSOCIATION (GNMA or Ginnie Mae): Securities influencing the volume of bank credit guaranteed by GNMA and issued by mortgage bankers, commercial banks, savings and loan associations, and other institutions. Security holder is protected by full faith and credit of the U.S. Government. Ginnie Mae securities are backed by the FHA, VA or FMHM mortgages. The term "passthroughs" is often used to describe Ginnie Mae's.

LIQUIDITY: A liquid asset is one that can be converted easily and rapidly into cash without a substantial loss of value. In the money market, a security is said to be liquid if the spread between bid and asked prices is narrow and reasonable size can be done at those quotes.

LOCAL GOVERNMENT INVESTMENT POOL (LGIP): The aggregate of all funds from political subdivisions that are placed in the custody of the State Treasurer for investment and reinvestment.

MARKET VALUE: The price at which a security is trading and could presumable be purchased or sold.

MATURITY: The date upon which the principal or stated value of an investment becomes due and payable.

MORTGAGE-BACKED SECURITIES (MBS): An investment instrument that represents ownership of, and is backed by, an individual interest in a pool of mortgages such as those issued by Ginnie Mae or Freddie Mac. Principal and interest from the individual mortgages is used to pay principal and interest on the MBS.

MUNICIPAL NOTES AND BONDS: Securities issued by a state, city, or local government to finance operations or special projects.

PRUDENT PERSON RULE: An investment standard. In some states the law requires that a fiduciary, such as a trustee, may invest money only in a list of securities selected by the custody state--the so-called legal list. In other states the trustee may invest in a security if it is one which

would be bought by a prudent person of discretion and intelligence who is seeking a reasonable income and preservation of capital.

QUALIFIED PUBLIC DEPOSITORIES: A financial institution which does not claim exemption from the payment of any sales or compensating use or ad valorem taxes under the laws of this state, which has segregated for the benefit of the commission eligible collateral having a value of not less than its maximum liability and which has been approved by the Public Deposit Protection Commission to hold public deposits.

RATE OF RETURN: A measure of worth, either at security or aggregate portfolio level, over a period of time. There are many return conventions, including but not limited to yield to maturity at cost, yield to maturity at market, yield to worst, time weighted total return, dollar weighted total return.

REPURCHASE AGREEMENT (RP OR REPO): A holder of securities sells these securities to an investor with an agreement to repurchase them at a fixed price on a fixed date. The security "buyer" in effect lends the "seller" money for the period of the agreement, and the terms of the agreement are structured to compensate him for this. Dealers use RP extensively to finance their positions. Exception: When the Fed is said to be doing RP, it is lending money, that is, increasing bank reserves.

REVERSE REPURCHASE AGREEMENT: The purchase of a security by a dealer with the agreement to sell it back to the seller at a fixed price at a later date. Typically used by owners of securities to finance short-term needs without having to liquidate the security.

SAFEKEEPING: A service to customers rendered by banks for a fee whereby securities and valuables of all types and descriptions are held in the bank's vaults for protection.

TIME DEPOSITS: A savings account or CD held for a fixed term or with the understanding that the customer can withdraw only by giving advanced notice.

TREASURY BILLS: A short-term (less than one year) non-interest bearing discount security issued by the U.S. Treasury department to finance the national debt. Most bills are issued to mature in three months, six months, or one year.

TREASURY BOND: Long-term U.S. Treasury securities having initial maturities of more than 10 years.

TREASURY NOTES: A non-interest bearing discount security issued by the U.S. Treasury to finance the national debt. Most bills are issued to mature in three months, six months or one year.

UNIFORM NET CAPITAL RULE: Securities and Exchange Commission requirement that member firms as well as nonmember broker-dealers in securities maintain a maximum ratio of indebtedness to liquid capital of 15 to 1: also called net capital rule and net capital ratio.

Indebtedness covers all money owed to a firm, including margin loans and commitments to purchase securities, one reason new public issues are spread among members of underwriting syndicates. Liquid capital includes cash and assets easily converted into cash.

VARIABLE RATE MASTER DEMAND NOTES: A floating rate security with initial maturities and indexed rates chosen by the investor. The interest rate is adjusted periodically, usually off a standard such as that prevailing on a Treasury Bill or the prime interest rate.

YIELD: The rate of annual income return on an investment, expressed as a percentage.

INCOME YIELD is obtained by dividing the current dollar income by the current market price for the security.

NET YIELD or YIELD TO MATURITY is the current income yield minus any premium above par or plus any discount from par in purchase price, with the adjustment spread over the period from the date of purchase to the date of maturity of the bond.

ATTACHMENT B

Dover, Delaware, Code of Ordinances >> PART I - CHARTER AND RELATED LAWS

PART I - CHARTER AND RELATED LAWS [1]

Subpart A - CHARTER

PREAMBLE [3]

We the people of the City of Dover, under the constitution and laws of the state of Delaware, in order to secure the benefits of local self-government and to provide for an honest and accountable council-manager government, do hereby adopt this charter and confer upon the city the following powers, subject to the following restrictions, and prescribed by the following procedures and governmental structure. By this action, we secure the benefits of home rule and affirm the values of representative democracy, professional management, strong political leadership, citizen participation, and regional cooperation.

ARTICLE I. - POWERS OF THE CITY

ARTICLE II. - MAYOR AND COUNCIL

Sec. 17. - Controller/treasurer.

At the annual meeting the council shall elect a controller/treasurer to hold office until the next annual meeting of the council, or until his/her successor has been duly chosen and qualified, but subject to removal at any time by the council.

The controller/treasurer shall be the custodian of all the city funds and shall deposit them in a banking institution designated by the council.

(Amd. of 7-12-2005 (S.B. 126); Amd. of 7-8-2009 (S.B. 165, § 15))