REGULAR COUNCIL MEETING

The Regular Council Meeting was held on March 26, 2018 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, Deputy Fire Chief Rhodes, City Solicitor Rodriguez, and Mrs. McDowell. Mayor Christiansen was also present.

OPEN FORUM

The Open Forum was held at 7:00 p.m., prior to commencement of the Official Council Meeting. Council President Slavin declared the Open Forum in session and reminded those present that Council was not in official session and could not take formal action.

Mr. Albert Evans, 101 Babb Drive, expressed concerns regarding dogs being loose in cars, public standards of decency in dress, and misuse of designated handicapped parking.

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

AGENDA ADDITIONS/DELETIONS

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

Mr. Sudler requested that item #3-B(3) - Proposed Ordinance #2018-03 Amending the Dover Code of Ordinances by Creating a New Chapter 84 - Public Safety Fee, be removed from the Consent Agenda.

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

ADOPTION OF MINUTES - SPECIAL COUNCIL MEETING OF MARCH 12, 2018

The Minutes of the Special Council Meeting of March 12, 2018 were unanimously approved by motion of Mr. Neil, seconded by Mr. Lewis and bore the written approval of Mayor Christiansen.

ADOPTION OF MINUTES - REGULAR COUNCIL MEETING OF MARCH 12, 2018

The Minutes of the Regular Council Meeting of March 12, 2018 were unanimously approved by motion of Mr. Neil, seconded by Mr. Lewis and bore the written approval of Mayor Christiansen.

ECONOMIC DEVELOPMENT COMMITTEE REPORT - FEBRUARY 28, 2018

The Economic Development Committee met on February 28, 2018 with Mayor Christiansen presiding.

AGENDA ADDITIONS/DELETIONS

Due to the lack of a quorum, the agenda was not adopted.

Mayor Christiansen stated that the meeting would be informational only and no action would be required.

Wilmington University Contribution for Economic Development (Dr. Clinton Robertson)

Dr. Clinton Robertson, Assistant Dean and Professor, College of Business, Wilmington University, advised members that he had been at Wilmington University as a full-time employee for 22 years following his employment as an engineer with Dupont. Ms. Jean Davis, Assistant Professor and Regional Chair, College of Business, Wilmington University, stated that she had approximately 30 years of accounting experience, is a Certified Public Account (CPA), and had been with Wilmington University approximately 10 years.

Dr. Robertson stated that Wilmington University had met with Mayor Christiansen several times to discuss opportunities for cooperative efforts and partnerships for economic development with the City of Dover and Kent County. He advised that a meeting was held last week to brainstorm ideas and was attended by himself; Ms. Davis; Mayor Christiansen; Dr. Don Stuhlman, Wilmington University, Chair, Finance Programs; Mr. Mike Karia, Chair, Wilmington University, Adjunct Program Coordinator; Mr. Jim Waddington, Economic Development Director, Kent County Levy Court/Kent Economic Partnership; and Mr. Kirk Johnson, Professor of Economics, Goldey Beacom College. Dr. Robertson indicated that participants' ideas quickly solidified regarding major industries and growth expected in Dover and Central Delaware, and he provided and reviewed a handout, entitled "Wilmington University Contribution for Economic Development".

Dr. Robertson indicated that the major industries in Delaware are food and restaurant, agriculture, healthcare services, and manufacturing. He explained that Wilmington University had recently been working with the Delaware Restaurant Association and noted that the food and restaurant business is the biggest employer in the State, with more than 500 restaurants and 50,000 employees. He indicated that they were looking at a number of training and educational programs to get into and had hired Mr. Van Hampton, a Wilmington University graduate and Executive Director, First State Community Loan Association, as a part-time adjunct instructor. Dr. Robertson stated that Mr. Clinton Tymes, Small Business Development Center, was working with Mr. Hampton.

Dr. Robertson advised that there had been discussion regarding food service in downtown Dover, particularly Loockerman Street. He asked members what they would picture on Loockerman Street in three (3) to five (5) years, noting that millennials are drawn to bars and restaurants. Dr. Robertson stated that Delaware Technical and Community College (Del Tech) and Polytech have culinary arts facilities and, if they were pulled together with business and management programs, there could be a culinary institute at a place like the Loockerman Exchange. He advised that he went to upstate New York and saw how these culinary institutes work. Dr. Robertson stated that an institute in Canandaigua, New York shows

students how to form a table and make preparations, and even has culinary retail outlets. He suggested that local colleges and universities could work together to do something new and innovative like this, noting that these institutions have articulation agreements but had never taken an active role in partnering to move ahead toward a common goal.

Dr. Robertson informed members that healthcare had also been discussed, noting that this field was growing in the local area. He explained that the engine for growth was not just the increase in technology and healthcare but also demographics, since hundreds of retirees are moving into the area because of the taxes, climate, and great active adult communities. Dr. Robertson advised that he had been in this type of community for 17 years and it had drawn his neighbors from Pennsylvania, New York, and New Jersey. He noted that baby boomers would need healthcare, including long-term care, more and more. Dr. Robertson stated that Wilmington University has a nursing program and its business program offers a master's in healthcare administration, which had been very popular, and a number of their graduates work at Bayhealth Medical Center. He indicated that Del Tech also has a nursing program and suggested that these programs could be pulled together for a united front for economic development in Dover and Kent County.

Dr. Robertson advised that a number of manufacturing companies had left the area and it would be nice to have a concerted effort to bring manufacturing back. He stated that a good, educated, confident workforce is one (1) thing that would do this. Dr. Robertson noted that the Delaware Manufacturing Extension Partnership (DEMEP), formerly the Delaware Manufacturing Alliance, would be having an exposé in the area in a couple of weeks and expressed the desire to reconnect to see where education might fit in. He advised that Wilmington University has programs like project management, as well as a number of information systems and technology programs. Dr. Robertson explained that they also have a new and growing program in data analytics that involves analyzing different ways of putting together huge banks of data to see where opportunities might be. He stated that there is a need to look at where and in which types of jobs millennials will be working, and what those moving here to work in data centers would be looking for. Dr. Robertson noted that millennials are gregarious and like the idea of a central place for bars and restaurants, and a number of towns and cities are focusing on this in their downtown areas. He stated that there is also a need for jobs, noting that there was a question of whether jobs or this type of downtown activity would come first. Dr. Robertson stated that colleges and universities can bring data analysis and IT to Dover, online as well as in class, and get a feel for what the market is. He indicated that it would be nice if the City of Dover and the educational institutions could grow together.

Dr. Robertson stated that another area of discussion was firefighters and police, noting that people come from everywhere to Dover to attend the Delaware State Fire School. He advised that Mayor Christiansen had mentioned that perhaps fire chiefs should have a terminal degree of some kind in management or business. Dr. Robertson informed members that Mr. Frank Richardson, a mutual friend of his

and Mayor Christiansen's who was once in charge of the Fire School, had worked as the head of the two-year fire and safety program at Del Tech. Dr. Robertson explained that Mr. Richardson had mentioned the possibility of having those who complete the Del Tech program come to Wilmington University to finish a bachelor's or master's degree program in fire and safety, while having Del Tech take care of everything. He stated that they had never really gotten into this new idea of cooperation among the different schools at this level. Dr. Robertson also advised that Wilmington University has a very dynamic program in administration of justice, which they had been looking at in regard to the police force and security in Dover.

Dr. Robertson informed members that transportation is another field being discussed, noting that a short-line railroad operator had been mentioned because there are spurs off the Norfolk Southern line. He noted that the leasing of railroad lines was allowed after railroads were deregulated in1980. Responding to Dr. Robertson, Mr. Dave Hugg, Director of Planning and Community Development, stated that the Delaware Coast Line Railroad had taken over a lot of the short-haul traffic on the lower part of the Peninsula and could be seen regularly on the west side of Dover using those tracks. He advised that he did not know who their primary customers are, but the railroad is clearly a fixed investment that is grossly underutilized for freight and is not being utilized for potential passenger services. Referring to the air cargo ramp at Dover Air Force Base (DAFB) mentioned in the handout, Mr. Hugg stated that there had been a renewed effort by Mr. Waddington and a committee that is trying hard to get a use agreement signed, and things were starting to happen again at DAFB.

Mr. Hugg informed members that a number of older industrial sites with great rail access were not being used, and there may be opportunities to use a site that had been developed and used for heavy activity as a freight transfer station or some other kind of railroading activity. He indicated that Dover is ideally situated to have a presence for both air and rail. Mr. Hugg stated that Mr. Waddington had discussed the logistics of civilian transportation in and out of DAFB and mentioned that cargo planes have to leave Dover and go to LaGuardia or JFK to be serviced and parked because they cannot be here for more than a specified number of hours. Mr. Hugg indicated that it would be great if there was local service and there was a lot of opportunity for growth in that area.

Dr. Robertson stated that 24/7 availability of the runway is needed for air cargo. He advised that there are opportunities for freight because Dover is centrally located with Baltimore, Washington, New York, and Philadelphia. Dr. Robertson stated that he had heard that fresh flowers from South American were being pursued some years ago, noting that approximately 20 planes come into Miami International Airport per day and unload flowers. He explained that the flowers are placed in trailers and come all the way here for $1,400 per trailer, and he suggested the possibility of getting flowers closer and distributing them. Mr. Hugg indicated that a freight airline had been relaying fresh flowers from Miami to Dover using DAFB; however, they ran into the problem of not having anyplace to park or service the airplanes. He

noted that planes have to fly to Dover, offload, and find somewhere to lay over until the flight back. Mr. Hugg advised that some pieces are missing and Dover could fulfill all those things. He stated that there are only one (1) or two (2) commercial or private jet servicing and rehabilitation companies in Delaware, including one (1) in New Castle County, and there is a huge market in private upscale commercial jets that have to be serviced, maintained, and rehabbed. Mr. Hugg noted that a friend who worked at the Greater Wilmington Airport for such a company advised that they were booked 24/7 and had a waiting list.

Dr. Robertson stated that Wilmington University has a number of students from Pats Aircraft in Georgetown who rehab aircraft. Mayor Christiansen noted that Pats Aircraft rehabs planes for the Saudi royal family. Mr. Hudson advised that Keystone Helicopters in Chester County, Pennsylvania rehabs helicopters and had also made specialized helicopters for Saudi Arabian families. He stated that four (4) years ago this company was trying to expand to close to 3,000 jobs, having a very difficult time trying to find qualified people, and starting to pull people from the DC and Maryland areas to come to Chester County, Pennsylvania. Mr. Hudson advised that planes would be another market.

Mr. Hudson informed members that there were culinary schools in Philadelphia that have school by day and sell the food they make to the public at night. He explained that they advertise their up-and-coming chefs and put out white tablecloths, and he stated his assumption that they were still doing well, noting that the community at-large wanted to help support them. Mr. Hudson suggested this as a possibility for Wilmington University and other schools at the Loockerman Exchange, noting that they could actually make money from people coming to eat and enjoy themselves. Ms. Davis noted that product sales would help with a lot of the costs. Mr. Hugg advised that the University of Delaware had done this successfully with their culinary program and had a fancy restaurant which was both a training and marketing opportunity.

Mr. Hugg indicated that, in recent discussions, the owner of the Loockerman Exchange had mentioned offering a variety of foods, such as a sushi bar and a barbecue, noting that this type of setting is increasingly being sought by millennials. He explained that, during the Downtown Dover Partnership (DDP) meeting of February 28, 2018, there had been discussion about how to make downtown Dover different. He suggested that one (1) way to do so would be to make it a foodie heaven and encourage a variety of small restaurants. Mr. Hugg noted that a block in New York may have 20 small restaurants, each with their own kind of specialty. He expressed his belief that there were real opportunities to take advantage of food innovation, from the standpoint of entrepreneurs ranging from those making jelly in their kitchens to those in farm-to-table enterprises. Mr. Hugg advised that there had been discussions about the potential for aquaponics or hydroponics in an urban location downtown because that area is a food desert with no places for people of modest income to get good and fresh foods. He stated that up-and-coming entrepreneurs need somebody to handhold and train them, noting that marketing

requires a different skill set. Ms. Davis noted that this is where the bridge would come in with Wilmington University, which would teach entrepreneurs business skills.

Mr. Hugg advised that a university in Glassboro, New Jersey, has a joint innovative kitchen program that provides hands-on teaching on how to write a marketing plan, distribute a product, etc. He noted that this interesting model provides a kitchen that allows students to make a product, such as strawberry jam, in some quantity and with some assurance of meeting health codes and also provides advice about such things as product label design. Dr. Robertson indicated that this program was like an incubator and he believed that it was called a build-out.

Mr. Hugg stated that there are a lot of good business programs in the State but no one offers undergraduate and graduate level education aimed at public administration, and he was unsure if a degree in public administration is available. He noted that not all of those with bachelor's degrees in business are necessarily ready to step into public administration and do it well. Ms. Davis advised that Wilmington University's undergraduate degree is not in public administration but has something to do with government; however, they offer master's degrees in management and public administration. She indicated that the numbers in this program had been dwindling a little and they may need to update it. Ms. Davis suggested that perhaps Wilmington University should meet with City staff who work in public administration to see what they are missing and promote their program better.

Mr. Hugg stated that the University of Delaware has an Institute for Public Administration that is focused largely on non-profit management and is not really preparing the next crop of managers that is needed. He advised that the International City Managers Association did some analysis not long ago on the graying face of city managers and concluded that more and more communities will be unable to find managers with any kind of focused training. He recalled that at one time there were a couple of thousand vacant city manager jobs across the country, and towns had been looking for years to fill them.

Dr. Robertson stated that the time might be right for an advisory board in Dover, and Wilmington University would welcome the City's participation. Ms. Davis advised that Wilmington University offers public administration classes for their master's degree at DAFB and had also offered them in Georgetown and Dover, noting that perhaps they were not marketing this well.

Mr. Hudson stated that, as a lot of the leadership in Delaware municipalities are getting older and retiring, people are being picked who may have on-the-job experience but not necessarily a degree. Ms. Davis expressed a desire to meet with staff to discuss Wilmington University's courses.

Ms. Davis asked if cities target individuals who have the ability to move up or if people with experience come from the outside. Responding, Mr. Hugg stated that

many people come into this profession from the planning side, but a lot come out of the business environment and may or may not understand some of the subtleties.

Mr. Hudson stated that many job announcements for city managers or assistant city managers indicate that they are looking for advanced degrees. He advised that the field is starting to understand that it is okay to have book knowledge; however, those with worldly experience in conjunction with what they have learned will do a lot better. Dr. Robertson stated that he would like to meet with Mr. Hugg and Mr. Hudson in the next couple of months to discuss public administration and perhaps some ideas to develop a city manager.

Responding to Mr. Hudson, Ms. Davis stated that Wilmington University offers the face-to-face classes for the public administration program only at DAFB, noting that their numbers were dwindling a bit and there were only five (5) or six (6) students. She advised that their online programs were doing well. Dr. Robertson stated that the online program would not give students any practice interfacing with other people, as city managers and those in public administration must do.

Mr. Hudson advised that those in resource professions must be able to deal with people, which can not be taught by a book, and must also have a personality that can deal with constant change. Dr. Robertson stated that Wilmington University had started to include internships and co-ops, which may be something they need to put into public administration. He noted that meeting with Mr. Hugg and Mr. Hudson as advisory staff would provide additional credibility for changing their program.

Mr. Hugg stated that universities could be beneficial to the City in the areas of data analytics and understanding what is going on out in the real world on a longer-term basis. Mr. Hugg advised that retail business models of 10 years ago are outdated and there are many new permutations of how people conduct business, whether face-to-face, over the internet, or both. He indicated, for example, that everyone had been told that big supermarkets were the way to go; however, smaller 15,000 square foot supermarkets were having success because some customers want convenience and value pricing and do not care about brands. Mr. Hugg cited additional trends, including chains like Starbucks, online banking, and walk-in medical care. He stated that he struggles every day to keep up with the new marketing norms, and this is an area where value could potentially be added from the academic side, suggesting that graduate students could be assigned research projects such as tracking the evolution of how people eat or why Wawa is so successful. Mr. Hugg indicated that the City needs to understand this better to know how to manage land use in a changing environment.

Ms. Davis stated that Wilmington University master's degree and doctoral students write theses and dissertations and suggested that City staff could come up with ideas. She noted that they also offer internships and co-ops, and if students could be matched to the City's needs, the University, the City, and the students would all win.

Mr. Hugg stated that he would like the University to open an ongoing dialog with the City due to the changing demographics.

Mr. Hudson noted that the population in Delaware is changing, with many people coming from the northeast who are bringing or looking for changes and wanting to go somewhere small, quaint, and walkable. He stated that West Chester and Trolley Square in Wilmington are prime examples where there are new restaurants, eateries, and bars that are full all of the time. Dr. Robertson noted that a lot of people already live in these areas. Ms. Davis stated that Dover has a built-in clientele with the colleges in the area, noting that it is a college town without being a typical college town.

Mr. Hugg stated that a couple thousand college students live two (2) blocks from the downtown area and never go there. He advised that Wilmington University students are largely driven by car, pass by the downtown area, and the City does not know what their preferences are. Dr. Robertson noted that there were challenges when W.T. Smithers was catering to students and State Street became rowdy at 1:00 a.m. Mr. Hugg explained that there are trade-offs, and understanding what they are is important. He stated that university students are an integral part of the community in Newark and are not in Dover and the question is why they are not. Mr. Hugg advised that it was not because the institutions offer many great things on campus.

Mr. Hudson stated that Newark has a vibrant downtown, which Dover does not have but would like to have. He expressed the need for just one (1) big-name destination, like an Iron Hill Brewery, and advised that this was how West Chester started. Mr. Hudson indicated that Iron Hill took a chance, college students went, and the area started filling in overnight. He stated that Dover's downtown is beautiful, much better than other downtown areas he had seen, and close to Route 13, and he could not understand why people were not coming in. Mr. Hudson noted that he lives in Wilmington and his friends there do not know where the downtown area in Dover is. He advised that the City's administration had talked about signage, but there is really not a lot downtown when people drive there.

Responding to Dr. Robertson, Mr. Hugg stated that there are incentives for downtown, such as waiving fees for building permits and business licenses, but it lacks a "wow." He noted that there are a couple of dress shops, bars, etc., but not a restaurant row, entertainment strip, or boutique area. Mr. Hugg stated that a research project may be an opportunity to ask some of these questions. Ms. Davis suggested that perhaps they could survey the people and colleges in the area and ask what they would like to see and what would bring them downtown. Mr. Hugg explained there were four (4) new women's boutiques downtown that seemed to stay open and in some places expand, but they are very much alone. He stated that he wondered how many of their customers are also buying a cup of coffee or lunch, and if they see their shopping experience as anything but a trip to a boutique.

Dr. Robertson stated that Wilmington University would like to partner with the City to help develop Dover and central Delaware.

Mr. Hugg suggested that Wilmington University get involved with the Kent Economic Partnership, Greater Kent Committee, DDP, and the food innovation program that the County is running. He noted that a lot of serious energy is being spent and people are being asked to come and join. Mr. Hugg explained that the Greater Kent Committee is a very focused group of about 80 or 90 key business leaders and Kent County has organized a plant managers group for manufacturing-related businesses that meets periodically.

Ms. Davis stated that Mr. Waddington had suggested that Wilmington University be part of the discussion and learn about it. Dr. Robertson noted that Wilmington University is also a stakeholder.

Mr. Hugg stated that education is one of the major components in Dover's economy but he was not sure that this is recognized or promoted well. He noted that the average person would not think of Dover as a center of education or higher education, as they may think of Newark and Wilmington, and collectively this message is not being sent. Ms. Davis stated that if Wilmington University can work with the City to find out what jobs are available in this area, they can train students who will stay here.

By consent agenda, Mr. Neil moved for acceptance of the Economic Development Committee Report, seconded by Mr. Lewis and carried by a unanimous roll call vote.

COUNCIL COMMITTEE OF THE WHOLE REPORT - MARCH 13, 2018

The Council Committee of the Whole met on March 13, 2018 at 6:00 p.m., with Council President Slavin presiding. Members of Council present were Mr. Anderson (arrived at 6:28 p.m.), Mr. Sudler, Mr. Neil, Mr. Lewis, Mr. Cole, Mr. Polce (departed at 7:52 p.m. and returned at 7:53 p.m.), Mr. Hare (departed at 7:43 p.m.), and Mr. Lindell. Mayor Christiansen (departed at 7:41 p.m. and returned at 7:53 p.m.) was also present. Civilian members present for their Committee meetings were Mr. Caldwell and Dr. Warfield (*Parks, Recreation, and Community Enhancement*), Mrs. Doyle and Ms. Scarborough (*Utility*), and Mr. Shevock and Dr. Stewart (*Legislative, Finance, and Administration*).

Mr. Hare moved to amend the agenda to change the order of the committees, as follows: Parks, Recreation, and Community Enhancement Committee; Legislative, Finance, and Administration Committee; and Utility Committee. The motion was seconded by Mr. Sudler and unanimously carried.

PARKS, RECREATION, AND COMMUNITY ENHANCEMENT COMMITTEE

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

Community Development Block Grant (CDBG) Application Review
Mrs. Tracey Harvey, Planner/CDBG Administrator, reviewed her memo to the Parks, Recreation, and Community Enhancement Committee, dated March 13, 2018, regarding CDBG Grant Recommendations for FY 2018, as well as the FY 2018 CDBG Proposed Budget.

Staff recommended approval of the proposed Community Development Block Grant (CDBG) allocation recommendations for the FY 2018 CDBG grant renewal fiscal year.

The Committee recommended approval of staff's recommendation.

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

Community Development Block Grant (CDBG) Program Semi-Annual Update
Mrs. Tracey Harvey, Planner/CDBG Administrator, reviewed the CDBG Semi-Annual Report, December 2017 - February 2018.

LEGISLATIVE, FINANCE, AND ADMINISTRATION COMMITTEE

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

AGENDA ADDITIONS/DELETIONS
Mr. Hare moved to amend the agenda to consider item #7 - Proposed Ordinance #2018-03 Amending the Dover Code of Ordinances by Creating a New Chapter 84 - Public Safety Fee (Sponsors: Hare and Neil), following item #2 - Presentation - Comprehensive Annual Financial Report (CAFR). The motion was seconded by Mr. Lewis and unanimously carried.

By unanimous consent, the agenda was approved as amended.

Report of Independent Public Accountants for the Fiscal Year Ending June 30, 2017 (CliftonLarsonAllen, LLP)
On behalf of CliftonLarsonAllen, LLP, Mr. Bill Early, Principal, and Mr. Remi Omisore, Principal, reviewed a presentation entitled "City of Dover, Delaware, Audit Results, Year Ended June 30, 2017".

Staff recommended acceptance of the report.

Mr. Neil noted, for clarification to those audience members present, that this was not the first time that member's of the Committee were receiving this information. He indicated that the report was included in the Committee meeting packet which was available on the City's website. Mr. Neil stated that everything is transparent, explaining that if anyone ever wants to know what's happening, they can go online and view the same material as members.

Mr. Neil thanked Mr. Early and Mr. Omisore for their impressive report and members of staff for working with them so closely.

Mr. Sudler asked Mr. Omisore to elaborate on his comment that expenses had decreased over the last couple of years. Responding, Mr. Omisore, referring to page 11, Income Statement Summary, of his presentation, explained that the expenses reflected are for the City as a whole and it is a combination of all of the funds. He stated that in looking at that $5M increase, the old accounting for Other Post-Employment Benefits (OPEB) standards related to how much you contributed to the trusts; however, when the new standard came into play, OPEB kind of smoothed out. Mr. Omisore advised that it is not a funding mechanism, it is more of an accounting mechanism of smoothing the expense across the plan. He stated that the best way to explain it is to compare your mortgage payment to the value of your home, explaining that if you bought a home for $400,000, the old standard only required you to record your monthly payment, but now the standard requires you to put the full value of your home, $400,000, and then you decrease those payments over the year. Mr. Omisore noted that it is more of a funding mechanism than a true expenses decreasing; unfortunately, when you see it in the financial statements, it's hitting as an expense. He stated that it is difficult to compare apples to apples, but when you do that it looks like the expenses decreased. Mr. Omisore noted that there was also some reduction in budgeted expenses on the General Fund, which goes into that process as well.

Mr. Early encouraged members to read Management's Discussion and Analysis included the in Comprehensive Annual Financial Report (CAFR), noting that it is a very high-level, year-to-year comparison that provides more detail regarding the exact causes for fluctuations in expenditures and revenues.

Mr. Sudler asked what the number one expense is for the City. Responding, Mr. Early stated that payroll is definitely the main expenditure.

The Committee recommended acceptance of the report.

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

Presentation - Comprehensive Annual Financial Report (CAFR)

Mrs. Lori Peddicord, Controller/Treasurer, reviewed a presentation entitled "City of Dover, Comprehensive Annual Financial Report, Fiscal Year Ended June 30, 2017".

Staff recommended acceptance of the report.

Mr. Anderson noted that the County Water/Wastewater was favorable by more than $400,000 and asked what the reason was for this. He asked if the County went down in their cost or if the City had other usage. Responding, Ms. Peddicord stated that the City may have budgeted higher than normal, expecting an increase in their fees. Mrs. Donna Mitchell, City Manager, stated that the City charged the Inflow and Infiltration (I & I) fee which helps offset the County treatment fees and that overage goes to capital projects for fixing the sewer mains. She explained that the City plans on the fact that the fee is going to be higher, noting that it has been budgeted that way for a while, and staff purposely looks for that extra to help pay the capital projects.

Mr. Neil noted that Pump Station #7 (PS #7), located in the Third Council District, is still having problems and being worked on. He asked if the additional costs regarding those problems were yet known and included in these figures. Responding, Ms. Peddicord clarified that the CAFR information was for fiscal year 2017; therefore, those unexpected expenses were not reflected in this report. In response to Mr. Neil, she stated that she did have a budget amendment come through for fiscal year 2018; however, she did not know whether the City had received all of the bills in regard to the problem at PS #7 yet.

The Committee recommended acceptance of the report.

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

Proposed Ordinance #2018-03 Amending the Dover Code of Ordinances by Creating a New Chapter 84 - Public Safety Fee (Sponsors: Hare and Neil)

Mrs. Donna Mitchell, City Manager, reviewed a presentation entitled "City of Dover, Public Safety Fee," and provided members with a list of owners of tax-exempt developed property, including the exterior square footage and sample fees and a list regarding public safety calls for 2016 - 2017. She reminded members that during the budget process in May of 2017 there was discussion among Council members regarding a public safety fee and, rather than try to put that into the budget at the last minute last year, she took some time to develop a public safety fee for mid-year consideration. Mrs. Mitchell explained that this would allow time for the Committee to vet the proposed ordinance, and if it is approved by Council, it would go into effect in July. She advised that one (1) of her goals in trying to get this out several months earlier than the budget process was to allow time to notify the entities that this would impact, and she also wanted to provide time to review all of the records and make sure they are reconciled.

Mrs. Mitchell, referring to page 3 of the presentation, explained that the graph depicted the outlay and receipts for public safety expenses and revenues for governmental activities. She stated this graph was included in the budget and

included all public safety. Mrs. Mitchell advised that public safety includes code enforcement, the Fire Marshal's Office, police, and fire. She explained that to help offset that in the past, staff has shown the property taxes going toward these costs in the budget.

Mrs. Mitchell, referring to page 8, Sample Comparison of Fees by Non-Profit Entity, of the presentation, advised that this was only a sample of the entities with the highest calculations and did not include all 95 entities, which is 135 properties. She advised that the presentation did not include information regarding the amounts the City currently receives in payment in lieu of taxes (PILOT) from some entities. Mrs. Mitchell noted that one (1) of the reasons the State of Delaware is not included in the sample and is exempt from the fee is because they make a formula-based PILOT to the City in accordance with State Code. She stated that Luther Towers was not included in the sample because they made a PILOT to the City in the amount of $31,828 in July 2017. She explained that, for example, based on a $.02 per square foot public safety fee, Luther Towers would have paid the City approximately $7,160. Mrs. Mitchell advised that the Delaware State Housing Authority currently pays the City approximately $13,000 per year and based on a $.02 per square foot fee they would pay $2,866. She stated that Dover Housing Authority is budgeted to pay the City $50,000 this year and based on a $.02 per square foot fee they would pay $6,114. Mrs. Mitchell noted that The Milford Housing Development Corporation is budgeted to pay the City $7,500 this year and they would pay $1,726, based on a $.02 per square foot fee. She explained that by using the square footage, the proposed public safety fee would equalize all nonprofits to be paying at the same rate.

Staff recommended adoption of Proposed Ordinance #2018-03.

Mr. Anderson thanked Mrs. Mitchell, noting that he thought that she did a thorough and comprehensive job on this assignment. He asked if the City would lose money if entities stopped making their PILOT and paid a $.01 per square foot fee. Responding, Mrs. Mitchell stated that yes, at $.01 per square foot, the City would not make as much as it currently makes based on what the four (4) entities pay in-lieu of taxes.

Mr. Anderson stated that the City had done a lot to encourage economic development and asked if the proposed ordinance would be negative to organizations that had been partnering with the City to help in this regard. Mr. Anderson noted that organizations that provide affordable housing, such as Milford Housing and Habitat for Humanity, have to hold properties at least one (1) year to avoid the transitional cost. He asked if these types of organizations, including the new Dover housing, if it comes about, would pay a fee if they were to buy a property in order to improve it. He noted that these purchases benefit the City and provide a lot more tax money that if they were to pay a fee. Responding, Mrs. Mitchell stated that the fees for organizations, like Habitat, who build and sell houses are based on the Certificate of Occupancy when the house is built and the property assessment is done. She

explained that such a property would not be on the records until it is finalized and the assessed value is taken through the Tax Assessor's Office. Mrs. Mitchell advised that the bills are done quarterly and if they sold the house, they would never see the fee; however, if they have not sold that house, they would have a fee. She stated that the City provides a lot of economic development incentives through impact fee and permit waivers, and quite a few waivers had been provided over the past five (5) years. She explained that these waivers are tracked and the beneficiaries for the most part are NCALL, Habitat, and Milford Housing.

Mr. Sudler asked Mrs. Mitchell whether she had considered a restriction or constraint on the proposed fee. He asked, for example, if she would recommend that the proposed $.02 or $.03 not exceed $.05 or $.10, which would deter nonprofit or 501(c)(3) organizations from coming to the City. Responding, Mrs. Mitchell stated that Council would decide the rate during the budget process and she was not currently recommending any particular rate, this was only a discussion of the ordinance and fee. She explained that she had used $.01 and $.02 as examples, noting that a $.01 fee would garner $72,000, while a $.02 fee would garner $144,000. Mrs. Mitchell reminded members that the fee would only help the City pay for the costs associated with fire and police capital items; it would not pay for all of those items at these levels. Mr. Sudler suggested that members reach out to their State officials to get some input and see how it may affect constituents or 501(c)(3) business partners.

Mr. Lindell asked what the exact amount of money is that the City offers in total incentives for the various groups. Responding, Mrs. Mitchell stated that in the downtown district the City offered or waived fees in the amount of $21,811 in FY 17 and $61,545 in FY 16. She advised that there was also commercial development which amounted to $39,252 in FY 16 and $1,000 in FY 17.

In response to Mr. Sudler's suggestion that members reach out to their State legislators, Mr. Hare stated that he had been reaching out to the legislators for the past two (2) to three (3) years and it was obvious to him that the City of Dover was not treated the same as the City of Wilmington at Legislative Hall. He explained that the State distributes $3M to the three county seats, Georgetown, Dover, and Wilmington, and the City of Dover has approximately $275M worth of State properties that are exempt and receives $300,000, while the City of Wilmington has $175M worth of exempt property and receives $2.6M. Mr. Hare indicated that there was a caveat that they get more for less property because they have 50,000 people. He noted that the City of Wilmington also has a city wage tax but the State will not approve a wage tax for the City of Dover. Mr. Hare stated that he agrees that everyone should reach out to the legislature because there is obviously discrimination between Wilmington, Dover, Georgetown, and even Newark.

Ms. Judy Diogo, President, Central Delaware Chamber of Commerce (CDCC), stated that, since the public safety fee was announced, the CDCC had received a number of phone calls from nonprofits with concerns that there was a lack of information

leading up to the discussion of a public safety fee. She advised that they were trying to figure out if the fee was about equity or need, noting that, from the information that they had heard at the meeting, it appeared that the reason for the fee was need. Ms. Diogo expressed concern that there were no examples of the rate in the ordinance, leading people to jump to conclusions, and she thanked Mrs. Mitchell for the list of owners of tax-exempt developed property, including the exterior square footage and sample fees, that was provided, which made it clearer and helped a great deal.

Ms. Diogo advised that a lot of nonprofits took hits at Legislative Hall last year and were still anticipating budget cuts. She recommended, on behalf of the CDCC's nonprofits, that the City meet with groups who will be impacted by this particular fee in a huge way. Referring to list of owners of tax-exempt developed property, including the exterior square footage and sample fees, Ms. Diogo noted that the highest fee listed at the $.01 per square foot rate was approximately $19,500 and the lowest was $10.54. She asked if there was a possibility of looking at the situations of organizations with higher fees, such as those ranging from $1,000 to $19,500. Ms. Diogo noted that these organizations are already paying fees to the City for water, electricity, etc., and suggested consideration of a different rate for some of the larger users.

Ms. Diogo noted that consideration was being given to implementing the proposed ordinance in April and starting billing in July. She requested, if it absolutely had to be done, that Council set the rate at $.01 per square foot, with a caveat that this would last for three (3) to five (5) years so that nonprofits can plan their budgets. Ms. Diogo asked that the City hold public workshops after this initial period to find out the fee's impact on nonprofit organizations. She stated that the impact is a missing piece of the puzzle, and she expressed the need to remember that nonprofits are providing services that the government cannot pay for.

Ms. Carolyn Fredericks, Modern Maturity Center (MMC), stated that she had called almost all members of Council and expressed thanks for the calls back that she received. She asked members what they considered the value of the MMC to the City, noting that they have paid $188,000 in utilities to the City, and do not receive any type of discount for the services they provide to residents. She noted that her counterpart in Newark had advised that the City of Newark provides Newark Senior Center a credit of $60,000 on their electric bill, which would be really nice for the MMC to receive. Ms. Fredericks stated that the MMC provided 133,000 Meals on Wheels to shut-in residents, just in the Dover area, at a value of $1.1M. She explained that Meals on Wheels is not all paid for by the State or Federal government and the MMC had to supplement that funding by approximately $100,000.

Ms. Fredericks informed members that 55-plus communities are tax paying and are locating to Dover in droves. She stated that The Grande, which bought the property adjacent to the MMC and is a big taxpayer, had just added another building.

Ms. Fredericks reminded members that years ago the City provided the Senior Surrey for transportation but now the MMC provides transportation.

Ms. Fredericks stated that nonprofits had experienced a 20% cut in State funds and, even with those cuts, worked diligently not to reduce the services that they provide to their clients. She advised that the City had never provided any funding to the MMC, and the organization had not gotten any breaks on building or other fees. She noted that they had not received any breaks on the building permit for their current building program and were just assessed an impact fee of $6,000 for one (1) hand sink and one (1) floor drain. Ms. Fredericks advised members that the MMC has provided a social environment and services for older adults for almost 50 years, which makes Dover a great place to live and retire.

Mr. Sudler thanked Ms. Fredericks for reaching out to him and educating him about her position and continuing to educate members about the MMC's services and what they have and have not received.

Ms. Jeanine Kleimo, Chair, Dover Interfaith Mission for Housing (DIMH), stated that, in addition to the points that had already been made, DIMH had already submitted proposals for funding for the program year that will begin in July, so they had not had an opportunity to budget for any increase. She noted that costs are rising, but funding is absolutely not rising. Ms. Kleimo informed members that DIMH has brought homeless people off of the streets and made Dover safer as a result. She stated that this should not result in being charged fees for the services that they receive, noting that DIMH is a net contributor to public safety. Ms. Kleimo stated that DIMH puts approximately $3.5M every year into the local economy in terms of the wages generated by their clients that are hired by local employers, which is more than 10 times their budget and is a part of the economic development of the community of Dover. She asked members to consider the impact of this and other ways to engage with those working with disadvantaged populations to increase public safety in a way that does not cost them more money.

Ms. Mamie Charest, Executive Director, People's Place, requested that members not move forward with the proposed fee. She explained that People's Place had served Delaware's most vulnerable population for over 45 years. Ms. Charest advised that their Whatcoat Program is the largest homeless shelter in Dover and the only one that provides shelter for families. She stated that Whatcoat sheltered 417 adults and children and provided 13,500 nights of shelter in 2017, and the agency serves one-third of the homeless population in the State. Ms. Charest indicated that without their program people would be on the streets, and there would be an impact to the City in other ways. She expressed her belief that this fee would be pushed to the first responders in the City, noting that Whatcoat appreciates these responders very much but wants to work in partnership with them.

Ms. Charest stated that last year was a very hard year for People's Place and they received a 20% cut, which meant that their Whatcoat Program, through which they

provide homeless shelter, is running at a large deficit. She explained that they had continued to operate that program as a good faith effort, knowing that they are doing good in the community. Ms. Charest asked members not to push the proposed ordinance forward.

Mr. Robert Clark II, President, Wesley College, noted that he would not repeat the things that other individuals had stated. He stated that he acknowledged the support and partnership that Wesley College had enjoyed with the City, County, and State. Mr. Clark advised that Wesley College views itself as Dover's, Kent County's, and Delaware's college that shares the privilege of educating and mentoring the future with other institutions of higher learning in this area. He indicated that Wesley is very proud of the education and opportunities they provide their students that will enable them to be catalysts of positive change in the region. Mr. Clark stated that he had been amazed that, since he became a member of the community, he could not go far without finding a Wesley alumnus who had impacted the culture, leadership, and future of the region and State, which he stated was Wesley's worth.

Mr. Clark stated that he thought that the current discussion was not so much about "do we or don't we" but about a coming together of the community and finding a partnership that works for moving it forward. He expressed the need to find something that is informed and collaborative, where various stakeholders work together to find out the short- and long-term implications and possible solutions. Mr. Clark stated that he thought it was important to gain perspective by finding out what other communities do, noting that Dover is not the only city facing this challenge. He advised that Ms. Fredericks had made an excellent point and that the proposal was very focused on tax. Mr. Clark stated that, if members are looking at need and who provides relief, they must look across the board at community service, utilities, water, and the impact if an entity leaves. He indicated that he did not think there had been that type of discussion, noting that he just found out about the proposal a few days ago. Mr. Clark advised that he could not provide a recommendation until he had time to look at the problem and all of the options from an informed standpoint, and come together with a solution. He expressed concern that, in reading the newspaper, he saw things that inferred a lack of contribution by Wesley and others in the room, noting that he knew that was not intended but was how it read. Mr. Clark asked members to look at the jobs that are provided and the monies put forth. He stated that he was unsure whether what the City was trying to do was aligned with 9 Delaware Code, Section 8105. Mr. Clark requested that, before moving forward, everyone get together and perhaps form a group representative of those present, take a look at the realm of possibilities across the board, and find the right equity that will meet the needs for the near and long term. Mr. Clark advised that nonprofits of any sort, whether for education, healthcare, or any of the things that serve the community, are one (1) team and family, with one (1) collective future, and all their voices and efforts are needed to help see this matter through.

Responding to Mr. Anderson, Mr. Clark explained that 9 Delaware Code, Section 8105 addresses some of the things being looked at. He stated that Section 8105 referred to the legalities and expressed the need to focus on potential solutions and make sure there is informed input.

Ms. Valerie Swayze, Delaware Agricultural Museum, stated that she was speaking as a citizen who was born and raised in Dover and her comments did not apply to the Museum. She explained that she, the director, and Museum staff had seen an article in the newspaper regarding the proposed public safety fee earlier in the day. Ms. Swayze advised that the proposed fee would not apply to the Delaware Agricultural Museum; however, this did not mean that it would not in the future. She noted that the Museum leases its property from Delaware State University and when she saw the amount of approximately $19,000 for the University, she thought that the Museum would have to find a way to come up with the money. Ms. Swayze explained that the Delaware Agricultural Museum is one (1) of the only museums not funded by the State. She noted that they did take a cut like other nonprofits did. Ms. Swayze stated that she asks herself how the Museum can continue to do what they do when they receive a $4,000 per month gas bill or $3,000 electric bill. She explained that they see more than 100,000 kids per year from New Castle, New Jersey, Maryland, etc. Ms. Swayze stated that most museums in Delaware are free; however, the Delaware Agricultural Museum charges admission because they have to. She indicated that she had worked in budget and finance and that there have to be other ways, and she asked that everyone work together and look. Ms. Swayze noted that one (1) or two (2) pennies were currently being discussed; however, she guaranteed that before long it would be more.

Ms. Melissa Hopkins, Vice President of Sector Advancement, Delaware Alliance for Nonprofit Advancement (DANA), advised that DANA is a statewide membership organization for nonprofits in Delaware and their goal is to advance the nonprofit sector through advocacy, training, capacity-building, and research. Ms. Hopkins stated that DANA had concerns regarding the legality of the proposed legislation. She stated that, as previously stated, 9 Delaware Code, Section 8105 states "Corporations created for charitable purposes and not held by way of investment that are in existence on July 14, 1988, together with existing and future charitable affiliates of such corporations that are also not held by way of investment, shall not be liable to taxation and assessment for public purposes by any county, municipality, or other political subdivision of this State." Ms. Hopkins stated that charitable nonprofits are exempt from this kind of statute and encouraged members to look into this further. In addition, she advised that the rationale behind the tax is that fire and police resources are insufficient, which she could appreciate; however, she thought there was not enough evidence to link the insufficiency of capacity at the Police and Fire Departments to the actions of nonprofits in the City of Dover. Ms. Hopkins questioned whether there was data showing a link between charitable organizations and insufficiencies in these agencies, because otherwise it felt as though the City was demanding a special payment from nonprofit organizations, which she thought was a question of equality.

Ms. Hopkins noted that nonprofit organizations in the City want to partner with Dover's police and fire organizations and requested consideration of how nonprofits are making it easier for law enforcement to do the job that they are intended to do. She noted that DANA's organizations in the City and statewide are serving homeless populations, feeding the hungry, serving the mentally ill, and serving as community safe spaces for children and teens. Ms. Hopkins cautioned members that the additional expense of one (1) or two (2) pennies being discussed did not seem like much, but does add up and will impact services offered in the City.

Ms. Hopkins expressed concern regarding the fee amount and collection process outlined in the legislation. She stated that the fee amount is not really clear, noting that the proposed ordinance states that, "The public safety fee amount and collection process will be examined by the city manager and city council annually during the budget formulation process...The city council will set and adopt the public safety fee amount...." Ms. Hopkins noted that it indicates that if revenues are insufficient to properly operate the public safety department, Council may need to reevaluate. She expressed concern that the language was shifting and that operational expenses were being discussed, versus capital funds, which she thought the proposed ordinance was really intended to serve, and suggested that this language be clarified. Ms. Hopkins stated that nonprofits in Delaware and in the City really want to be a partner to the City's police and fire organizations, and she expressed her hope that members continue to allow them to do what they do well and serve the City of Dover.

Mr. William Garfinkel, Bicentennial Village, congratulated members for bringing forth the proposed ordinance, stating that it was time for exempt corporations that use City services to pay their fair share, and there should be no more cost-shifting to homeowners and small businesses. He advised that the proposal was not something new, noting that federal credit unions are exempt from income tax but are required to pay county and municipal property taxes by federal law, and they had been paying ever since the credit union movement began. Mr. Garfinkel stated that it was only fair that other exempt properties start paying their fair share. He requested, on behalf of himself as a taxpayer and other taxpayers in the City, that members stay the course and pass the proposed ordinance.

Mr. Sudler moved to recommend that, due to the sentiment of the majority of the individuals present, the City not move forward with Proposed Ordinance #2018-03 until further discussion with the stakeholders and the legality of the matter has been clarified in lieu of evading legal ramifications. The motion was seconded by Mr. Anderson.

Mr. Slavin asked that members not make negative motions because members would be voting yes for the process to close, which had proved very confusing in the past.

Mr. Slavin expressed appreciation for the input received, noting that where members are currently and where they will be when legislation is eventually enacted are two (2) different places, and this is the nature of creating legislation. He advised that he

considered the legislation to be organic and noted that it was not something that Council drummed up but came from numerous meetings that members attend with homeowners and neighborhood associations. Mr. Slavin explained that there had been a clarion call from people who were wondering why their real estate taxes offset services for people who do not pay taxes, and he could not defend it. He indicated that maybe those present and some of the things he had heard could help him create a defensible position; however, there is a principle of fairness that must be addressed. Mr. Slavin explained that, while good, honest, and ethical non-for-profits were currently being represented, there were also not-for-profits who clearly operate outside of their stated mission. He advised that they operate bars, campgrounds, and RV parking lots and sell cars on their property, which is not what they are chartered to do, and he expressed the need to tighten this up.

Mr. Slavin suggested rewording the motion, if the maker was amenable, to have the City Manager provide analysis of some of the ideas that had been heard, continue the dialogue, and bring forward an amended ordinance based on these ideas in one (1) month at the April meeting of the Committee. Mr. Sudler indicated that his intent was to have further discussion with the community before bringing this matter back to Council or the Committee and did not think that one (1) month would allow enough time. Mr. Slavin advised that the one-month suggestion was meant only as a marker so that members would have a report in a month's time.

Mayor Christiansen yielded to Mr. Lindell, noting that this was a meeting of the Council Committee of the Whole. Mr. Lindell stated that he supported the one-month delay proposed by Mr. Slavin, noting that this was an arbitrary number that could be changed. He stated that this time frame would be reasonable to get the conversation started and if the process was not complete the matter could be moved to another agenda, as had been done previously.

Mr. Hare noted that he would not be available for the second Committee meeting in April. Responding to Mr. Hare, Mr. Sudler stated that he would be amenable to amending the motion to state six (6) weeks, and Mr. Anderson concurred stating that one (1) month was not enough time. Mr. Slavin suggested that the motion be withdrawn and restated as a positive motion with a six-week time frame.

Mr. Lindell called the question.

The motion to recommend that, due to the sentiment of the majority of the individuals present, the City not move forward with Proposed Ordinance #2018-03 until further discussion with the stakeholders and the legality of the matter has been clarified in lieu of evading legal ramifications was withdrawn by Mr. Sudler and Mr. Anderson.

Mr. Sudler moved to recommend bringing this matter back for discussion in six (6) weeks, seconded by Mr. Anderson.

Mr. Sudler advised that his original motion had included further discussion with the community. Mr. Hare stated that it would be up to members to go out and talk to people. Mr. Sudler stated that he was more amenable to the City Manager having a meeting with the community.

Mr. Lindell advised that he had called the question on Mr. Sudler's original motion. Mr. Anderson stated, as a point of order, that Mr. Lindell's motion was not recognized and was irrelevant.

Mr. Hare stated that there was a motion and a second and the matter was still open for discussion.

Mayor Christiansen raised a point of order, noting that, as a matter of courtesy, he had yielded to Mr. Lindell. Mayor Christiansen suggested that he and the City Manager meet with those who are interested and bring information back to Council in a timely manner, in the interest of bettering the City's communications. Mr. Hare stated that he would also make himself available if his schedule permitted.

Mr. Anderson stated that he felt the discussion should be held; however, he was unsure if there was a fix because members were ignoring that money is brought in by some of the nonprofits. He explained, for example, that Restoring Central Dover and the National Council on Life and Labor Research (NCALL) had brought in a grant to help with lighting project demonstrations. Mr. Anderson advised that this grant alone was for more than the amount that they would pay for the next 10 years under the proposed ordinance. He stated that Restoring Central Dover grants had amounted to more than $0.5M for the community and this had to be taken into account.

Mr. Anderson advised that many demolitions that would have cost the City $15,000 - $30,000 apiece had been done by Habitat for Humanity, NCALL, and Milford Housing, saving the City well over $100,000. He stated that nonprofits are bringing in a lot of money through partnering with the City, and he expressed the need to look at the issue comprehensively, not just based on the small amount the City is losing but also on how much the nonprofits are bringing. Mr. Anderson expressed the need to ask questions, such as how much Wesley College's security footprint downtown saves the City. He noted that Wesley's security provides an extra set of eyes not just on campus but from Pear Street through State Street, and the comprehensive picture is a lot more than $144,000. He noted that he would like to see a legal opinion on this matter before the six-week period is over to see if it the proposal is legally defensible and if members should spend time on it.

Mr. Hare informed members that the City has one of the best police departments in the State. He noted that the Dover Fire Department is also one of the best and has an insurance rating of two (2) because, as a non-paid fire department, they are not allowed to be number one (1). Mr. Hare noted that the Dover Fire Department's response time in the past had been quicker than the Wilmington Fire Department's.

He advised that, when time, apparatus, etc., are included, the cost every time the alarm goes off and responders go out the door is a minimum of $500 to $1,000. Mr. Hare stated that there is also a cost whenever the police have a call. He advised that there had been 123 fire and police calls to Wesley College in the past two (2) years, 277 fire and police calls to Delaware State University, and 662 police and fire calls to Bayhealth and questioned the cost of these calls. Mr. Hare noted that, as Ms. Fredericks had stated, costs were going up. He questioned if members should advise constituents that their taxes would be raised to cover false alarms.

Mr. Hare suggested the possibility of developing a set run fee for all fire alarms or police calls to a facility, and those who do not use the service would not pay for it. He stated that, as Mr. Anderson had advised, there may be some offsets to the costs; however, he did not think that the costs of close to 1,000 calls in two (2) years would be offset.

Mr. Neil stated that he and many of his neighbors, who own homes in a leased land community and pay a lot rent, appreciate the MMC's facilities and the services they provide. He explained that these same individuals had tried to purchase their homes but could not. Mr. Neil informed members that the company that bought the community's land had decided they wanted more money and raised their rent by $40. He noted that they are entitled to $33.52 by the Consumer Price Index for All Urban Consumers (CPI-U). Mr. Neil advised that, while the City is trying to bring in businesses, this money was now leaving Delaware's economy and going to Michigan and, unfortunately, the State was also involved because they guaranteed them a profit and took away all of their risk.

Mr. Neil expressed his belief that the City has an obligation and responsibility to protect students at the colleges as well as people who are in Delaware Housing Authority housing, Dover Housing Authority housing, and at Bayhealth. He expressed his hope that taxpayers who are moving into homes created by Habitat are not subsidizing police and fire protection. Mr. Neil suggested seeing if the nonprofits could come up with some suggestions during the interim period and that having the legal questions answered, noting that by that time members would be ready for a discussion about resolving some of the problems without raising taxpayers' payments. He noted that the PILOT program that Luther Towers had participated in may be an answer.

Responding to Mr. Lindell, Mr. Hare stated that there was a motion on the floor to bring this matter back in six (6) weeks.

Mr. Lindell called the question, seconded by Mr. Sudler and unanimously carried.

The Committee recommended bringing this matter back for discussion in six (6) weeks.

> Responding to Mayor Christiansen, Mr. Hare stated that, with the permission of Council, Mayor Christiansen and the City Manager could proceed with speaking to the aggrieved parties.

During the Council meeting, Mr. Sudler asked what the process would be for Mayor Christiansen and Mrs. Donna Mitchell, City Manager, to retrieve and disseminate information in the community within the four (4) week timeline. Responding, Mayor Christiansen stated that a meeting will be held with all of the nonprofits who spoke at the Committee meeting or who have expressed an interest in participating. The meeting will be held either April 6th or April 12th in the Great Hall at St. Andrews Lutheran Church. Mayor Christiansen advised that the comments and suggestions gathered at the meeting will be presented to members of City Council.

Mr. Sudler asked if a letter would be sent to the 95 nonprofit entities advising them of the meeting. Responding, Mayor Christiansen advised that Ms. Judy Diogo of the Central Delaware Chamber of Commerce will contact them to facilitate the meeting.

Mr. Sudler asked if a legal opinion had been sought regarding 9 Delaware Code, Section 8105 for State Corporations Created for Charitable Purposes. Responding, Mrs. Mitchell advised that she had not yet contacted Deputy City Solicitor Pepper for an opinion.

Mr. Anderson asked how much some of the larger charities, such as Bayhealth, Delaware State University, Wesley College, Wilmington College, and Delaware Tech, contribute with a payment in lieu of taxes (PILOT). Responding, Mr. Hare advised that none of the charities that Mr. Anderson mentioned pay or have paid a PILOT to the City.

Mr. Anderson stated that there was some measure of concern, which will probably be discussed. He noted that there are other organizations that have contributed a great deal in partnership with the City and that he hoped that they would find a way of achieving a positive balance that does not punish the nonprofits but finds new ways to build partnerships.

Mr. Hare suggested meeting with the five (5) larger nonprofit organizations and then deciding. He stated that it was his understanding that organizations that receive federal funding are required to give a PILOT, which is why the City receives a PILOT from Milford Housing Authority and Delaware State Housing Authority. Mayor Christiansen advised that they are attempting to facilitate a meeting with the larger nonprofit organizations.

Mr. Hare suggested that the nonprofit organizations should be encouraged to contact their legislators, noting that Wilmington receives significantly more of the State's payment in lieu of taxes (PILOT) allocation than Dover receives, although Wilmington has fewer tax-exempt properties.

Mr. Sudler stated that he thought that all of the nonprofit organizations should have an opportunity to be heard and speaking with only the five (5) larger groups could give the appearance of exclusion.

Mr. Sudler moved for approval of the Committee's recommendation, seconded by Mr. Neil and unanimously carried.

Status of Other Post-Employment Benefits (OPEB) and Pension Funds
The Committee deferred consideration of this item, due to time constraints.

Project Carry-Forward Budget Balances and Proposed Ordinance #2018-02 - FY 2017-2018 Budget Ordinances - First Amendment
The Committee deferred consideration of this item, due to time constraints.

Diversity and Inclusion Study Request for Proposal (RFP)
The Committee deferred consideration of this item, due to time constraints.

Ambulance Services Proposal
Mrs. Donna Mitchell, City Manager, informed members that City staff issued a Request for Proposals (RFP #18-0010CM) on November 15, 2017 for Ambulance Services, with proposals to be received by December 19, 2017. Two (2) proposals were received from Mid-Atlantic Care, LLC and PrimeCare Medical Transport, LLC, the current provider. In completing the review of the current proposals, staff also reviewed their financial statements, the Center for Public Safety Management (CPSM) Report of March 2016, and previous City Council minutes pertaining to the Ambulance Services. She explained that she had several conversations with the City Fire Marshal, Mr. Jason Osika, and Mrs. Kay Sass to help her understand the services provided and the current contract. Mrs. Mitchell advised that her findings indicated that RFP #18-0010CM was not sent to national firms as recommended in the CPSM Report, and staff had not followed through on Council's motion of May 22, 2015.

Mrs. Mitchell explained that staff was requesting to re-issue the RFP with the understanding that the recommendations of the March 2016 Report will be included. She noted that staff would also like to form an Administrative Committee of Medical and Paraprofessionals to assist the City with development and review of Ambulance Service Proposals and future contracts. The Committee would be established by the City Manager and approved by the Safety Advisory and Transportation Committee. The City Manager would be the Committee Chair, and the Emergency Management Coordinator would serve on the Committee as well.

Mrs. Mitchell advised that while the Mid-Atlantic Care, LLC proposal has a lower cost, staff has concerns with their ability to staff crews and provide ambulances with the current contract expiring on March 31. She noted that she did reach out to the CEO and COO to explain her concerns and let them know of the plans to reissue the RFP. Mrs. Mitchell stated that she had negotiated a six-month extension with PrimeCare Medical Transport, LLC, whose contract had a provision for two (2), one-year extensions. She explained that PrimeCare's new proposal contained a rate increase and the City would absorb this increase for six (6) months. Mrs. Mitchell noted that the public safety risk is too great to change a contract without several months' notice. She stated that a revised RFP will be drafted upon Council approval of the six-month extension of the current contract.

Staff recommended authorizing the City Manager to execute a six-month extension of the current contract with PrimeCare Medical Transport, LLC at the rates provided.

Responding to Mr. Lewis, Mrs. Mitchell stated that the current provider's proposed rate had increased from $40 to $45. She advised that there had been no rate increase over the three-year contract and she had agreed to absorb the rate increase for six (6) months while another RFP is issued.

The Committee recommended approval of staff's recommendation to authorize the City Manager to execute a six-month extension of the current contract with PrimeCare Medical Transport, LLC at the rates provided, re-issue the RFP with the understanding that the recommendations of the March 2016 Report will be included, and form an Administrative Committee of Medical and Paraprofessionals to assist the City with development and review of Ambulance Service Proposals and future contracts, with the Committee to be established by the City Manager and approved by the Safety Advisory and Transportation Committee.

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

UTILITY COMMITTEE

The Utility Committee met with Chairman Cole presiding.

Update - U.S. Route 13 East Pump Station #7 (PS #7) Emergency Response (Requested by Mr. Lewis)

Mrs. Sharon Duca, Public Works Director/City Engineer, provided an update regarding the U.S. Route 13 East Pump Station #7 (PS #7) emergency response in relation to the sanitary sewer overflow that occurred at PS #7 on February 19, 2018.

Mr. Lewis thanked Mrs. Duca and her staff for their due diligence in addressing this matter in an expeditious time frame, and asked if the City had any warranties on any of the related equipment. Responding, Mrs. Duca stated that some of the equipment was outside the time frame of a standard warranty and typical warranties would not cover the occurrence, due to the fact that the failure was related to the corrosive environment.

Mr. Lewis asked if there was a proposed final cost yet. In response, Mrs. Duca explained that based on the costs that she had received so far, which included emergency hauling services, environmental services, bypass pumping, the materials to change out the station, as well as the new pump components which were ordered, they were looking at more than $200,000. She stated that she was still waiting for some final estimates, and that amount does not include future component change-out that staff would like to do once the air scrubber is in place and the environment is more controlled.

Mr. Lewis noted that the City was collaborating with the County on the air scrubber and asked what the status was in that regard. Responding, Mrs. Duca advised that the air scrubber had been ordered after Council had approved it and, based on the most recent update, the manufacturing of the device was ahead of schedule so staff is hoping that it could be in by the end of April rather than the end of May. She explained that they would install it upon completion of the manufacturing.

Mr. Anderson stated that he knew that there had been samples collected and asked if there was any indication of environmental impact or potential problems. In response, Mrs. Duca advised that, as explained in her memo dated March 6, 2018, because of the sampling results received, staff had to go back and remove all liquid from the stormwater management pond located at the old Berry Van Lines site, and apply lime to help control the area. She explained that Silver Lake involves much more complex chemical analysis due to the nature of the lake and staff is waiting to receive the report from the Department of Natural Resources and Environmental Control (DNREC). Mrs. Duca stated that it did appear as though there may be some kind of effect; however, she could not speak to the analysis in terms of the extent or whether it is within tolerable ranges.

Mr. Anderson asked whether there were anticipated environmental costs related to this and if the City would be solely responsible or if the cost would be split between the City and County. Responding, Mrs. Duca stated that as the City moves forward with the data, further discussions with the County would definitely involve the City Manager. She advised that at this time she could not assess the actual cost of what may have to be done for further clean-up, explaining that it is difficult to surmise what may have to be done in regard to the lake, for example. Mrs. Duca explained that the City is paying for the costs at this point but future arrangements are still up in the air.

Mr. Neil stated that PS #7 is located in his neighborhood and is known as "Big Stinky," which is why it was planned to have the scrubber clean it out. He noted that the problem was fortunately not affecting water. Mr. Neil advised that this would be a long-term project because the City is tied very closely to the County. He explained that the pipeline extending from Denneys Road to Capital Station will be replaced in two (2) years, which will affect traffic along Route 13. He noted that the current problem is a City problem; however, it is also a City/County problem because of its connection with this pipeline. He advised that he had tried to alert his neighborhood area, which was being affected, and he complimented staff for taking care of the immediate problem.

In response to Mr. Neil's comments, Mrs. Duca stated that she completely agreed that it is in the City's best interest for the County to get the line repaired. She explained that the County is planning to re-line it rather than dig it up. Mrs. Duca advised that this project will have a tremendous impact on traffic because the line runs down the median of Route 13, where turn lanes into facilities are located. She stated her understanding that the County's plans for the project are currently being

reviewed and discussed with the Delaware Department of Transportation (DelDOT). Mrs. Duca indicated that part of the project could hopefully move forward toward the end of this year.

Responding to Mrs. Doyle, Mrs. Duca stated that the City has 44 pump stations, noting that the County owns and operates a few of these stations, such as the stations off Denneys Road and Water Street. She advised that, in the past, an odor could often be experienced coming from the Water Street station, and the County had installed an air scrubber unit at that location. Mrs. Duca explained that the solution for the City's station had been identified through working with the County, based on their experience and research at County stations.

In response to Mrs. Doyle, Mrs. Duca advised that, because of the environment that PS #7 experiences, its wires are cleaned on a regular basis. She stated that, depending on the station, wires may be inspected weekly. Mrs. Duca explained that some things in pump stations are checked daily, but there are some things that operators cannot check without taking the station out of operation, which creates a tremendous issue. She advised that, for this reason, while PS #7 had been down staff had been moving forward with trying to install more corrosive resistant materials, etc., in it. Mrs. Duca stated that all City stations have a regular maintenance schedule, and the amount of flow that goes through them determines the frequency of maintenance, because this, as well as the environment that it's faced with, could factor in the mechanical wear and tear. She noted that some stations have very little flow going through them. Mrs. Duca advised that the overall goal is to get to each station every day, Monday through Friday, noting that this particular station will be monitored seven (7) days a week for some time in the immediate future.

Responding to Mrs. Doyle, Mrs. Duca explained that outflow would have gotten into Silver Lake due to the effects of stormwater management throughout the state. She stated that anywhere that there are roadways, there are ditches to help control the drainage off the roads. Mrs. Duca advised that there may be storm sewers that ultimately run off some properties into these drainage ditches. She stated that the ditches at the location of the pump station along Leipsic Road ultimately go to other ditches that discharge to Silver Lake. Mrs. Duca advised that there are sampling locations at multiple places because of the ultimate discharge location.

In response to Mrs. Doyle, Mrs. Duca stated that the City does not treat its stormwater, noting that this could be a matter of debate based upon current stormwater regulations if bio-filters, etc., could be considered treatment of stormwater. She noted that bio-filters are relatively new and are not everywhere.

Mr. Cole expressed thanks to Mrs. Kay Sass, Public Affairs and Emergency Management Coordinator, who was instrumental in getting the word out to the businesses along the route during the time period of the event, and to Mrs. Duca for the update and her hard work.

Mr. Neil moved for acceptance of the Council Committee of the Whole Report, seconded by Mr. Sudler and unanimously carried.

CITY MANAGER'S ANNOUNCEMENTS

Mrs. Donna Mitchell, City Manager, announced that trash collection delayed the previous week due to the inclement weather had been collected. She noted that there would be no trash collection on Friday, March 30th, due to the Good Friday holiday, and that Friday's trash pickup would be collected on Monday, April 2nd.

Mrs. Mitchell announced that Spring Cleanup would be held from April 9th through April 20th and she provided a flyer with the guidelines for members to share with their constituents, noting that it would also be provided electronically. She noted that the information was posted on the City's Facebook page, as well as the website.

COUNCIL MEMBERS' ANNOUNCEMENTS

Council President Slavin announced that the following day was Councilman Cole's birthday and he wished him a happy birthday.

Mr. Neil, noting that March 30th was the first night of Passover, wished all those of the Jewish faith a very happy Passover and expressed his hope that the freedom that is celebrated at that time affects all people around the world.

Mr. Sudler thanked everyone who came out to the Black Community State of Emergency meeting and thanked Mayor Christiansen, Police Chief Mailey and former Police Chief Hosfelt for participating in that forum. Mr. Sudler noted that it was a very productive meeting and that the next meeting would be held on April 18, 2018 in the Council Chambers at City Hall.

Mr. Lewis wished everybody in the community a happy Easter.

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

Meeting adjourned at 7:44 p.m.

TRACI A. McDOWELL
CITY CLERK

All ordinances, resolutions, motions, and orders adopted by City Council during their Regular Meeting of March 26, 2018, are hereby approved.

ROBIN R. CHRISTIANSEN
MAYOR

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