REGULAR COUNCIL MEETING

The Regular Council Meeting was held on June 24, 2013 at 7:30 p.m. with Council President Bonar presiding. Council members present were Mr. Dixon, Mr. Lynn, Mr. Perza, Mr. Slavin, Mrs. Williams, Mr. Hare, and Mr. Hutchison. Mr. Anderson was absent.

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

OPEN FORUM

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

Bishop Gregory Gordon, 56 S. New Street, Dover, stated that it has been his experience with the Dover Human Relations Commission that they are able to hear and act on situations that Council members do not have time for. There are many members who take a vested interested in what they hear. Bishop Gordon asked that Council support the Commission and allow them to be their extension.

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

AGENDA ADDITIONS/DELETIONS

Mr. Hutchison moved for approval of the agenda, seconded by Mr. Dixon and unanimously carried.

Mr. Perza requested that Item #6A, Pocket Park Design - Corner of North Street and Governors Avenue, be removed from the Consent Agenda.

Mr. Slavin moved for approval of the Consent Agenda, as amended, seconded by Mrs. Williams and carried by a unanimous roll call vote (Anderson absent).

ADOPTION OF MINUTES - SPECIAL COUNCIL MEETING (BUDGET REVIEW) OF MAY 29 AND JUNE 5, 2013

The Minutes of the Special Council Meeting (Budget Review) of May 29 and June 5, 2013 were unanimously approved by motion of Mr. Slavin, seconded by Mrs. Williams and bore the written approval of Mayor Carey.

ADOPTION OF MINUTES - REGULAR COUNCIL MEETING OF JUNE 10, 2013

The Minutes of the Regular Council Meeting of June 10, 2013 were unanimously approved by motion of Mr. Slavin, seconded by Mrs. Williams and bore the written approval of Mayor Carey.

STATE OF DELAWARE TRIBUTE - HONORABLE MENTION FOR THE 2013 RECOGNITION OF COMMUNITY HEALTH PROMOTION PROGRAM

The following Tribute was read into the record by the City Clerk:

Be it hereby known to all that
Jack A. Markell, Governor of the State of Delaware,
and Matthew Denn, Lieutenant Governor, recognize

The City of Dover
on the honor of being named

Honorable Mention for the 2013 Recognition of Community Health Promotion Program

Honorable Mention demonstrates efforts aimed at improving the overall health of its respective community members. They are to be praised for their efforts to take a prevention-driven approach to health, supporting policies and environmental changes that promote programs to improve physical activity, nutrition/healthy eating, tobacco-free lifestyles, healthy environments; promote healthy lifestyles and integration of the needs of individuals with limited mobility and disabilities in neighborhoods, schools, and workplaces. We extend our appreciation for their work with community-based organizations and residents to create a healthier neighborhood.

Presented on this 11th day of June, 2013
by order of the Governor

Mayor Carey and Mrs. Ann Marie Townshend, Director of Planning and Community Development, presented the Tribute to City Council. Mrs. Townshend advised members that the City was recognized for its community design principles, the sidewalk program, promoting bike paths and requiring bike racks in developments, and its fitness programs. Mayor Carey stated that all of these programs make the City a better, healthier place for residents and employees.

TRIBUTE - SEAN W. MULLEN

By motion of Mr. Slavin, seconded by Mr. Lynn, Council Tribute No. 2013-02 was unanimously adopted and read into the record by the City Clerk, as follows:

A TRIBUTE EXPRESSING SYMPATHY AND CONDOLENCES UPON THE PASSING OF SEAN W. MULLEN.

WHEREAS, the Mayor and Council of the City of Dover recognize the passing of Sean W. Mullen on June 2, 2013 in Lashkar Gah, Afghanistan, while serving as Warrant Officer assigned to the 2nd Battalion, 5th Special Forces Group (Airborne) as a result of wounds sustained when insurgents attacked his unit with an improvised explosive device; and

WHEREAS, Sean W. Mullen served his country valiantly for almost two decades, participating in three campaigns in Afghanistan and three in Iraq and receiving numerous awards and decorations, including the Bronze Star Medal with oak leaf cluster and Meritorious Service Medal with oak leaf cluster, among many others; and

WHEREAS, Sean W. Mullen chose to serve something greater than self by upholding our nation's ideals of democracy and equal justice, sacrificing his personal comfort and freedom, and gave his last full measure of devotion to these causes; and

WHEREAS, Sean W. Mullen spent his formative years in Dover and was an active member of the Dover community, attending Caesar Rodney High School and Delaware Technical and Community College prior to his military career; has been described as a kind soul with a ready smile and an adventurous spirit; and will be deeply missed by his friends, family, and all of those whose lives he has touched.

NOW, THEREFORE, the Mayor and Council extend their deepest sympathy and condolences to the family and friends of Sean W. Mullen, and hope that they will be consoled by the memories of his life and achievements.

BE IT FURTHER RESOLVED that the Mayor and Council direct the City Clerk to place this Tribute in the permanent records of the City of Dover and that a copy of this Tribute be provided to the family of Sean W. Mullen.

ADOPTED: JUNE 24, 2013

PROPOSED RESOLUTION NO. 2013-18 ENDORSEMENT OF 2013 KENT COUNTY ECONOMIC DEVELOPMENT PROJECTS TO BRING JOBS AND GROWTH TO KENT COUNTY

By motion of Mr. Slavin, seconded by Mr. Hutchison, Resolution No. 2013-18 was adopted by a unanimous roll call vote (Anderson absent), as follows:

A RESOLUTION EXPRESSING SUPPORT OF THE GREATER KENT COMMITTEE AND THE KENT COUNTY ECONOMIC DEVELOPMENT ROUNDTABLE AND ENDORSING THE "KENT COUNTY ECONOMIC DEVELOPMENT PROJECTS TO BRING JOBS AND GROWTH TO KENT COUNTY" PROPOSAL

WHEREAS, the City of Dover is committed to strengthening the local economy, generating economic growth in the region, and improving the quality of life for our residents; and

WHEREAS, the City is also committed to working cooperatively with Kent County and the municipalities within the County to develop and present a coordinated position to the State, the General Assembly, other business groups, and private entities; and

WHEREAS, as an active member of the Greater Kent Committee, the City has joined together with the County and other municipalities to create the Kent County Economic Development Roundtable to identify critical projects that will benefit central Delaware's economic health; and

WHEREAS, the Roundtable has prepared a consolidated proposal incorporating five economic development projects for 2013 in Smyrna, Dover, Milford, Harrington, and the county; and

WHEREAS, the Roundtable proposal has the endorsement of the Greater Kent Committee, which on behalf of all the participants is seeking funding for these initiatives to pump revenue into communities while improving the infrastructure businesses need to remain profitable and competitive.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Dover hereby expresses its support of the Greater Kent Committee and the Kent County Economic Development Roundtable and endorses the "Kent County Economic Development Projects to Bring Jobs and Growth to Kent County" proposal.

BE IT FURTHER RESOLVED that the City pledges its support to secure needed funding for such initiatives.

ADOPTED: JUNE 24, 2013

VIOLATION OF THE DANGEROUS BUILDING ORDINANCE - PROPERTY LOCATED AT 427 WEST DIVISION STREET, OWNED BY DORIS A. COOPER AND OTHERS

During their Regular Meeting of April 22, 2013, City Council considered this matter and tabled action for 60 days to allow members of the Holy Trinity Church of the Living God the opportunity to negotiate a sale; if a sale was not in process after 60 days, the structure located at 427 West Division Street shall be declared a dangerous building and subject to demolition, as recommended by staff.

Mr. Lynn moved to remove the item from the table, seconded by Mr. Dixon and carried by a unanimous roll call vote (Anderson absent).

Mrs. Ann Marie Townshend, Director of Planning and Community Development, advised members that she met with the members of the church who indicated that they had not been successful in negotiating a sale price that works for both parties.

Staff recommended ordering the property repaired or demolished by the owner or equity owner at their own risk; ordering the building inspector to cause the repair or demolition of the structures if not completed by the owner within 30 days; ordering the city manager with the assistance of the city solicitor to cause the cost of repairs or demolition to be charged against the land on which the building exists as a municipal lien or cause such cost to be added to the tax duplicate as an assessment, or to be levied as a special tax, or to be recovered in a suit at law against the owner.

Mr. Hare moved for approval of staff's recommendations, seconded by Mr. Hutchison and carried by a unanimous roll call vote (Anderson absent).

PARKS, RECREATION, AND COMMUNITY ENHANCEMENT COMMITTEE REPORT - JUNE 10, 2013

The Parks, Recreation, and Community Enhancement Committee met on June 10, 2013 with Chairman Dixon presiding.

Pocket Park Design - Corner of North Street and Governors Avenue

During their Regular Meeting of October 22, 2012, City Council approved the Legislative, Finance, and Administration Committee's recommendation that a pocket park be established on the property located at 301 South Governors Avenue (on the southeast corner of South Governors Avenue and North Street) once the City holds the title to the property. In developing the park design, it was noted that the City would work with the Downtown Dover Partnership (DDP) to ensure that the design minimizes the maintenance burden through a combination of pavers, mulched landscape areas, and the selection of plants, trees, and shrubs that are attractive yet less intensive to maintain.

During the Parks, Recreation, and Community Enhancement Committee meeting of April 8, 2013, members recommended approval of the pocket park design with the addition of appropriate screening for the adjacent neighbors and an appropriate tribute to victims of domestic violence, as requested by Women Against Violence in Every Relationship (WEAVER).

During the City Council meeting of April 22, 2013, Council referred this item back to the Parks, Recreation, and Community Enhancement Committee to allow other interested organizations to submit proposals.

During the Committee meeting, Mr. Jonathan Street, Civil Designer, Becker Morgan Group, provided a brief history of the project and reviewed a rendering of design improvements made to the proposed pocket park based on comments made during the last Committee meeting concerning hard-scaping, sidewalks, and low-level lighting. Mr. Street said that approval of the park itself was being requested and suggested that the naming of the park be addressed separately. He noted the importance of moving forward since the design and construction of the park would be financed with funds granted by the State and noted that there would be two (2) public hearings in the next several months; therefore, Council would have the opportunity to consider naming and dedicating the park.

Responding to Councilman Perza regarding designing a park as opposed to redeveloping the land, Mrs. Townshend stated that in October of 2012, when the City became aware they were going to acquire the land, the Legislative, Finance, and Administration Committee considered and recommended purchasing the land through a Sheriff's sale. She advised members that when the downtown neighborhood plan was prepared, one of the ideas included was to create parks when the opportunity was presented to add greenery and gathering spaces, which led to the proposed project.

Mrs. Townshend was concerned that the park design did not include any benches. Responding, Mr. Street advised that the low-level planters and raised beds would essentially double as benches. Mrs. Townshend said she understood the concerns regarding the possibility of people sleeping on the benches; however, benches would provide a place for citizens to sit and enjoy the park.

Mr. M. Milford Caldwell, Jr., 106 Bertrand Drive, Dover, asked what the City's responsibility would be for the project once it is complete. In response, Mrs. Townshend stated that the City would maintain the area as part of its park system.

Mrs. Horsey expressed her appreciation for addressing the concerns regarding the low-level lighting and privacy for nearby residents and added that she also would like to see a bench included in the design of the park.

Mr. Caldwell felt that the park would be a beautiful addition to the City.

Responding to Mr. Perza regarding the action to be taken by the Committee, Mrs. Townshend explained that members were being asked to approve the overall design of the park, with the understanding that it would be "tweaked" going forward, and if benches were a desired component of the park, this should be included in the motion.

Mr. Lou Colón, Executive Director, Downtown Dover Partnership (DDP), asked if the flower beds would serve as benches in the park. Responding, Mr. Street explained that when benches were considered for improvements to North Street, it caused discrepancies between agreeing parties and they were taken out. He indicated that the elevated landscaping was designed to provide elevation in the park itself but also to allow for benches without physically bolting a bench to the ground. The flower beds would be 18 inches high with a 12-14 inch top that could be used as a bench.

In response to Mrs. Horsey, Mr. Street stated that the planters could be used for seating but the flower bed, which would also be elevated, was not intended for this purpose.

Responding to Mr. Perza regarding plans for homes located on the west side of North Street, Mr. Colón stated that these homes were occupied; therefore, acquiring them would require location costs.

The Committee recommended approval of the basic design concept for the North Street Pocket Park, as amended.

Mr. Perza asked to go on record stating his reasoning for seconding the motion and then voting in opposition. He indicated that since only three (3) Committee members were present, he did not want to see the motion fail for a lack of a second and wished to allow the opportunity for a vote.

During the Council meeting, Mr. Perza suggested evaluating the property for redevelopment for economic use prior to spending thousands of dollars on semi-permanent park beautification. He suggested referring the item back to the Parks, Recreation, and Community Enhancement Committee to determine if the most appropriate use of the corner lot would be a park or to reserve it for an economic use.

Responding to Mr. Lynn, Mr. Koenig, City Manager, stated that this property was purchased at sheriff sale for just under $40,000 for demolition expenses. At that time, discussion began regarding a pocket park because the lot is small, the turning radius is tight, and the other side of the street is confined by a cemetery. He noted that the funding for the pocket park was part of the $3M award from the State of Delaware for the North Street improvements.

Mr. Lynn suggested that the current Disposal of Excess Property Procedure be reviewed to address issues such as this.

Mr. Koenig reminded members that the Parks, Recreation, and Community Enhancement Committee recommended approval of the park design in April; however, a separate request for a monument in the park caused Council to refer the item back to the Committee to entertain requests by other organizations.

Mr. Perza moved to reject the Committee's recommendation to approve the basic design concept for the North Street Pocket Park, as amended. The motion was seconded by Mr. Dixon.

Responding to Mr. Dixon, Mr. Koenig stated that construction of the park would be paid for with the State Grant and the future maintenance would be paid for by the City's Grounds Division.

On a call for the question, the motion to reject the Committee's recommendation to approve the basic design concept for the North Street Pocket Park, as amended, failed by a roll call vote of seven (7) no (Dixon, Lynn, Slavin, Williams, Hare, Hutchison, and Bonar), one (1) yes (Perza), and one (1) absent (Anderson).

Mrs. Williams moved for approval of the Committee's recommendation to approve the basic design concept for the North Street Pocket Park, as amended. The motion was seconded by Mr. Slavin and carried by a roll call vote of five (5) yes (Dixon, Slavin, Williams, Hutchison, and Bonar), three (3) no (Lynn, Perza, and Hare), and one (1) absent (Anderson).

Review of Revised Active Recreation Area Plan - Nottingham Meadows

Members were advised that Nottingham Meadows is a single-family residential development located on the south side of Hazlettville Road west of Wyoming Mill Road. The subdivision was originally developed with 211 residential lots with additional open space parcels.

The Subdivision was going through an administrative process for a Minor Lot Line Adjustment and Parcel Consolidation Plan to combine parcels and move property lines. This administrative process will reduce the number of residential lots from 211 to 108 with eight (8) additional open space parcels. There have been sixty-eight (68) houses constructed within the subdivision.

Based on the number of lots proposed (108 lots), 29,700 SF of Active Recreation Area is required. The Revised Plan requests that cash in lieu of recreation area construction be accepted for the required 29,700 SF ($0.6818^{+/-}$ acres) of Active Recreation Area. The revision proposes the elimination of the swimming pool and club house that were proposed within the original Active Recreation Area on Brittingham Drive and Wellington Avenue. The swimming pool and clubhouse were not constructed.

The following comments and recommendations were submitted by staff of the Department of Planning and Inspections following review of the Revised Active Recreation Area Plan.

- The proposed plan for cash in lieu payment meets the area requirements for the Active Recreation Area. The plan is required to provide 0.6818 acres of Active Recreation Area and it is proposing $0.6818^{+/-}$ acres of Active Recreation Area via cash in lieu.

- Staff recommends approval of the cash in lieu, as the site is located within walking distance to existing recreational facilities at Schutte Park, as stated in the applicants request for cash in lieu.

- Staff recommends that the sidewalk be completed by the developer along Hazlettville Road to allow for pedestrian access to Schutte Park. There is a segment of sidewalk along the subdivision frontage that has not been constructed.

- Provide a copy of the appraisal for the cost of the value of the land for construction financing to allow for staff to calculate the amount for the cash in lieu.

- Cash in lieu shall be paid in full prior to the issuance of a Building Permit for any new residential construction within the subdivision.

- Staff notes that the proposed changes, if approved, will require revision to the tree planting plan.

- There shall be provisions which ensure that the common open space land shall continue as such and be properly managed and maintained.

- In the event, that major changes and revisions to the Plan occur in the finalization of the Revised Recreation Plan, contact the Department of Planning and Inspections. Examples include reorientation of elements, relocation of site components, etc. These changes may require resubmittal for review by the Development Advisory Committee, Planning Commission, or other agencies and commissions making recommendations in regards to the plan.

Mrs. Ann Marie Townsend, Director of Planning, advised members that the Planning Commission originally approved the Active Recreation Area Plan in July 2004 and construction plans were approved in February 2006. Mrs. Townshend stated the development was relatively complete, with some vacant areas. Mrs. Townshend indicated that the Active Recreation Plan was originally submitted by Stover Homes. She advised members that Stover Homes had since gone bankrupt, leaving the property owned by the bank, and a new builder was in the process of acquiring the remainder of the development. Mrs. Townshend noted that lots in the southern portion of the development were currently being expunged through an administrative process and would revert back to agriculture.

Mrs. Townshend cited the economy as the driving force behind the changes, noting that the developer wished to amend the Active Recreation Area Plan to alter the size of the lots on Wellington Avenue that were not yet developed and to keep approximately 12,848 SF of passive open space, alter the size of the lots identified, and make a cash-in-lieu donation for the remainder because the development is essentially adjacent to Schutte Park.

Mrs. Townshend stated that following the Committee's review, the request would go to the Planning Commission, who would determine if it was impractical to provide the Active Recreation Area on site due to the proximity to the City Park. If the Commission were to make that determination, the matter would return to the Committee and ultimately proceed to Council for approval of acceptance of the cash-in-lieu option.

Mr. Mike Riemann, Becker Morgan Group, explained that the bank owns the development and the request was being made in an effort to complete the development and put a homeowners' association in place. Mr. Riemann advised members that the developer met with the property owner most immediately affected by the passive open space, who concurred with the proposal. Mr. Riemann stated that a clubhouse and a pool in a project with 108 lots would not work in this economy and the developer would not be able to finish the project if required to move forward if these facilities were required. Mr. Riemann added that the developer was agreeable to completing the sidewalk along the frontage of Hazlettville Road, which included crosswalks as part of the signal crossing, and to connect the sidewalk to Schutte Park, which would provide access to the park as part of the proposal.

Mr. Riemann provided copy of a petition signed by 28 of the approximately 50 residents of the subdivision in favor of the proposal presented, which he stated would be provided to the Planning Commission for their meeting scheduled for June 17, 2013. He indicated that meetings had been held with representatives from five (5) of the residences in the development who said they were in favor of the proposal.

Mr. Riemann stated that the only road not yet constructed was Wellington, which was included in the proposal and would complete the front half of the project including utilities, storm drains, etc. He stated that it was important to move forward with the project because an illegal pond that did not meet requirements had been constructed by the original developer as a temporary stormwater area and Kent Conservation District requested that it be corrected. As part of the project, this sediment trap would be eliminated and the storm drain would be reconnected and directed to the pond.

Responding to Mr. Perza regarding the property on the south side of the development, Mr. Riemann stated that this portion of the land would be sold to a farmer and would not be a future phase of the development. Mr. Riemann stated that part of the proposal to the Planning Commission references these lots as being expunged and they will not be recorded lots.

In response to Mr. Perza, Mr. Riemann advised that the dead-end roads were discussed with Public Works staff and it was determined that because of the length, a cul-de-sac was not required based on the City's Code. He indicated that these would be "stub streets"or perhaps a "hammer head" allowing drivers to turn around at the end of that street. He stated that Public Works staff would advise how these streets should be finished off. He noted that there are minimum requirements on the radius of the road that must be met in order to round off the road and, because there is a home in the area of the dead-end, this requirement could not be met. Mrs. Townshend added that the stub streets are required in the event that the development grows.

Responding to Mr. Perza, Mr. Riemann stated the changes would not affect the value of the property.

In response to Mr. Perza regarding the area surrounding the development, Mr. Dave Vasso, representing the developer, Tradition Homes of Delaware, LLC, stated that the land was under contract to be sold to a farmer.

Responding to Mr. Dixon's inquiry concerning the open area, Mr. Riemann advised there would be about 12,000 square feet of passive open space.

In response to Mrs. Horsey, Mr. Riemann stated that homeowners were aware that the surrounding area would be farmland and that there would be a 30-foot buffer of passive open space between the lots and the farms.

Mrs. Townshend also added that because property to the west of the subdivision is targeted for agricultural land preservation, it was her belief that the properties were required to have language in the deed about being next to an agricultural district.

Mr. Perza indicated his preference for rounding out the street ends, stating it was his feeling that roads that are just "chopped off" at the end of a development look unsightly. Responding, Mrs. Townshend indicated that the jersey barriers would be removed.

Mrs. Townshend provided members with correspondence that had been received from homeowners who were opposed to the proposed plan.

The Committee recommended approval of the Revised Active Recreation Area Plan for Nottingham Meadows, as recommended by staff, and acceptance of the petition from 28 lot owners in the development in favor of the proposal.

Mr. Perza suggested rounding out the dead-end roads involved but indicated that this was not a part of the motion to approve the Revised Active Recreation Area Plan, acknowledging that City Code would take precedence.

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

Update - CDBG Program

Mrs. Tracey Harvey, Planner I, reviewed the Status of FY-12 CDBG Projects Report including monthly statistics for May 2013. She advised members that applications for the City of Dover Community Development Block Grant (CDBG) Housing Rehabilitation Program would be accepted from the first 20 applicants on June 12, 2013 in the City Hall Conference Room from 9:00 a.m. to 1:00 p.m. She noted that the program was being managed by Milford Housing Authority.

Mrs. Harvey also advised members that Central Delaware Habitat for Humanity had purchased the eleventh Neighborhood Stabilization Program (NSP) home in the City of Dover. She stated that the house was currently under renovation with completion expected by the end of the month and that a buyer had been obtained.

Mr. Slavin moved for acceptance of the Parks, Recreation, and Community Enhancement Committee Report, seconded by Mr. Dixon and unanimously carried.

UTILITY COMMITTEE REPORT - JUNE 10, 2013

The Utility Committee met on June 10, 2013 with Mr. Perza presiding in the absence of Chairwoman Williams.

Proposed Revisions to the Dark Fiber Leasing Standard Operating Policy

Mr. Scott Koenig, City Manager, advised members that the City of Dover Electric Department owns and operates a fiber optic loop around the perimeter of the City. This loop is used as part of the electric transmission protection system, two (2) way radio communication system, and data/telephone transmission for City and Utility facilities. Within this fiber network there are spare fibers that are not utilized or planned to be utilized by the City in the near future and some of this spare fiber is currently being leased to Bayhealth Medical Center, Windstream, and the State of Delaware through the Electric Department. The original leasing policy was created and approved by City Council on January 14, 2008.

Dark fiber leasing is a common practice among Public Power Utilities as a method to enhance utilization of fiber assets, provide customers an affordable high-speed communication path, and generate additional revenue to offset operation expenses. Dark fiber leasing is a practice where the utility provides a fiber path between two (2) points and the customer installs the electronic communication equipment which provides the communication path.

Based on the abundant request for fiber optic installations in FY13, staff felt that the City's rates may need to be adjusted. The requests that were approved for new fiber installations accounted for about 42% of the new service budget. Staff investigated the City's cost compared to other local fiber optic providers and found that the City's rates were much lower than those of other local providers. It was found that the going rate for private fiber suppliers was $65 to $125 per mile/pair/month. Converting the City's rate to the same rate structure would be equivalent to $10.08 per mile/pair/month. Staff recommended that the rate be adjusted to $.005 per strand/foot/month. This would be equivalent to $52.80 per mile/pair/month.

Mr. Koenig advised members that this was a relatively small revenue stream in the electric utility, which is part of Miscellaneous Revenues and represents less than $50,000 per year in total revenue; however, the adjustment was recommended to achieve a level that was comparable to local providers since current rates were substantially lower than the market.

Staff recommended that the Dark Fiber Leasing Standard Operating Policy be revised as submitted.

Responding to Mr. Hutchison, Mr. Koenig stated his belief that the current lease agreement included several different increments including five (5) year and ten (10) year options and staff would investigate when price increases could be implemented.

The Committee recommended approval of the revisions to the Dark Fiber Leasing Standard Operating Policy.

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

TEA/NAES Report *(February)*

Mr. Scott Koenig, City Manager, reviewed the TEA/NAES Monthly Reports for December 2012 and January 2013, and reminded members that staff reviews this report with TEA on a monthly basis. The report is provided to allow for the monitoring of electric sales and revenues received, which provides a better understanding of any fluctuations that occur and allows the opportunity to make improvements if deemed necessary.

Mr. Koenig stated that the Executive Summary on Page 1 of the report stated Dover's budgeted cost for all power supply (capacity and energy) for the month of February as $92.87/MWh and actual cost of all power supply (capacity and energy) as $85.59/MWh. He noted that this was the reason that there was a proposal in the FY 2014 budget to adjust the electric rates. Mr. Koenig explained that over the last two (2) budget years, power supply costs had come in under the amount budgeted in the long-term forecast and the City was able to rebate that money to customers through lower rates. He advised members that forecasting and rate modeling had been performed for the next three (3) years and it was believed that the rates that were proposed for FY 2014 could be held; however, the City had seen some dramatic drops in prices. He noted that Mrs. Mitchell had indicated that with the new proposed rates the City would be back to FY 2007 electric rates, which was good for industry and residential customers.

Mr. Blakeman noted that the budgeted unhedged energy cost reflected on Page 2 of the report was considerably higher than the actual unhedged costs for power (approximately 50%-60% higher) and questioned the reason for this large discrepancy.

Responding, Mr. Koenig stated that the unhedged portion was still benefitting from extremely low natural gas rates. He explained that the City's strategy had been to pull back its hedges from as high as the 90% range to approximately 80%; therefore, 20% of power was being bought in the market and risk was attached to that market. He indicated that although prices were currently very low, the summer was approaching and prices tend to fluctuate during this period. He stated that if purchases were unhedged and made in the spot market, very low numbers would be seen; however, risk would be very high. He noted that the City's purchases are made approximately three (3) years out.

Mrs. Mitchell, Controller/Treasurer, stated that she wished to ensure that there was no error in the report; however, noted that the real-time market is much lower. She explained that the budget is based on the forecast rather than the hedges that are made. Subsequently, Mrs. Mitchell advised members that she had reviewed the monthly budget report that she submits to Council and determined that the energy portion of the PJM charges were only 39% spent versus the amount budgeted; therefore, she felt that the budgeted figure was high because it was prepared by PACE Global the year before last when the decline in natural gas prices was not anticipated.

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

Mr. Scott Koenig, City Manager, referred members to General Fund - Major CIP Projects Report dated March 31, 2013, noting that a number of projects had changed substantially since March. The library project was listed as 82.1% spent; however, he stated that only a few punch list items remained, including the building dashboard, and approximately $100,000 was being held as part of the retainage. He stated that the project was nearly complete and it was hoped that it would be closed out by June 30, 2013.

Mr. Koenig informed members that Street Program work was getting ready to begin and a number of related projects would be removed when this Program starts. The Piney Point Well was under construction and he indicated that this was a design/build project to expand the City's water supply to meet the projected needs of the utility which was authorized by Council at just under $1M through a budget revision. The NRG Sanitary Sewer Upgrade was an ongoing project that had involved several change orders. Mr. Koenig noted that a line had failed resulting in significant inflow and infiltration (I & I) into the sanitary sewer system and staff was completing the administration portions of that to allow for reimbursement through impact fees through the County for the reduction and elimination of I & I. Other I & I projects through downtown Dover and Fox Hall were now complete and benefits through the billing system were anticipated.

Mr. Koenig stated that the Frazier Substation upgrade had been completed. Much of the work was performed in-house and the project came in quite a bit below the original price. The funds saved were expended for new development requests related to fiber and transformers; however, a majority of these funds would be reimbursed.

Mr. Blakeman stated that the lighting at Dover High School on the highway looked "great," noting that cable on the north side of the street had been installed and the poles were topped off. He inquired if telephone cable would be buried as well as this would improve the appearance in front of the school. Responding, Mr. Koenig stated his understanding that there would be a full relocation of overhead wire and that the poles may be removed; however, he stated that he would check on this to see if this was part of the associated cost.

Mr. Blakeman noted that the turbine-level window modifications were removed from the CIP and questioned if the insurance company had "backed off" on their requirement to put protection in this area. Responding, Mr. Koenig stated that after a number of discussions and study, the insurance company stepped back from that original recommendation.

Responding to Mr. Perza regarding the status of the Tar Ditch Interceptor Project from 2010, Mr. Koenig stated that it was staff's desire to return to the residents on Kerbin Street within 30-60 days to reinitiate the project. He indicated that staff had concerns regarding the overflow of the sanitary sewer in that area, noting that although this was not the cause of the problem, it was felt that re-laying the sewer would help.

UPDATES

Calpine Energy Center and Garrison Oak Technical Park Project

Mr. Scott Koenig, City Manager, advised members that staff was in the process of finishing final site plan approvals for the Calpine Energy Center. Calpine was making modifications to utilities and addressing various agency comments while working under a limited authorization to do site and pre-foundation work. He stated that the City was completing the design of the Garrison Oak Technical Park related to the subdivision as well as related utility layouts. Mr. Koenig reminded members that the City had a general contract with Becker Morgan Group for the subdivision and site planning related to the roads, storm sewer, some of the gravity sewer and water main; a separate engineering contract with URS related to a water tower; and a third engineering contract with Pennoni Associates for the wastewater pumping station and force main that will transmit wastewater from the Garrison Park project to White Oak #5 (west of Route 1). He indicated that all of these projects were underway and the water tower project was out to bid as a design-build contract. The

engineering on the wastewater pumping station was approximately 85-95% complete and expected to be bid out shortly. Mr. Koenig stated that the Garrison Oak Technical Park plans were nearing completion and a bid package was expected to be prepared in the coming months. Calpine was continuing to hold a weekly conference call with staff to work out the completion of site plans and other issues associated with getting power from the energy block to the Cartanza 230KV tie station, and alignments and easements were being worked on by the City of Dover and Calpine. A meeting had been held with Eastern Shore Natural Gas regarding the extension of the pipeline from the Cheswold area to the Garrison Farm. In addition, a meeting had been scheduled between Calpine and the residents of Wild Meadows for June 13, 2013 to provide residents a project overview, including participation by Kvaerner, the Engineering, Procurement, and Construction contractor, and a presentation from Eastern Shore Natural Gas regarding the proposed pipeline from Cheswold to the Garrison Farm, which would be adjacent to Wild Meadows. Mr. Koenig stated that staff had been adamant with Eastern Shore Natural Gas and Calpine that neighbors would be kept abreast of development and that Calpine had reached out substantially to Wild Meadows.

Dover Sun Park

Mr. Scott Koenig, City Manager, referred members to the FY13 White Oak Solar Park Incremental Cost Report, noting that the original budget indicated that total power supply costs for the current fiscal year were expected to be $1,766,100 with an incremental cost of the Dover Sun Park of slightly over $500,000. He noted that year-to-date through April, the City had spent approximately $1.44M, but the incremental cost to the rate payers to meet the energy niche of renewables (approximately 3%) was only approximately $151,000. He recalled that slightly more energy was coming from the solar field than originally expected, but the City had been able to manage the cost.

By consent agenda, Mr. Slavin moved for acceptance of the Committee's report, seconded by Mrs. Williams and carried by a unanimous roll call vote (Anderson absent).

LEGISLATIVE, FINANCE, AND ADMINISTRATION COMMITTEE REPORT - JUNE 10, 2013

The Legislative, Finance, and Administration Committee met on June 10, 2013 with Chairman Lynn presiding.

Proposed Bond Resolutions

Mr. Lynn noted that he had received a request from staff to reverse the order of consideration for Items #1A and #1B.

A Resolution Amending and Restating Water and Sewer Bond Resolution Providing for the Issuance by the City of Dover of Water and Sewer Revenue Bonds and Related Matters

Mrs. Donna Mitchell, Controller/Treasurer, informed members that the proposed Resolution would amend the City's Water/Wastewater Bond Resolution of 1984. She explained that Bond Counsel had revised the Resolution to make it more current and Mrs. Mitchell reviewed the significant changes from the current Resolution. She noted that additional language relating to the Trustee had been included and the maximum amount that must be set aside for debt service each year was defined. Mrs. Mitchell indicated that a provision was added to allow utilizing the services of the City Engineer when bond issues are brought forward rather than having to hire an outside consultant and that this would result in financial savings. She stated that the Trustee would be changed from

U.S. Bank to The Bank of New York Mellon Trust Company, which manages the City's electric bonds and charges lower fees. She advised members that the amount of monies that would be needed for the State revolving fund loans would be excluded from the maximum debt service. Mrs. Mitchell reminded members that over the last three (3) years, the City had engaged in three (3) State revolving fund loans and, as a result, the maximum amount of debt service that must be paid in any one (1) year had to be set aside. She indicated that the State had agreed to allow the City to exclude these loan amounts from the maximum debt service; therefore, only the amount of the reserve (the amount of the bonds) must be put in, which would free up money for the City.

Referring to Section 17 of the Resolution, Mr. Lynn questioned the amount of the "reasonable" fees referenced. Responding, Mrs. Mitchell explained that the City was currently paying the Bank of New York $500 per year for electric bonds.

In response to Mr. Lynn regarding the selection of the Bank of New York Mellon Trust Company as Trustee, Mrs. Mitchell stated that this institution was selected because it manages the City's electric bonds and was agreeable to having the water and sewer bonds transferred to them. She explained that the City could not get U.S. Bank to make the change; however, refinancing the bonds gave the City the ability to make the transfer to the Bank of New York.

Mr. Lynn inquired if there were any local banks that would able to provide this service, and Mrs. Mitchell stated this could be researched before the matter was finalized.

Staff recommended adoption of the Amended and Restated Water and Sewer Bond Resolution Providing for the Issuance by the City of Dover of Water and Sewer Revenue Bonds and Related Matters.

The Committee recommended approval of staff's recommendation.

By consent agenda, Mr. Slavin moved for approval of the Committee's recommendation, seconded by Mrs. Williams and, by a unanimous roll call vote (Anderson absent), the Amended and Restated Water and Sewer Bond Resolution Providing for the Issuance by the City of Dover of Water and Sewer Revenue Bonds and Related Matters was adopted (*Exhibit #1*).

A Resolution Authorizing the Sale of Up to $6,500,000 Water and Sewer Revenue Bonds of the City of Dover

Mrs. Donna Mitchell, Controller/Treasurer, advised members that this Resolution would authorize the sale of Water and Sewer Revenue Bonds and explained that $4M of the funds would be used for the Calpine Energy Center and approximately $2M would be used to refinance the bonds currently outstanding on the 2003 issue. She noted that the difference of $500,000 would be used to pay issuance costs and to bring the reserve to the level needed and would come from the bond proceeds rather than being taken from City funds.

Responding to Mr. Shevock, Mrs. Mitchell stated that there were not many bonds outstanding from the 2003 issue and estimated the savings on interest would be approximately $60,000. She was unsure of the exact interest rate of the previous issue but noted that the difference in interest rates must be greater than 3% or the City would not proceed.

Staff recommended adoption of the Resolution authorizing the sale of up to $6,500,000 water and sewer revenue bonds of the City of Dover.

The Committee recommended approval of Staff's recommendation.

By consent agenda, Mr. Slavin moved for approval of the Committee's recommendation, seconded by Mrs. Williams and, by a unanimous roll call vote (Anderson absent), the Resolution authorizing the sale of up to $6,500,000 Water and Sewer Revenue Bonds of the City of Dover was adopted (*Exhibit #2*).

Proposed Ordinance #2013-08 Amending Chapter 70 - Offenses and Miscellaneous Provisions, Section 70-7 - Registered Sexual Offenders, Subsection (b) - Prohibition on Residency and Employments

During the Special Council Meeting of May 28, 2013, Council directed staff to prepare a Code amendment that would remove the requirement for offenders residing or employed within 500 feet of a day care center at the time of adoption of Ordinance #2012-08 (April 9, 2012) to move or resign their employment.

Police Chief James Hosfelt stated that the proposed amendment would allow two (2) individuals who currently reside within 500 feet of a daycare center to remain in their residences, noting that if they moved in the future, they would have to be in compliance with the ordinance.

The Committee recommended adoption of Proposed Ordinance #2013-08.

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

Proposed Pricing for Sale of Garrison Oak Technology Park Lots

Mr. Scott Koenig, City Manager, advised members that in recent months there had been two (2) requests for pricing on parcels in the Garrison Oak Technical Park. Based on these inquiries, the Economic Development Office requested comparable pricing information from R&R Commercial Realty and McGinnis Commercial Realty.

Referring to correspondence from Mr. Charles Rodriguez from R&R Commercial Realty, Mr. Koenig quoted a sales price for similar projects ranging between $22,983 and $40,000 per acre, with an average of approximately $31,182 per acre. He stated that Mr. Philip McGinnis of McGinnis Commercial Real Estate Company recommended a price of at least $30,000 per acre with conditions on the pricing. Based on this input, the Economic Development Office proposed a price of $35,000 per acre and recommended that the City Manager be authorized to negotiate a price decrease of up to $5,000 per acre when appropriate. Mr. Koenig stated that any sale of land would come before Council for affirmation of sale prior to execution.

The Committee recommended approval of land pricing at Garrison Oak Technical Park at a price of $35,000 per acre and that the City Manager be authorized to negotiate a price decrease of up to $5,000 when appropriate.

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

Review of Ordinance Sponsorship

At the request of Councilman Lynn, a history of the requirement for three (3) sponsors to propose amendments to the Dover Code was compiled. Members were advised that currently all ordinances or proposed Charter changes must have three (3) sponsors (three (3) members of Council) before they are presented to the appropriate committee for consideration and subsequent recommendation to the Council. The only exceptions are emergency ordinances, zoning ordinances or map amendments, ordinance amendments submitted by Council-appointed staff or a committee, and ordinances passed in consideration of a comprehensive review of the Code.

Councilman Lynn expressed his desire to either remove the sponsorship requirement for Council members or impose the same requirements for Council-appointed staff. He advised members that executive City staff can propose changes with only one (1) sponsor. He stated the purpose of the ordinance was to "equalize the playing field" and allow ordinances to be sponsored by only one (1) Council person.

Mr. Hare stated that some support from Council should be required for staff to present Code amendments. He felt that if the support of three (3) Council members could not be obtained, then there was not enough support to merit consideration.

Responding to Mr. Shevock, Mr. Lynn stated that consideration of how this matter should be addressed was open for discussion. He indicated his wish to eliminate the requirement that Council members must obtain three (3) sponsors; however, stated that another possibility would be to require that staff obtain multiple sponsors, as Council must.

Mr. Hare felt that if a Council member could not get two (2) additional members to support an amendment, there was no need to bring it up, as this would waste time. He felt that this should apply to staff as well and that they should attempt to obtain the support of three (3) Council members; one (1) staff member and two (2) Council members; or the City Manager and two (2) Council members.

Mr. Shevock stated he was more inclined to require the support of two (2) people before bringing an item to a committee for discussion. His concern was that there may be objections that a matter was discussed prior to the meeting and that an item was being "ramrodded through."

Mr. Shevock questioned if there were requirements in the Code or Charter that would prohibit these changes.

Mr. Lynn stated his concern was the "chilling effect" that a mandate for multiple sponsors could have on amendments, noting that debate may be needed before a decision can be made as to whether a member chooses to sponsor an amendment. He felt that open, frank discussion was needed on every item and that eliminating the need for sponsors across the board might accomplish this. Mr. Lynn indicated that debating an issue on the floor brings about brainstorming that can turn a mediocre idea into a great idea when presented to full Council and that the current policy should be changed to one (1) sponsor across the board.

Mr. Hare expressed his belief that at least two (2) sponsors should be required to support a proposed amendment.

Mr. Perza stated that the current policy was inconsistent in that there were two (2) ways to have an item placed on the agenda and he felt that either way was subject to manipulation. He felt that if a Council member were able to get support from one (1) other person to agree to discuss the amendment, this should be enough to place the item on the committee agenda and that obtaining this support would not be difficult. He suggested information be sent to the attention of the Council President who could communicate that the item had been proposed and determine if members would like to at least discuss the matter before placing it on the agenda. This would also prevent the City from working on a matter if there was no will from the elected representatives to go forward and would also prevent one (1) person from unilaterally putting items on an agenda.

Mr. Lynn noting that, historically, committee chairs had unilaterally refused to put items on agendas, and he wished to eliminate any possibility of a "chilling" effect or manipulation. He felt that only one (1) sponsor should be required.

Mr. Perza noted that it could become apparent very quickly if this were not a good idea if agendas became overloaded. He was unsure if there was a problem with items not being placed on agendas and stated that during his past year of service, he had not had a problem placing items on the agenda.

Mr. Hutchison felt that at least two (2) or three (3) people should sign on to proposed amendments and noted that he would lean toward two (2) in view of Mr. Anderson's current absence due to deployment.

Mr. Shevock inquired if there had been a problem and suggested "if it's not broken, why try to fix it." He concurred with Mr. Hutchison that perhaps two (2) sponsors would be adequate due to Mr. Anderson's absence.

Mr. Lynn felt that it was an irritant that he would be required to find two (2) additional people to get on board with an idea when those who work for Council are not required to do so and questioned why City staff would be imbued with more power than the officials that they serve.

Mr. Shevock concurred that requirements should be the same for administration as they are for Council.

Responding to Mr. Hare's suggestion that the City Manager and the director who proposes an ordinance determine if the item is brought forward, Mr. Lynn stated that this could be a problem if the City Manager and director were "at loggerheads."

Mr. Hare suggested that a Council-appointed department head be required to seek one (1) additional sponsor and a City Manager-appointed director obtain the approval of the City Manager.

Mr. Lynn suggested that the requirement for three (3) sponsors lends itself to violations of the Freedom of Information Act (FOIA). He felt that calling nine (9) members to try to get someone "on board" could be interpreted as a serial meeting and that requiring one (1) sponsor would avoid these problems.

Mrs. Ann Marie Townshend, Director of Planning and Community Development clarified that placing an item on an agenda was the prerogative of the Council President for the Council agenda and the Committee chair for committee agendas. In regard to development of ordinances, she stated that she currently has only to develop an ordinance and if the Council President or Committee Chair approves this item for the agenda, it goes on the agenda. She stated that it would not cause problems for staff to be required to obtain two (2) sponsors or for staff to be placed on the same footing as Council members in regard to ordinance sponsorship. Mrs. Townshend advised members that a great deal of time would be wasted if she spent months preparing an ordinance without the support of at least two (2) sponsors.

Mrs. McDowell, City Clerk, stated that differentiating between the ordinances brought forth by City Manager-appointed or Council-appointed staff would complicate the process and possibly create problems and suggested a requirement for sponsorship by two (2) Council members for any ordinance. She felt that if staff reporting to the City Manager had ordinances to bring forth, this would be the responsibility of the City Manager. She requested clarification as to whether emergency ordinances, zoning ordinances or map amendments, and ordinances passed in consideration of a comprehensive review of the Code would be excluded from this requirement if a change were made from the current procedure, which does not require staff to obtain sponsorship. Mrs. McDowell noted that these types of ordinances are fairly standard and must come forward.

Mrs. Townshend concurred that these types of ordinances, including Comprehensive Plan amendments and rezonings, should be excluded from sponsorship requirements and advised members that if a rezoning ordinance were not brought forward, the City would be denying the applicant due process; however, she felt that zoning text amendments should be subject to sponsorship requirements. She was comfortable that staff could work with any recommendation made by the Committee.

Mr. Shevock stated that the current system whereby the staff member requests placing an ordinance on the agenda from a committee chair would provide the necessary two (2) sponsors.

Responding, Mrs. Townshend stated that she felt that Mrs. McDowell's suggestion for two (2) Council sponsors would be a "cleaner" approach since these members are elected and staff works for them.

Mr. Dixon concurred with Mr. Perza's earlier comment that "if it's not broke, don't fix it," and Mr. Shevock agreed.

Mr. Hare moved to recommend that the sponsorship of two (2) Council members be required for any proposed ordinance, excluding emergency ordinances, zoning ordinances, map amendments, ordinances passed in consideration of a comprehensive review of the Code, and Comprehensive Plan amendments, seconded by Mr. Rushe. The motion failed by a vote of two (2) yes (Hare and Rushe) and two (2) no (Lynn and Shevock).

Mr. Hare moved to leave the requirements as they were currently set forth, seconded by Mr. Shevock. The motion failed by a vote of two (2) yes (Hare and Shevock) and two no (Lynn and Rushe).

As a point of order, Mr. Bonar stated that no motion was needed to leave the procedure as it was currently being followed.

Mr. Lynn moved to reduce the Council obligation for sponsorship from three (3) sponsors to one (1) sponsor and to leave the staff obligation unchanged. The motion failed for lack of a second.

Mr. Rushe felt that requiring two (2) Council members to agree was the best course of action, noting that it would be difficult for an ordinance to move forward without the agreement of at least one (1) other member.

Mr. Lynn felt there should be an opportunity for all matters to be discussed on the floor as it was his belief that the power of debate can transform an item to a different idea.

Responding to Mr. Rushe, Mr. Lynn stated that he was unaware how other municipalities handle this matter.

Mr. Perza suggested that this matter be brought back for discussion at a future meeting after obtaining input from staff regarding the most efficient use of the process.

Mrs. McDowell noted that the history of the sponsorship requirement had not been included in the meeting packet and suggested that the matter be deferred until the next meeting so that this information could be provided and information could be gathered regarding what other municipalities require for sponsorship.

Mr. Hare stated that he did not disagree that there was inequity between the staff and Council sponsorship requirement; however, he stated that even in Congress a second sponsor is required.

The Committee tabled the matter so that members of the Committee and Council could review the history of how the current procedure came about.

APPOINTMENTS (REAPPOINTMENTS) RECOMMENDED BY MAYOR CAREY

Board of Adjustment

Mayor Carey requested the following reappointments to the Board of Adjustment for three-year terms to expire in July 2016:

K. C. Sheth, Chairman
William Hufnal

By consent agenda, Mr. Slavin moved for approval of the reappointments, seconded by Mrs. Williams and carried by a unanimous roll call vote (Anderson absent).

Public Advisory Committee (PAC) of the Dover-Kent County MPO

Mayor Carey requested the following reappointments to the Public Advisory Committee (PAC) of the Dover-Kent County MPO Board of Adjustment for two-year terms to expire in July 2015:

Prameela Kaza
James P. Webster

By consent agenda, Mr. Slavin moved for approval of the reappointments, seconded by Mrs. Williams and carried by a unanimous roll call vote (Anderson absent).

Planning Commission

Mayor Carey requested the following reappointments (appointment) to the Planning Commission for three-year terms to expire June 1, 2016:

Kathleen Still - At-Large (Reappointment)
John H. Baldwin, Sr. - Fourth District (Reappointment)
Edgar C. Cregar, Jr. - Fourth District

By consent agenda, Mr. Slavin moved for approval of the reappointments (appointment), seconded by Mrs. Williams and carried by a unanimous roll call vote (Anderson absent).

SUPPORT FOR HOUSE BILL AMENDING TITLES 9 AND 22 OF THE DELAWARE CODE RELATING TO MILITARY LEAVE OF ABSENCE OF OFFICIALS OF A MUNICIPALITY OR COUNTY

Members were provided with proposed State legislation to amend Titles 9 and 22 of the Delaware Code relating to military leave of absence of officials of a municipality or county. Council President Bonar explained that the bill would provide that an elected official of a municipality or county government shall be extended a leave of absence from office if such person is ordered to military service. The leave of absence shall not extend beyond the elected official's term of office. A municipality or county may fill the elected official's office with an acting official until the return of the elected official serving in the military. Upon returning from a leave of absence for military service, a returning elected county or municipal official is entitled to be restored to office for the unexpired term. This change in the Delaware Code does not apply to the General Assembly or statewide elected offices.

Responding to Mrs. Williams, Council President Bonar stated that a specific mechanism for filling the seat with an acting official had not been recommended, nor was it required.

Mr. Hutchison did not believe that the legislation was necessary because the Mayor, At-Large, and other Council members would represent the member's district while they were deployed.

Mr. Hare expressed concern with the possibility that a Council member could be deployed, return for the election, and then be re-deployed several times without having to relinquish their seat.

Mr. Slavin proposed that the Legislative, Finance, and Administration Committee consider a mechanism for securing the deployed member's seat. Mr. Lynn stated that legislation to that effect was considered prior to Mr. Anderson's deployment; however, it did not have the support necessary to pass. He expressed concerns that future Councils may not be as understanding or may seek to remove deployed members for political reasons. Mr. Lynn recommended supporting Representative Paradee's proposed legislation.

Several members expressed concern with the State legislating this issue for the municipalities.

Mr. Lynn moved to support the House Bill amending Title 9 and Title 22 of the Delaware Code. The motion failed for the lack of a second.

SETTING OF RATES FOR FISCAL YEAR 2013/2014

Property Tax

Council President Bonar advised members that the current property tax rate for the City of Dover was .3378 cents per $100 of assessed value and that the proposed budget would maintain the same rate for the upcoming tax billing.

Mrs. Williams moved to set the 2013/2014 property tax rate at .3378 cents per $100 of assessed value. The motion was seconded by Mr. Hare.

Mr. Slavin stated that he could not support a budget that included $520,000 more in expenditures than revenues. He indicated that the five (5) year forecast showed that, at this rate, the City would be at a structural deficit of more than $7M and that this would add to deferred maintenance, which had already increased over the past few years. He felt that the budget did not adequately address the potential for increases in union contracts and would leave Council unprepared. He expressed concern about the transfer from the Electric Fund of 8.6%, which was 5.1% in FY07. Mr. Slavin noted that the entire budget was predicated on the carry-forward balance that was based on projected revenues. According to Mrs. Mitchell, the transfer taxes for this fiscal year should have been $1.37M and as of June 18, 2013 they were at $1,092,000 - a shortfall of $278,000. Mr. Slavin stated that the whole budget was predicated on a carry-forward balance that was already outstripping revenue and that there would be a need to fill this transfer tax "hole" as well, unless additional transfer tax in the amount of the shortfall was received before June 30, 2013.

Mr. Slavin expressed concern with the Street and Alley program, which used to be a strong program that was now moving from property tax funding to bond and state grant funding. He stated that it seemed as though the City was slipping behind on the infrastructure.

Mr. Lynn stated that Council's obligation was to the future and, knowing there would be a $7M budget shortfall in FY17, they should take pro-active steps to address it. Responding to Mr. Lynn, Mrs. Donna Mitchell, Controller/Treasurer, stated that, according to the current projections, a five (5) cent increase in the property tax rate this year would result in revenue of approximately $1.5M and would eliminate the need for future tax increases until 2017. Mrs. Mitchell stated that without such an increase, according to the forecast, a nine (9) cent tax increase would be necessary over the next five (5) years. She noted that the projections did not consider inflation and, if the funds were set aside, a greater savings could be achieved.

Mr. Lynn moved to amend the motion to propose a five (5) cent increase in the property tax rate, which would have the resultant effect of staving off any other future tax increases until at least 2017. It would also have the practical effect of addressing capital improvement projects and stopping the cycle of deferred maintenance that had kept the tax rate artificially low throughout the last decade. The motion was seconded by Mr. Slavin. Mrs. Williams, the maker of the motion, declined to amend her motion.

Mrs. Williams questioned how many pre-emptive taxes were spent for purposes for which they were not intended since 2002 because the City got into a bind and then had to raise taxes anyway. Responding, Mrs. Mitchell stated that she did not recall any tax increases caused by a bind. She

noted that taxes had been raised through budget proceedings and there were some assessments when the whole tax rate was not rolled back. She noted that there was an issue at one time with the electric rates.

Noting that the projections were predicated on the same level of spending, Mrs. Williams asked why a reduction in spending was not being considered. Mrs. Mitchell stated that Council was advised during the budget review on June 6, 2013 that either additional revenue or a reduction in services would be required to balance the budget. Mr. Scott Koenig, City Manager, stated that the five (5) year forecast was based on the current level of employees, current services, a one percent (1%) growth in revenues, and the five (5) year capital plan. He said moving forward in the five (5) year budget it was the status quo that they develop a $7M gap. Mrs. Williams asked if elimination of overtime, except in grave circumstances, would reduce the gap. Mr. Koenig responded that the projections included the historical values of overtime going forward. Mrs. Williams noted that overtime increases each year and, before raising taxes and rates, the City should to look in-house to cut expenses.

Mr. Hutchison felt it was necessary to look at the total operation of the City and review every department to see what the five (5) year projections were. He noted that he could not support a tax increase until all departments were reviewed.

Mr. Hare, noted that the balanced budget presented included no fee or rate increases, reduced electric rates, and no tax increase. He felt it was possible to recover some revenue through growth in economic development in Kent County. Mr. Hare reminded members that they continue to support the Downtown Dover Partnership in the amount of $200,000 per year without any accountability or request for future accountability. He reiterated the comments of others that departments should be reviewed for savings and managers and department heads should be held accountable. Mr. Hare noted that the full-time Mayor's responsibilities are economic development, public relations, and lobbying the legislature. All of those responsibilities had been taken away from the Mayor and there were three (3) people doing economic development, a public relations person, and the Mayor may still lobby the legislature even though it is not in his job description. He reminded members that, although the proposed tax increase may mean $100 to a household, it is $40,000 or more to Dover Downs and $10,000 or more to Dover Air Force Base and some of the other bigger businesses in town, without notice.

Mr. Slavin agreed that looking in-house for savings was a good idea and commended Council for doing that over the past several years, noting the reduction in the number of positions and the scrutiny that the budget had received. He was concerned that the only expenses left to cut were personnel and union contracts or reduce the number of employees, who would be inordinately burdened. He felt that the assumptions were high risk with low return and would result in deferred infrastructure and maintenance.

Responding to Mr. Lynn, Mr. Koenig stated that the FOP contract had been signed, the IUE contract had been prepared to be signed, negotiations were ongoing for the IBEW contract (represents 35 employees), and the AFSCME contract (represents 39 employees) discussions would be starting soon. He stated that there were approximately 40 non-bargaining employees. Mr. Lynn reminded members that only the salaries of the 40 non-bargaining employees could be addressed without the interference of a labor union. Mr. Koenig noted that those savings could be realized through a hiring freeze, leaving the currently vacant positions unfilled.

Mrs. Williams asked if the labor contracts dictated the use of overtime. Mr. Koenig responded that overtime was a managerial right; however, the contracts do not specify how much overtime an employee will receive.

Mr. Hare reminded members that the Downtown Dover Partnership (DDP) advised Council last year that they would not need funding this year. At that time, Mr. Koenig recommended that economic development be reassigned to the Mayor and the need for three (3) staff people could be eliminated when the DDP hired their executive director.

Responding to Mr. Lynn, Mrs. Mitchell stated that overtime through April was $843,000 and some employees receive compensatory time instead of overtime. She noted that the departments with large amounts of overtime are police, civilian law enforcement, electric, water/wastewater, and fire dispatchers. Mr. Lynn noted that in 2017 there would be a $7M budget deficit and, at the current rate, $800,000 of it would be for overtime and $6.2M for other expenses. Mr. Koenig noted that $400,000 of the $800,000 in overtime could be attributed to the Police Department, stating that no member of Council had suggested that the police be asked not to respond when called. He also noted that the fire dispatcher overtime could be attributed to position vacancies. Mr. Koenig stated that the level of service that the residents of Dover enjoy requires some overtime.

Mr. Lynn stated that a tax increase was discussed in open session on May 27, 2013 and was followed by a *Delaware State News* article stating that the majority of Council members agreed with a three (3) cent increase in the property tax rate. He stated that it had been part of the budget discussions all along.

On a call for the question, the motion to set the 2013/2014 property tax rate at .3378 cents per $100 of assessed value was carried by a roll call vote of six (6) yes (Dixon, Perza, Williams, Hare, Hutchison, and Bonar), two (2) no (Lynn and Slavin), and one absent (Anderson).

Electric Rate

Members were provided the proposed electric rates and tariffs prepared by Mr. Ted Kelly of Burns & McDonnell. Staff recommended approval of those electric rates and tariffs.

Mr. Hare moved for approval of rates and tariffs, as provided, seconded by Mr. Hutchison and carried by a unanimous roll call vote (Anderson absent).

FIRST READING - PROPOSED ORDINANCE #2013-08

Council President Bonar reminded the public that copies of the proposed ordinance were available at the entrance of the Council Chambers or can be obtained from the City Clerk's Office. Final action by Council on the proposed ordinance will take place during the Council Meeting of July 8, 2013.

Mr. Lynn, Chair of the Legislative, Finance, and Administration Committee, advised members that this amendment would remove the requirement for offenders residing or employed within 500 feet of a day care center at the time of adoption of the ordinance (April 9, 2012) to move or resign their employment. He noted that the Committee recommended adoption of the ordinance.

Responding to Mrs. Williams, Chief James Hosfelt stated that they currently manage 253 sex offenders and this amendment would affect only two (2) people who would remain in place within 500 feet of a daycare. He noted that once they move, the grandfather clause would no longer apply to them.

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

CHAPTER 70 - OFFENSES AND MISCELLANEOUS PROVISIONS, SECTION 70-7 - REGISTERED SEXUAL OFFENDERS, SUBSECTION (B) - PROHIBITION ON RESIDENCY AND EMPLOYMENTS

FINAL READING - PROPOSED ORDINANCE #2013-09

The First Reading of the proposed ordinance was accomplished during the Council Meeting of June 10, 2013.

Proposed Ordinance #2013-09 - 2013/2014 City of Dover Budget Ordinances

Mr. Hare moved that the Final Reading of the proposed ordinance be acknowledged by title only, seconded by Mr. Hutchison and carried by a roll call vote of five (5) yes (Dixon, Williams, Hare, Hutchison, and Bonar), three (3) no (Lynn, Perza, and Slavin), and one (1) absent (Anderson).

Mr. Scott Koenig, City Manager, reminded members that the City's budget was approximately $134M, the General Fund operating and capital budgets were just under $37M, the total number of full-time employees had been reduced from 350 to 347 and part-time employees had increased from 36 to 38, there were no fee increases in the baseline budget, no water and sewer fee increases in the baseline budget, and an average of 11% reduction in the electric rates.

By motion of Mr. Hare, seconded by Mrs. Williams, Council, by a roll call vote of six (6) yes (Dixon, Perza, Williams, Hare, Hutchison, and Bonar), two (2) no (Lynn and Slavin), and one (1) absent (Anderson), adopted Ordinance #2013-09 (*Exhibit #3*).

COUNCIL MEMBERS' ANNOUNCEMENTS

Mrs. Williams thanked the Mayor, Council, and City employees for the flowers she received while she was in the hospital.

Council President Bonar stated that he enjoyed the spirited discussion regarding the budget and the tax rate and felt that Council members exercised a great deal of integrity. He noted that a lot of examination and research would be necessary to address the $7M shortfall in the out-years.

Council President Bonar wished Councilmen Hutchison and Hare happy birthdays.

Noting that the Firefly Music Festival was held the prior weekend, Mr. Hutchison commended all of the City staff members who were involved for the jobs they did. He stated that he had heard nothing but good things about the weekend.

By unanimous consent, the meeting adjourned at 8:59 p.m.

TRACI A. McDOWELL
CITY CLERK

All orders, ordinances, and resolutions adopted by City Council during their Regular Meeting of June 24, 2013, are hereby approved.

CARLETON E. CAREY, SR.
MAYOR

/TM
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Exhibits
Exhibit #1 - Amended and Restated Water and Sewer Bond Resolution Providing for the Issuance by the City of Dover of Water and Sewer Revenue Bonds and Related Matters
Exhibit #2 - Resolution Authorizing the Sale of Up to $6,500,000 Water and Sewer Revenue Bonds of the City of Dover
Exhibit #3 - Ordinance #2013-09 - 2013/2014 City of Dover Budget Ordinances

City of Dover

MAYOR AND COUNCIL

COUNCIL RESOLUTION

AMENDED AND RESTATED WATER AND SEWER BOND RESOLUTION PROVIDING FOR THE ISSUANCE BY THE CITY OF DOVER OF WATER AND SEWER REVENUE BONDS AND RELATED MATTERS

WHEREAS, The City of Dover (the "City") is authorized pursuant to Chapter 111, Volume 52, Laws of Delaware as amended by Chapter 340, Volume 57, Laws of Delaware and the City Charter, Chapter 158, Volume 36, Laws of Delaware as amended (the "Enabling Acts") to issue revenue bonds for the purpose of financing improvements to its water and sewer systems; and

WHEREAS, by Resolution of the City Council (the "Council") adopted February 27, 1989, (as thereafter supplemented and amended, the "1989 Bond Resolution") which amended and restated the bond resolution of October 24, 1984, the Council provided for the issuance of various series of water and sewer revenue bonds; and

WHEREAS, by Resolution of the Council adopted January 24, 2000, the Council authorized the issuance and sale of $750,000 Water and Sewer Revenue Bonds (Series 2000-SRF) for the purpose of providing funds for certain water and sewer projects of which $324,939 remains outstanding; and

WHEREAS, by Resolution of the Council adopted April 14, 2003, the Council authorized the issuance and sale of $7,980,000 Water and Sewer Revenue Bonds (Series 2003) for the purpose of refunding certain prior bonds and for providing funds for certain water and sewer projects of which $1,980,000 remains outstanding; and

WHEREAS, by Resolution of the Council adopted September 24, 2009, the Council authorized the issuance and sale of $5,942,481 Water and Sewer Revenue Bonds (Series 2009-SRF) for the purpose of providing funds for certain water and sewer projects of which $5,344,454 remains outstanding; and

WHEREAS, by Resolution of the Council adopted February 22, 2010 the Council authorized the issuance and sale of $2,404,017 Water and Sewer Revenue Bonds (Series 2010-SRF) for the purpose of providing funds for certain water and sewer projects of which $2,254,263 remains outstanding; and

WHEREAS, by Resolution of the Council adopted January 24, 2011, the Council authorized the issuance and sale of $765,060 Water and Sewer Revenue Bonds (Series 2011-SRF) for the purpose of providing funds for certain water quality improvement projects of which $724,671 remains outstanding; and

WHEREAS, Section 15(2) of the 1989 Bond Resolution provides for the amendment thereof, with the consent of at least 50% of holders of bonds outstanding under the 1989 Bond Resolution; and

WHEREAS, the Council now desires to provide an amended and restated water and sewer bond resolution to put it in the form of a master resolution for all water and sewer revenue bonds issued thereunder and providing for certain new provisions including conditional notice provisions, reports by a City engineer for additional bonds, and trustee provisions;

Now Therefore, the Council hereby resolves as follows:

Section 1. Definitions. (a) As used in this Resolution, the following words shall have the following meanings:

"Bonds" means The City of Dover, Water and Sewer Revenue Bonds, issued and secured on a parity pursuant to this Resolution or any Resolution supplemental hereto.

"City" means The City of Dover, a municipal corporation of the State of Delaware.

"Charter" means the charter of the City, as amended.

"Construction Fund" means the Water and Sewer Construction Fund maintained by the City.

"Council" means the council of the City.

"Default" means any event specified in Section 12(1) of this Resolution.

"Gross Revenue" means all fees and charges resulting from provision of water and sewer services (including wastewater collection impact fees), revenue from product sales, and other revenue required to be placed in the Water and Sewer Fund under this Resolution, and any interest earnings on the Water and Sewer Fund which are held in the Water and Sewer Fund; however, Gross Revenue does not include: (a) any payments of assessments levied against benefitted properties; (b) the proceeds of any grants, (c) the proceeds of any borrowing for capital improvements; (d) the proceeds of any casualty insurance which the City intends to utilize for repair or replacement of Water and Sewer Facilities.

"Maximum Annual Debt Service" means the maximum annual debt service on all outstanding Bonds for a twelve month period commencing December 15 and ending December 14 during which any Bond is outstanding.

"Net Operating Revenue" means the Gross Revenue less the Operating Expenses.

"Operating Expenses" means all expenses incurred for operation, maintenance and repair of the water and sewer system, including but not limited to administrative expenses, financial and auditing expenses, insurance premiums, claims (to the extent monies are not available from proceeds of insurance), taxes, legal and engineering expenses relating to operation and maintenance, payments and reserves for pension, retirement, health, hospitalization, and sick leave benefits, payments to reserve funds, fees due others (including Kent County) for sewer treatment service, and any other similar expenses to be paid to the extent properly and directly attributable to operations of the system. Operating Expenses do not include any reserves for extraordinary maintenance or repair, any allowance for depreciation or any payments of the City for debt service on any existing indebtedness of the City.

"Parity Bonds" means any revenue bonds or other obligations of the City which comply with the provisions of Section 11 of this Resolution for the issuance of Parity Bonds.

"Paying Agent and Registrar" means the City or such other entity which is under contract with the City to serve as paying agent and registrar for the Bonds or any series thereof.

"Qualified Investments" means:

(a) U.S. Government Securities issued by the U.S. Government and backed by the full faith and credit of the U.S. Treasury.

(b) Obligations issued or guaranteed by any agency controlled by or acting as an instrumentality of the United States of America.

(c) Repurchase agreements with underlying collateral consisting of obligations limited to those mentioned in (a) and (b) above with banks provided that the City or the Paying Agent and Registrar has possession and a perfected security interest in the collateral security which must have a market value not less than 102 percent of the amount invested. Repurchase agreements shall be limited to a maximum maturity of 90 days at the time of purchase.

(d) Certificates of Deposit issued by, and time deposits in, any bank, provided such investment is fully insured by the Federal Deposit Insurance Corporation or the Federal Savings and Loan Insurance Corporation or to the extent not insured, (i) must be collateralized by U.S. Government Investments or (ii) the banking institution must have assets of not less than $5 billion and issuers must have a short-term rating of at least A-1 by Standard & Poor's and at least P1 by Moody's and a long-term rating of at least AA by Standard & Poor's and at least Aa by Moody's. The maximum stated maturity of any investment in this sector shall be limited to 3 years at the time of purchase. This sector shall not exceed 25% of the total portfolio. No single issuer shall exceed 5% of the total portfolio.

(e) Corporate bonds and debentures provided that issuers have a long-term rating of at least AA by Standard & Poor's and at least Aa by Moody's. The maximum stated maturity of any investment in this sector shall be limited to 3 years at the time of purchase. This sector shall not exceed 25% of the total portfolio. No single issuer shall exceed 5% of the total portfolio.

(f) Municipal obligations issued by state and local governments and public authorities in the United States provided that the issuer be rated at least AA by Standard & Poor's and at least Aa by Moody's. The maximum stated maturity of any investment in this sector shall be limited to 3 years at the time of purchase. This sector shall not exceed 15% of the total portfolio. No single issuer shall exceed 5% of the total portfolio.

(g) Commercial Paper provided that issuers are rated at least A-1 by Standard & Poor's and at least P1 by Moody's. The maximum stated maturity of any investment in this sector shall be limited to 270 days at the time of purchase. This sector shall not exceed 25% of the total portfolio. No single issuer shall exceed 5% of the total portfolio.

(h) Shares of Registered Investment Companies (money market funds) such that the fund is rated AAAm 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.

(i) State of Delaware Investment Pool (Delaware Local Government Investment Pool).

"Redemption Fund" means the Water and Sewer Debt Redemption Fund maintained in trust by the Paying Agent and Registrar for the benefit of the owners of all Bonds to pay principal and interest on the Bonds.

"Reserve Account" means a separate account in the Redemption Fund in which the City agrees to maintain an amount equal to the Maximum Annual Debt Service; provided that for purposes of calculating such Maximum Annual Debt Service, Bonds purchased by the State Revolving Fund (SRF) are excluded from the definition of Bonds.

"Reserve Account Deficiency" means any amount by which the Maximum Annual Debt Service on all Bonds outstanding at the end of a fiscal year exceeds the amount on deposit in the Reserve Account at the end of that fiscal year.

"Supplemental Resolution" means a Resolution of Council supplemental hereto providing for the issuance of additional Bonds or for other amendment to this Resolution.

"Trustee" means The Bank of New York Mellon Trust Company.

"U.S. Government Investments" means any obligations fully and unconditionally guaranteed by the United States of America.

"Water and Sewer Fund" means the Water and Sewer fund maintained by the City into which the Gross Revenue is deposited.

"Water and Sewer Facilities" means all real and personal property now or hereafter established, owned, operated, used or maintained by the City, within or without its corporate limits, for the system of water supply and the system for collecting, treating and disposing of sewage, together with all property, rights, easements and interests pertaining thereto or acquired in connection therewith.

Section 2. Issuance of Bonds. Pursuant to the Enabling Acts, the Council shall approve the issuance of Bonds, the terms and conditions of which shall be set forth in a Supplemental Resolution.

The Bonds shall be special obligations of The City of Dover, and shall be payable solely from the Net Operating Revenue. The full faith and credit of the City shall not be pledged to pay principal and interest on the Bonds.

Unless otherwise provided in a Supplemental Resolution pertaining to the issuance of a series of Bonds, principal of and interest on the Bonds shall be payable by check or draft mailed to each owner of such Bond at the address of such owner as it appears on the books of the Registrar as of the fifteenth day of the calendar month preceding the month in which the payment date occurs (the "Record Date").

The Bonds may be issued in book entry form, registered in the name of a securities depository (the "Depository") and immobilized in the custody of the Depository subject to such terms and conditions as may be determined by the Mayor in which case the Mayor may execute and deliver on behalf of the City a letter of representations in a form and with such content as the Mayor may determine to be in the best interest of the City. In the event that the Bonds are immobilized in the custody of a Depository, the City shall not be liable for the failure of the Depository or of any participant of the Depository to perform any obligation to any participant or beneficial owner of any such Bond.

Each of the Bonds shall be signed by the manual or facsimile signature of the Mayor and the Controller/Treasurer of the City and the official Seal of the City shall be affixed or printed thereon.

Section 3. Redemption. The Bonds of any series shall be subject to optional and mandatory redemption by the City, in whole or in part, on the terms and conditions set forth in such Bonds, the applicable Supplemental Resolution and this Resolution.

Notice of any redemption, identifying the Bonds or portions thereof to be redeemed, shall be given not more than sixty (60) nor fewer than twenty (20) days prior to the redemption date, by first class United States mail to the registered owners of the Bonds to be redeemed at their registered addresses. Failure to mail any such notice or any defect in the mailed notice or the mailing thereof shall not affect the validity of any proceedings for the redemption of other Bonds for which notice shall be duly given. No further interest shall accrue on the principal of any Bonds called for redemption after the redemption date if notice of redemption has been duly mailed and redemption moneys have been deposited with or made available to the Paying Agent on or prior to the date set for redemption and the holders of such Bonds shall have no rights with respect to such Bonds except to receive payment of the redemption price thereof and unpaid interest accrued to the date fixed for redemption.

If at the time of mailing of any notice of optional redemption the City shall not have deposited with the Paying Agent moneys sufficient to redeem all the Bonds called for redemption, such notice shall state that it is conditional, that is, subject to the deposit or transfer of the redemption moneys with the Paying Agent not later than the opening of business on the redemption date, and that such notice shall be of no effect unless such moneys are so deposited.

Section 4. Form of Bond. The Bonds shall be in substantially the form attached hereto as Exhibit A.

Section 5. Disposition of Bond Proceeds. Interest accrued from the date of the Bonds until the date of closing and any capitalized interest shall be placed in the Redemption Fund and shall be used to pay interest on the Bonds. An amount sufficient to cause the total Reserve Account to equal the Maximum Annual Debt Service on the Bonds shall be placed in the Reserve Account. The balance of the Bond proceeds shall be placed in the Construction Fund and shall be distributed only to finance the projects as set forth in the applicable Supplemental Resolution and costs incurred in connection with the issuance of the Bonds. Separate sub-accounts shall be maintained in the Construction Fund to segregate funds with respect to each series of Bonds. The City may otherwise establish such sub-accounts as it shall deem appropriate.

Monies in the Redemption Fund may be invested at the direction of the City in U.S. Government Investments and monies in the Construction Fund may be invested by the City in Qualified Investments. Earnings from investment of the funds in the Construction Fund shall be maintained in the Construction Fund, and shall be treated and disbursed as Bond proceeds. Earnings from investment of the funds in the Redemption Fund shall be deposited in the Water and Sewer Fund after certification of sufficiency required in section 7 infra. Any proceeds of the Bonds remaining after payment of all project and issuance costs shall

be transferred to the Water and Sewer Fund.

Section 6. Pledge and Disposition of Net Operating Revenue. The City hereby pledges the Net Operating Revenue to the payment of principal and interest on all Bonds.

The City hereby covenants with the holder that it will, so long as any Bonds remain outstanding, make the following deposits from the Net Operating Revenue Redemption Fund.

(1) On the fifteenth day of each month the City will deposit into the Redemption Fund an amount equal to one-sixth ($1/6^{th}$) of the amount necessary to pay interest on the Bonds which will become due during the six months following the deposit. Prepayment of monthly deposits will fulfill this requirement. Notwithstanding the foregoing, the City shall deposit into the Redemption Fund from the Net Operating Revenue an amount sufficient to permit all interest due on the Bonds to be paid on the date it is due.

(2) On the fifteenth day of each month, the City will deposit into the Redemption Fund an amount equal to one-twelfth ($1/12^{th}$) of the amount necessary to pay the principal on any Bonds which will become due during the twelve months following the deposit. Prepayment of monthly deposits will fulfill this requirement. Notwithstanding the foregoing, the City will deposit into the Redemption Fund from the Net Operating Revenue an amount sufficient to permit all principal due on the Bonds to be paid on the date it is due.

(3) On the first day of each month the City shall deposit into the Reserve Account an amount equal to one-twelfth ($1/12^{th}$) of any Reserve Account Deficiency determined to exist on the immediately previous December 15^{th} valuation.

Except in the event of a Default, Net Operating Revenue on deposit in the Water and Sewer Fund may be expended by the City for the following purposes and in the following priority.

First: Operating Expenses.

Second: Redemption Fund and Reserve Account Deposits.

Third: Debt service on other debt obligations of the City to the extent that the proceeds of such obligations were expended for Water and Sewer Facilities.

Fourth: Expenditures for capital improvements to the Water and Sewer Facilities approved by Council for the current fiscal year.

Fifth: Any other lawful purpose, whether or not for the benefit of the bondholders or for the Water and Sewer Facilities; provided that no expenditure or transfer shall be made pursuant to this Item Fifth without the prior certification of the Mayor or the City Manager, to be filed with the Paying Agent and Registrar, that all obligations set forth in Items First through Fourth are current and that such proposed expenditure or transfer would not impair the City's ability to meet its obligations under this Resolution:

Section 7. Reserve Account. The City shall maintain a balance in the Reserve Account at least equal to the Maximum Annual Debt Service on all outstanding Bonds. If the balance in the Reserve Account falls below the Maximum Annual Debt Service on all outstanding Bonds, the balance will be

replenished as provided in Section 6(3), above. The Paying Agent and Register shall certify to the City the fair market value of the Reserve Account as of the fifteenth day of each December for the purpose of determining the balance in such account.

Monies required to be maintained in the Reserve Account will be used only to pay principal and interest on the Bonds, and only in the event that the Net Operating Revenue and other monies in the Redemption Fund are insufficient to pay the principal of and interest on the Bonds when due.

Any amounts in the Reserve Account on the fifteenth day of each December in excess of the Maximum Annual Debt Service on all outstanding Bonds may be transferred to the Water and Sewer Fund. Any surplus remaining in the Reserve Account after all Bonds have been paid shall be deposited in the Water and Sewer Fund.

Notwithstanding the foregoing, for purposes of this section, the calculation of Maximum Annual Debt Service shall exclude Bonds purchased by the State Revolving Fund (SRF) from the definition of Bonds.

Section 8. Rate Covenant. The City covenants that it will charge fees in connection with the operation of the Water and Sewer Facilities which are projected to generate Net Operating Revenue at least equal to 1.20 times the Maximum Annual Debt Service on all outstanding Bonds. If the Net Operating Revenue fails to meet this level, the City shall promptly increase its fees to a level so that Net Operating Revenue is projected to meet the required level.

Section 9. General Covenants. The City hereby covenants and agrees with the holders and owners of all outstanding Bonds as follows:

(1) That it will, to the extent the Net Operating Revenue is sufficient, promptly cause the principal and interest on the Bonds to be paid as they become due.

(2) That it will maintain complete books and records relating to the operation of the Water and Sewer Facilities, the Water and Sewer Fund, the Construction Fund, the Redemption Fund and the Reserve Account, in accordance with generally accepted accounting principles, and will cause such books and records to be audited annually at the end of each fiscal year, and an audit report prepared and made available for the inspection of bondholders.

(3) That it will not issue Bonds or other obligations having a claim superior to the claim of the Bonds upon the Net Operating Revenue.

(4) That it will promptly deposit into the Water and Sewer Fund all sums required to be so deposited.

(5) That it will operate the Water and Sewer Facilities in a sound, efficient and economic manner, and will not enter into any agreements to provide free service or services except for fire fighting, hydrant flushing, or in case of emergency.

(6) That it will maintain its contracts with Kent County for the treatment of sewage collected by the City or will otherwise provide for the treatment or disposal of such sewage.

Section 10. Registration and Transfer.

(1) The transfer of Bonds shall be registered on the Bond Register, which shall be kept for this purpose at the offices of the Paying Agent and Registrar of the City, upon surrender thereof by the Registered Owner in person or by his attorney duly authorized in writing together with a written instrument of transfer in form satisfactory to the City duly executed by the Registered Owner or his attorney duly authorized in writing free of charge except for any applicable transfer tax or other governmental charge. Upon any such registration or transfer, the Paying Agent and Registrar shall issue in the name of the transferee a new registered Bond or Bonds of the same series and maturity.

(2) The City and its Paying Agent and Registrar may deem and treat the Registered Owner of any registered Bond as the absolute owner of such Bond for the purpose of receiving any payment on such Bond and for all other purposes of this Resolution, whether such Bond shall be overdue or not. Neither the City nor Bond Registrar nor any Paying Agent and Registrar shall be affected by any notice to the contrary. Payment of, or on account of, the principal of and premium, if any, and interest on any registered Bond shall be made to such Registered Owner or upon his written order. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

(3) The City shall not be required (a) to register the transfer of or exchange any Bond for a period of fifteen (15) days next preceding any interest payment date on such Bond or (b) to register the transfer of or exchange any Bond for a period of thirty (30) days next preceding the redemption date of any Bonds which have been previously called for redemption.

Section 11. Parity Bonds. The City may issue Parity Bonds to provide funds to finance the completion of construction of projects previously authorized by Council, the construction of new Water and Sewer Facilities or the refunding of outstanding Bonds, upon the following conditions:

(1) No Default has occurred and is continuing;

(2) At the time of the issuance of the Parity Bonds there is no deficiency in the Redemption Fund or the Reserve Account;

(3) The Resolution authorizing the issuance of the Parity Bonds requires that a deposit be made at the closing sufficient to bring the balance in the Reserve Account equal to the Maximum Annual Debt Service on all outstanding Bonds, including the proposed Parity Bonds.

(4) The Resolution authorizing the issuance of the Parity Bonds contains a covenant of the City requiring the City to charge fees projected to generate Net Operating Revenue at least equal to 1.20 times the Maximum Annual Debt Service on all outstanding Bonds.

(5) Prior to the issuance of the Parity Bonds the City shall file in the Treasurer's office a report of either a City engineer or an independent consulting engineer that the schedule of rates and charges which have been previously authorized by the City are sufficient to produce, on a pro forma basis, Net Operating Revenue in the fiscal year immediately following the fiscal year in which the Parity Bonds are to be issued at least equal to 1.20 times the Maximum Annual Debt Service on all outstanding Bonds, including the proposed Parity Bonds but excluding any Bonds to be refunded by the proposed Parity Bonds.

Section 12. Defaults and Remedies

(1) The following events shall constitute a Default:

(A) Failure to pay principal or interest on any Bond when due; or,

(B) Failure to perform any other obligation of the City imposed by this Resolution or the Bonds, but only if:

(i) the failure continues for a period of more than ninety (90) days after written demand has been made on the City to remedy the failure; and

(ii) the City fails to take reasonable steps to remedy the failure within that ninety day period; or

(C) Imposition of a receivership upon, or liquidation of, the Water and Sewer Fund; or,

(D) Written admission by the City that the City is unable to pay its debts as they become due.

(2) Upon a Default, the Construction Fund and the Water and Sewer Fund shall be transferred to the Paying Agent and Registrar who shall operate and maintain said Funds in Trust pursuant to the terms of this Resolution and for the benefit of the bondholders.

(3) Upon a Default, any bondholder may exercise any remedy available at law or in equity.

(4) Upon a Default, any bondholder or the Paying Agent and Registrar shall have the rights set forth in 52 Del. Laws Ch. 111 to apply in an appropriate judicial proceeding for the appointment of a receiver of a Water and Sewer Facilities.

Section 13. Appointment of Trustee. The Bank of New York Mellon Trust Company is hereby appointed Trustee under this Resolution. Said Trustee shall signify its acceptance of the duties, obligations and trusts imposed upon it by this Resolution by executing the certificate of authentication endorsed upon and, by executing such certificate upon any bond, the Trustee shall be deemed to have accepted such duties, obligations and trusts, but only upon the terms and conditions set forth in this Article, to all of which the City, the Trustee and the respective owners of the bonds agree.

Section 14. Trustee Entitled to Indemnity. The Trustee shall be under no obligation to institute any suit, or to take any remedial proceeding under this Resolution, or to enter any appearance or in any way defend in any suit in which it may be defendant, or to take any steps in the execution of the trusts hereby created or in the enforcement of any rights and power hereunder, until it shall be indemnified to its satisfaction against any and all costs and expenses, outlays and counsel fees and other reasonable disbursements, and against all liability; the Trustee may, nevertheless, begin suit, or appear in and defend suit, or do anything else in its judgment: proper to be done by it as such Trustee, without indemnity, and in such case the City shall reimburse the Trustee from Revenues for all costs and expenses, outlays and counsel fees and other reasonable disbursements properly incurred in connection therewith. If the City shall fail to make such reimbursement, the Trustee may reimburse itself from any moneys in its possession under the

provisions of this Resolution and shall be entitled to a preference therefor over any of the bonds Outstanding hereunder.

Section 15. Limitations on Trustee's Obligations. The Trustee shall be under no obligation to effect or maintain insurance or to renew any policies of insurance or to inquire as to the sufficiency of any policies of insurance carried by the City, or to report, or make or file claims or proof of loss for, any loss or damage insured against or which may occur, or to keep itself informed or advised as the payment of any taxes or assessments, or to require any such payment to be made. The Trustee shall have no responsibility in respect of the validity or sufficiency of this Resolution or in respect of the validity of the bonds or the due execution or issuance thereof. The Trustee shall be under no obligation, except as otherwise herein expressly required, to see that any duties herein imposed upon the City, the engineers, the Paying Agent, any Depository, or any party other than itself shall be done or performed, and the Trustee shall not be subject to any liability for failure to see that any such duties or covenants are so done or performed.

Section 16. Trustee Not Liable for Failure of Others. The Trustee shall not be liable or responsible because of the failure of the City or of any of its employees or agents to make any collections or deposits or to perform any act herein required of them or because of the loss of any moneys arising through the insolvency or the act or default or omission of any other Depositary in which such moneys shall have been deposited under the provisions of this Resolution. The Trustee shall not be responsible for the application of any of the proceeds of the bonds or any other moneys deposited with it and paid out, withdrawn or transferred hereunder if such application, payment, withdrawal or transfer shall be made in accordance with the provisions of this Resolution. The immunities and exemptions from liability of the Trustee hereunder shall extend to its directors, officers, employees, counsel and other agents.

Section 17. Compensation of Trustee. Subject to the provisions of any contract between the City and the Trustee, the City shall pay to the Trustee from revenues reasonable compensation for all services performed by it hereunder and also all its reasonable expenses, charges and other disbursements and those of its attorneys, agents and employees incurred in and about the administration and execution of the trusts hereby created and the performance of its powers and duties hereunder. If the City shall fail to make any payment required by this Section, the Trustee may make such payment from any moneys in its possession under the provisions of this Resolution and shall be entitled to a preference therefor over any of the bonds outstanding hereunder.

Section 18. Monthly Statement from Trustee. It shall be the duty of the Trustee, on or before the 15th day of each month after the delivery of the bonds under the provisions of this Resolution, to file with the City Manager a statement setting forth in respect of the preceding calendar month:

(a) the amount withdrawn or transferred from and the amount deposited to the credit of each Fund or Account held by it under the provisions of this Resolution,

(b) the amount applied to the purchase or redemption of bonds under the provisions of this Resolution and a description of the bonds so purchased or redeemed,

(c) the amount on deposit with the Trustee at the end of such month to the credit of each Fund and Account created under the provisions of this Resolution,

(d) a brief description of all obligations held by the Trustee as an investment of moneys in each Fund and Account under the provisions of this Resolution,

(e) any other information which the City Manager may reasonably request, provided that, with respect to clause (b) above, notice shall be provided by Trustee to the City Manager within thirty (30) days of purchase or redemption of bonds rather than on a monthly basis.

Section 19. Trustee May Rely on Certificates. In case at any time it shall be necessary or desirable for the Trustee to make any investigation respecting any fact preparatory to taking or not taking any action or doing or not doing anything as such Trustee, and in any case in which this Resolution provides for permitting or taking any action, the Trustee may rely upon any certificate required or permitted to be filed with it under the provisions of this Resolution, and any such certificate shall be evidence of such fact to protect the Trustee in any action that it may or may not take or in respect of anything it may or may not do, in good faith, by reason of the supposed existence of such fact. Except as otherwise provided in this Resolution, any request, notice, certificate or other instrument from the City to the Trustee shall be deemed to have been signed by the proper party or parties if signed by the City Manager and the Trustee may accept and rely upon a certificate signed by the City Clerk as to any action taken by the City Council.

Section 20. Trustee Not Obliged to Take Notice of Certain Defaults. Except upon the happening of any event of default specified in this Resolution, the Trustee shall not be obliged to take notice or be deemed to have notice of any event of default hereunder, unless specifically notified in writing of such event of default by the owners of not less than ten per centum (10%) in aggregate principal amount of the bonds hereby secured and then outstanding.

Section 21. Trustee May Deal in Bonds and Take Action as Bondowner. The bank or trust company acting as Trustee under this Resolution, and its directors, officers, employees or agents, may in good faith buy, sell, own, hold and deal in any of the bonds issued under the provisions of this Resolution, and may join in any action which any bondholder may be entitled to take with like effect as if such bank or trust company were not the Trustee.

Section 22. Trustee Not Responsible for Recitals. The recitals, statements and representations contained herein and in the bonds (excluding the Trustee's certificate of authentication on the bonds) shall be taken and construed as made by and on the part of the City and not by the Trustee, and the Trustee assumes and shall be under no responsibility for the correctness of the same.

Section 23. Trustee Protected in Certain Actions. The Trustee shall be protected and shall incur no liability in acting or proceeding, or in not acting or not proceeding, in good faith, reasonably and in accordance with the terms of this Resolution, upon any resolution, order, notice, request, consent, waiver, certificate, statement, affidavit, requisition, bond or other paper or document which it shall in good faith believe to be genuine and to have been adopted or signed by the proper board or person or to have been prepared and furnished pursuant to any of the provisions of this Resolution, and the Trustee shall be under no duty to make any investigation or inquiry as to any statements contained or matters referred to in any such instrument. The Trustee shall not be bound to recognize any person as an owner of any bond not registered in accordance with the terms hereof. The Trustee shall not be under any obligation to see to the recording or filing of this Resolution or otherwise to the giving to any person of notice of the provisions hereof.

Section 24. Resignation of Trustee. The Trustee may resign at any time and thereby become discharged from the trusts hereby created, by notice in writing to be given to the City and published once in a daily newspaper of general circulation published in the City of Wilmington, Delaware, and in a daily newspaper of general circulation or a financial journal published in the Borough of Manhattan, City and State of New York, not less than thirty (30) days before such resignation is to take effect, but such resignation shall take effect immediately upon the appointment of a new Trustee hereunder if such new

Trustee shall be appointed before the time limited by such notice and shall then accept the trusts hereof.

Section 25. Removal of Trustee. The Trustee may be removed at any time by an instrument or concurrent instruments in writing, executed by the owners of not less than a majority in aggregate principal amount of the bonds hereby secured and then outstanding and filed with the City. A photostatic copy of each such instrument shall be delivered promptly by the City to the Trustee. The Trustee may also be removed at any time for any breach of trust or for acting or proceeding in violation of, or for failing to act or proceed in accordance with, any provision of this Resolution with respect to the duties and obligations of the Trustee, by any court of competent jurisdiction upon the application of the City Council or the owners of not less than five per centum (5%) in aggregate principal amount of the bonds then outstanding hereunder.

Section 26. Appointment of a Successor Trustee. If at any time hereafter the Trustee shall resign, be removed, be dissolved, or otherwise become incapable of acting, or if the bank or trust company acting as Trustee shall be taken over by any governmental official, agency, department or board, the position of Trustee shall thereupon become vacant. If the position of Trustee shall become vacant for any of the foregoing reasons or for any other reason, the City Council shall appoint a Trustee to fill such vacancy. The City shall publish notice of any such appointment by it made once in each week for two (2) successive weeks in a daily newspaper of general circulation published in the City of Wilmington, Delaware, and in a daily newspaper of general circulation or a financial journal published in the Borough of Manhattan, City and State of New York.

At any time within one year after any such vacancy shall have occurred, the owners of a majority in aggregate principal amount of the bonds hereby secured and then outstanding, by an instrument or concurrent instruments in writing, executed by such bondowners or their attorneys in fact or legal representatives and filed with the City, may appoint a successor Trustee which shall supersede any Trustee theretofore appointed by the City. Photostatic copies of each such instrument shall be delivered promptly by the City to the predecessor Trustee and to the Trustee so appointed by the bondowners.

If no appointment of a successor Trustee shall be made pursuant to the foregoing provisions of this Section, the owner of any bond Outstanding hereunder or any retiring Trustee may apply to any court of competent jurisdiction to appoint a successor Trustee. Such court may thereupon, after such notice, if any, as such court may deem proper and prescribe, appoint a successor Trustee.

Any Trustee hereafter appointed shall be a bank or trust company authorized by law to exercise corporate trust powers and subject to examination by federal or state authority, of good standing, and having a combined capital and surplus aggregating not less than Twenty Five Million Dollars ($25,000,000).

Section 27. Vesting of Trusts in Successor Trustee. Every successor Trustee appointed hereunder shall execute, acknowledge and deliver to its predecessor, and also to the City, an instrument in writing accepting such appointment hereunder, and thereupon such successor Trustee, without any further act, shall become fully vested with all the rights, immunities, power and trusts, and subject to all the duties and obligations, of its predecessor; but such predecessors shall, nevertheless, on the written request of its successor or of the City, and upon payment of the expenses, charges and other disbursements of such predecessor which are payable pursuant to the provisions of Section 17 of this Resolution, execute and deliver an instrument transferring to such successor Trustee all the rights, immunities, powers and trusts of such predecessor hereunder; and every predecessor Trustee shall deliver all property and moneys held by it hereunder to its successor. Should an instrument in writing from the City be required by any successor Trustee for more fully and certainly vesting in such Trustee the rights, immunities, powers and trusts hereby vested or intended to be vested in the predecessor Trustee, any such instrument in writing shall and will, on

request, be executed, acknowledged and delivered by the City.

Notwithstanding any of the foregoing provisions of this Article, any bank or trust company having power to perform the duties and execute the trusts of this Resolution and otherwise qualified to act as trustee hereunder with or into which the bank or trust company acting as Trustee may be merged or consolidated, or to which the assets and business of such bank or trust company may be sold, shall be deemed the successor of the Trustee.

Section 28. Insurance. The City covenants to maintain insurance, or a reasonable system of self insurance, appropriate to the risks associated with operation of its Water and Sewer Facilities.

Section 29. Sales, Leases and Encumbrances. The City may not sell, encumber, exchange or otherwise dispose of any property constituting a part of the Water and Sewer Facilities unless such property is either worn out or obsolete or, in the opinion of the City, is no longer useful in the operation of the Water and Sewer Facilities. Any proceeds of such sale, exchange or other disposition not used to replace the property so sold or exchanged shall be deposited in the Water and Sewer Fund.

The City may lease as lessor or make contracts or grant licenses for the operation of, or grant easements or other rights with respect to any part of the Water and Sewer Facilities if such lease, contract, license, easement or right does not, in the opinion of the City, impede the operation of the Water and Sewer Facilities.

Section 30. Amendment of Resolution.

(1) This Resolution may be amended without the consent of any bondholders for any one or more of the following purposes:

(A) To add to the covenants and agreements of the City in this Resolution any other covenants and agreements thereafter to be observed by the City, or to surrender any right or power herein reserved to or conferred upon the City;

(B) To cure any ambiguity or formal defect contained in this Resolution, if that cure does not, in the judgment of the Council, adversely affect the interest of the bondholders; or

(C) To issue Parity Bonds in accordance with section 11 hereof.

(2) This Resolution may be amended for any other purpose only upon consent of holders of not less than 50% in aggregate principal amount of the Bonds outstanding; provided, however, that no amendment shall be valid which:

(A) Extends the maturity of any Bond, reduces the rate of interest upon any Bond, extends the time of payment of interest on any Bond, reduces the amount of principal payable on any Bond, or reduces any premium payable on any Bond, without the consent of the affected bondholder; or

(B) Reduces the percent of bondholders required to approve an amendatory resolution.

Section 31. Defeasance. The lien of the Bonds, or any series of Bonds, upon the Net Operating Revenue may be defeased, and such Bonds shall be deemed paid, if the City places in irrevocable escrow direct obligations of, or obligations guaranteed by, the United States of America which are calculated together with interest earnings thereon to be sufficient, without reinvestment, to pay principal, interest and any premium on the Bonds as they become due, either at maturity or on prior redemption.

Section 32. Effective Date. This Resolution shall become effective upon receipt of the consent of holders of at least 50% of Bonds outstanding.

APPROVED by the Council of The City of Dover, the 24th day of June, 2013.

Tiaci A. McDowell
City Clerk
The City of Dover

APPROVED by the Mayor of The City of Dover, the 24th day of June, 2013.

Carleton E. Carey Sr.
Mayor, The City of Dover

No. R - $_____$

EXHIBIT A
STATE OF DELAWARE
KENT COUNTY
THE CITY OF DOVER

WATER AND SEWER REVENUE BOND, SERIES _____

INTEREST RATE	MATURITY DATE	DATED DATE	CUSIP

REGISTERED OWNER:

PRINCIPAL AMOUNT: DOLLARS

THE CITY OF DOVER, in Kent County, State of Delaware, for value received, hereby promises to pay to the Registered Owner identified above, or registered assigns, the Principal Amount identified above on the Maturity Date specified above, unless this Bond shall have been previously called for redemption and payment of the redemption price shall have been duly made or provided for, and to pay interest at the Interest Rate specified above, on such Principal Amount from the interest payment date next preceding the date of registration and authentication of this Bond, unless this Bond is registered and authenticated as of an interest payment date, in which event this Bond shall bear interest from such interest payment date or unless this Bond is registered and authenticated prior to _____, in which event this Bond shall bear interest from the Dated Date indicated above, or unless interest on the hereinafter referred to Bonds shall be in default, in which event this Bond shall bear interest from the last date to which interest has been paid, at the rate specified above payable semiannually on _____ and _____ of each year commencing _____ until payment in full of such Principal Amount, and to pay interest on the overdue principal and, to the extent permitted by law, on overdue interest at the rate specified above.

Both the principal of and interest on this Bond are payable in lawful money of the United States of America. Interest on this Bond shall be paid by check or draft mailed to the Registered Owner as shown on the bond register maintained by the Paying Agent and Registrar. The Principal Amount shall be payable upon presentation and surrender of this Bond by the Registered Owner thereof at the principal corporate trust office of the Paying Agent and Registrar.

In the event that this Bond is held by or registered in the name of a securities depository or other agent or nominee of a beneficial owner, by purchase of a Bond the bondholder agrees that the City will have no responsibility or liability for any action or inaction by the depository or other agent or nominee in connection with the Bond.

The Series _____ Bonds maturing on or after _____ are subject to redemption, at the option of the City in whole at any time on or after _____, _____, and in part on any interest payment date on or after _____, _____, at the following prices (expressed as a percentage of the principal amount redeemed) plus interest accrued to the redemption date:

Redemption Date (Dates inclusive)	Redemption Price
_____, 20__ through _____, 20__	%
_____, 20__ through _____, 20__	%
_____, 20__ through _____, 20__	%
_____, 20__ through _____, 20__	%
_____, 20__ and thereafter	%

Notice of any redemption, identifying the Bonds or portions thereof to be redeemed, shall be given not more than sixty (60) nor fewer than twenty (20) days prior to the redemption date, by first class United States mail to the registered owners of the Bonds to be redeemed at their registered addresses. Failure to mail any such notice or any defect in the mailed notice or the mailing thereof shall not affect the validity of any proceedings for the redemption of other Bonds for which notice shall be duly given. No further interest shall accrue on the principal of any Bonds called for redemption after the redemption date if notice of redemption has been duly mailed and redemption moneys have been deposited with or made available to the Paying Agent on or prior to the date set for redemption and the holders of such Bonds shall have no rights with respect to such Bonds except to receive payment of the redemption price thereof and unpaid interest accrued to the date fixed for redemption.

If at the time of mailing of any notice of optional redemption the City shall not have deposited with the Paying Agent moneys sufficient to redeem all the Bonds called for redemption, such notice shall state that it is conditional, that is, subject to the deposit or transfer of the redemption moneys with the Paying Agent not later than the opening of business on the redemption date, and that such notice shall be of no effect unless such moneys are so deposited.

This Bond is one of the Water and Sewer Revenue Bonds, Series _____ of The City of Dover (the "Bonds"), and is issued by The City of Dover for the purpose of providing funds for the construction of water and sewer facilities, and is issued in full and strict accordance and compliance with all of the provisions of the Charter of The City of Dover, and the Constitution and statutes of the State of Delaware including a Resolution of City Council adopted _____ (the "Resolution") and a Supplemental Resolution thereto.

This Bond is not a general obligation or debt of The City of Dover but is payable solely from the Net Operating Revenue of the Water and Sewer Facilities as provided in the Resolution and the owner hereof has no right to compel the levy of any tax for the payment of this Bond or the interest to accrue hereon. The City of Dover covenants and agrees with the holder of this Bond that it will keep and perform all of the covenants of this Bond and the Resolution. The City of Dover has pledged the Net Operating Revenue of the Water and Sewer Facilities to the payment of principal and interest on this Bond.

The City may issue additional bonds secured on a parity with the Bonds to finance the construction, completion, repair and improvement of water and sewer facilities or the refunding of outstanding Bonds upon meeting certain conditions set forth in the Resolution which Parity Bonds shall rank on a parity with the Series _____ Bonds in the lien and benefit of this Resolution.

The Series _____ Bonds are issuable in the form of registered bonds without coupons in the denominations of $5,000 or any integral multiple thereof. The owner of any registered Bond or Bonds may surrender the same (together with a written instrument of transfer satisfactory to the City duly executed by

the registered owner or his duly authorized attorney) at the office of the Paying Agent and Registrar of the City, in exchange for an equal aggregate principal amount of registered Bonds, of the same maturity and of any other authorized denominations in the manner, subject to the conditions and upon the payment of the charges provided in the Resolution.

Any transfer of this Bond must be registered, as provided in the Resolution, upon the Bond Register kept for that purpose at the office of the Paying Agent and Registrar of the City by the registered owner hereof in person, or by his attorney duly authorized in writing, upon surrender of this Bond together with a written instrument of transfer satisfactory to the City duly executed by the registered owner or his attorney duly authorized in writing, and thereupon a new registered bond or bonds, of the same series and maturity and in the same aggregate principal amounts, shall be issued to the transferee in exchange herefore as provided in the Resolution free of charge except for any applicable transfer tax or other governmental charge. The City may deem and treat the person in whose name this Bond is registered as the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal or redemption price hereof and interest due hereon and for all other purposes, as provided in the Resolution.

IN TESTIMONY WHEREOF, the Council of The City of Dover by Resolution duly adopted, has caused this Bond to be executed with the manual or facsimile signatures of its Mayor and Treasurer, and has caused the City's corporate Seal to be printed or affixed hereto, all as of the _____ day of _____, 20__.

_____
Mayor, The City of Dover

(SEAL)

_____
Treasurer, The City of Dover

City of Dover

MAYOR AND COUNCIL

COUNCIL RESOLUTION

A RESOLUTION AUTHORIZING THE SALE OF UP TO $6,500,000 WATER AND SEWER REVENUE BONDS OF THE CITY OF DOVER

WHEREAS, pursuant to Chapter 158, Volume 36, Laws of Delaware, as amended (the "City Charter") and Chapter 111, Volume 52, Laws of Delaware as amended, The City of Dover (the "City") in order to provide funds to finance a portion of the City's Water and Sewer System, adopted a Resolution on February 27, 1989 (as thereafter supplemented and amended, the "1989 Bond Resolution") providing for the issuance of its water and sewer revenue bonds and pursuant to the 1989 Bond Resolution it has issued and there remains outstanding approximately: (i) $324,939 of its Water and Sewer Revenue Bonds, Series 2000-SRF, (ii) $1,980,000 of its Water and Sewer Revenue Refunding Bonds, Series 2003 (the "Series 2003 Bonds"), (iii) $5,344,454 of its Water and Sewer Revenue Bonds, Series 2009-SRF, (iv) $2,254,263 of its Water and Sewer Revenue Bonds, Series 2010-SRF, and (v) $724,671 of its Water and Sewer Revenue Bonds, Series 2011-SRF (collectively, the "Outstanding Bonds");

WHEREAS, by resolution of the City Council (the "Council") adopted June 24, 2013, (the "Bond Resolution) the Council amended and restated the 1989 Bond Resolution; and

WHEREAS, the City desires to issue additional revenue bonds pursuant to the Bond Resolution to refund all (approximately $2,000,000) of the outstanding Series 2003 Bonds in order to realize debt service savings; and

WHEREAS, the City has approved by a budget ordinance, City of Dover Ordinance No. 2012-18 adopted in June 2012 (the "Budget Ordinance"), for certain capital improvements to its water and sewer system including the Calpine project (the "2013 Projects"); and

WHEREAS the City desires to issue additional revenue bonds pursuant to the Bond Resolution to pay a portion of the costs of the 2013 Projects in the amount of approximately $4,000,000.

NOW, THEREFORE, BE IT RESOLVED by Council of the City of Dover, Delaware as follows (at least three fourths of all members thereof concurring therein):

1. The Council authorizes the sale of the City's revenue bonds pursuant to the Bond Resolution in the aggregate original principal amount of up to $6,500,000 (the "Series 2013 Bonds") in one or more series for one or more of the following purposes: (i) to finance the 2013 Projects, (ii) refund the outstanding Series 2003 Bonds, (iii) fund any required reserves, and (iv) pay costs of issuance of the Series 2013 Bonds.

2. The Series 2013 Bonds shall be sold in a competitively bid, public or privately negotiated sale in such manner, subject to such terms and at such price as the Mayor and Controller/Treasurer shall determine shall be in the best interest of the City provided that the true interest cost shall not exceed five percent (5%) per annum and provided further that bonds for refunding purposes shall not be sold unless the City realizes a present value savings of at least three (3%) from the resulting debt service of the refunding bonds in the aggregate.

3. The Series 2013 Bonds shall bear interest at such rates, shall be payable and shall mature at such times, shall contain such provisions for optional and mandatory redemption, shall be in such form, certificated or book entry, and shall contain such other terms and conditions as the Mayor and Controller/Treasurer shall determine shall be in the best interest of the City.

4. The Mayor and Controller/Treasurer are authorized to prepare and distribute a Preliminary Official Statement in connection with the offering and sale of the Series 2013 Bonds and to "deem" such Preliminary Official Statement "final" for the purposes of Rule 15c2-12 of the Securities and Exchange Commission and to finalize and distribute an Official Statement.

5. The Mayor and Controller/Treasurer are each authorized to enter into a contract with one or more purchasers of the Series 2013 Bonds providing for the City to issue and sell said bonds in accordance with the terms of said contract and this Resolution. In connection with the issuance of bonds for refunding purposes the Mayor and Controller/Treasurer are each authorized to retain accountants or other consultants to perform verification calculations as well as an escrow agent to act on behalf of the owners of the refunded bonds, if required.

6. Upon entering into a contract to issue and sell the Series 2013 Bonds the Mayor shall promptly inform Council of the terms thereof whereupon Council shall adopt a Resolution confirming the terms thereof.

7. The City covenants for the benefit of the owners of the Series 2013 Bonds (i) that no use of the proceeds of the Series 2013 Bonds or the earnings thereon will be made, and no other action will be taken, which would cause the Series 2003 Bonds to be "arbitrage bonds" within the meaning of Section 148(a) of the Internal Revenue Code of 1986 (the "Code"), (ii) that all action with respect to the Series 2013 Bonds required to be taken to avoid characterization of the Series 2013 Bonds as "arbitrage bonds" under Section 148 of the Code shall be taken, (iii) that the City will take all reasonable steps to ensure that interest on the Series 2013 Bonds is not included in gross income of the owner of any Series 2013 Bond for purposes of federal income taxation and (iv) that the City will take no action to cause the Series 2013 Bonds to become "private activity bonds" as that term is used in Section 141(a) of the Code. The Mayor and Council are authorized and directed to take all appropriate action to maintain the exclusion from gross income of interest on the Series 2013 Bonds for federal income tax purposes including the payment of any arbitrage rebate to the United States, if required, and the establishment of special accounts in connection therewith.

8. The City hereby covenants (the "Continuing Disclosure Covenant") for the benefit of holders of the Series 2013 Bonds that, so long as any Series 2013 Bonds are outstanding, it will file, or cause to be filed, all financial information, operating data and notices of events, actions or failure to act, with such persons and entities and at such times as may be necessary to comply with the requirements of Rule 15c2-12(b)(5) of the Securities Exchange Commission with respect to the Series 2013 Bonds.

9. The City Clerk shall forthwith cause to be published once in a newspaper published in the City a notice in substantially the following form:

"NOTICE

"NOTICE IS HEREBY GIVEN that the City Council of The City of Dover, Delaware, on _____, 2013, pursuant to Chapter 111, Volume 52, Delaware Laws, as amended, adopted a resolution entitled as follows:

'A RESOLUTION AUTHORIZING THE SALE OF UP TO $6,500,000 WATER AND SEWER REVENUE BONDS OF THE CITY OF DOVER'

"The purpose of the issuance of said bonds is to provide funds (approximately $4,000,000) to pay a portion of the cost of certain improvements to the City's Water and Sewer System and to provide funds (approximately $2,000,000) to refund some portion or all of the City's outstanding water and sewer revenue bonds.

"Any action or proceeding to contest the validity of said resolution or any of its provisions must be commenced within thirty (30) days after the publication of this notice. After the expiration of such period of limitation, no right of action or defense founded upon the invalidity of said resolution or any of its provisions shall be asserted, nor shall the validity of said resolution or any of its provisions be open to question in any court upon any ground whatever, except in an action or proceeding commenced within such period.

"By order of the City Council of The City of Dover, Delaware.

_____"

City Clerk

10. The 2013 Bonds are expected to be issued before July 31, 2013. At the time the Budget Ordinance was approved, the City expected to have advanced funds, available on a temporary basis only, to pay costs of the 2013 Projects incurred up to that time. Accordingly, the City reasonably expects that proceeds of the Series 2013 Bonds will be applied on the date of issuance to reimburse such costs. Pursuant to the City's budgetary and financial policies, no funds, other than the proceeds of the Series 2013 Bonds, are, or are reasonably expected to be, reserved, allocated on a long term basis, or otherwise set aside by the City to pay the aforesaid costs that are expected to be reimbursed.

11. The Mayor, Controller/Treasurer and Clerk of Council are hereby authorized and directed to take all action deemed by them as necessary and appropriate to carry out the intent of this Resolution.

12. This Resolution shall take effect immediately upon its passage and approval by the Mayor.

PASSED AND ADOPTED on 24th day of June, 2013

APPROVED:

Carleton E. Carey Sr.
Mayor

Attest:

Traci A. McDowell
City Clerk

S:\RESOLUTIONS-PROCLAMATIONS-TRIBUTES\2013\Adopted\Bond Resolution - $6.5M Water and Sewer Revenue - ADOPTED 06-24-2013.wpd

CITY OF DOVER ORDINANCE # 2013-09
2013-2014 BUDGET ORDINANCES

GENERAL FUND
REVENUES AND BUDGET FOR 2013-2014

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

The amount hereinafter named aggregating Thirty Nine Million Seven Hundred Thirty Three Thousand Two Hundred dollars ($39,733,200) or so much thereof as may be necessary are hereby appropriated from current revenues and other funds for the use by several departments of the Municipal Government for the fiscal year beginning July 1, 2013 and ending June 30, 2014:

	2012/13 REVISED	2013/14 BUDGET
BEGINNING BALANCE	$ 3,752,200	$ 3,455,200
REVENUES		
FINES AND POLICE REVENUE	668,000	666,000
INVESTMENT INCOME	75,000	75,000
LIBRARY REVENUES	66,200	66,600
KENT COUNTY BOOK REIMBURSEMENT	405,900	400,000
BUSINESS LICENSES	1,455,000	1,460,000
PERMITS AND OTHER LICENSES	1,053,300	1,167,500
MISCELLANEOUS CHARGES	70,900	63,300
POLICE EXTRA DUTY	636,100	650,000
PROPERTY TAXES	11,039,200	11,120,000
BID REVENUE	51,600	49,500
RECREATION REVENUE	130,000	133,000
FRANCHISE FEE	600,000	606,200
TRASH FEES	2,676,500	2,676,500
RENT REVENUE - GARRISON FARM	117,200	118,500
COURT OF CHANCERY FEES	807,200	863,200
REVENUES SUBTOTAL	19,852,100	20,115,300
INTERFUND SERVICE RECEIPTS		
INTRAFUND SERVICE RECEIPTS WATER/WASTEWATER	1,045,800	1,134,900
INTRAFUND SERVICE RECEIPTS ELECTRIC	3,177,100	3,319,400
INTERFUND SERVICE RECEIPTS SUBTOTAL	4,222,900	4,454,300
GRANTS		
POLICE RELATED	112,100	110,000
POLICE PENSION GRANT	500,000	500,000
GREEN ENERGY GRANT	98,500	98,500
MISCELLANEOUS GRANTS	25,000	25,000
GRANTS SUBTOTAL	735,600	733,500
TRANSFERS FROM		
TRANSFER TAX	1,370,000	1,315,500
MUNICIPAL STREET AID	527,400	527,400
CIVIL TRAFFIC PENALTIES	350,000	600,000
WATER/WASTEWATER	500,000	500,000
ELECTRIC	8,000,000	8,000,000
OTHER RESERVES	11,000	32,000
TRANSFERS FROM SUBTOTAL	10,758,400	10,974,900
TOTAL REVENUES	35,569,000	36,278,000
TOTALS	**$ 39,321,200**	**$ 39,733,200**

2013-2014 BUDGET ORDINANCES - CONTINUED

GENERAL FUND - EXPENDITURES AND BUDGET BALANCE FOR 2013-2014

DEPARTMENT EXPENSES	2012/13 REVISED	2013/14 BUDGET
CITY CLERK	$ 326,900	$ 334,400
COUNCIL	114,200	107,800
TAX ASSESSOR	187,500	198,300
FIRE	645,200	692,100
GROUNDS MAINTENANCE	980,400	948,500
LIBRARY	1,225,400	1,330,400
RECREATION	674,900	708,200
LIFE SAFETY	451,800	468,200
CODE INFORCEMENT	323,100	377,100
PLANNING	416,100	444,800
INSPECTIONS	577,100	540,300
ECONOMIC DEVELOPMENT	231,100	215,200
POLICE	13,431,900	13,571,800
POLICE EXTRA DUTY	748,200	760,000
STREETS	772,200	603,700
SANITATION	2,072,000	2,153,800
CITY MANAGER	420,000	457,300
INFORMATION TECHNOLOGY	633,300	660,500
FINANCE	879,500	906,500
PUBLIC SERVICES - ADMINISTRATION	401,200	425,800
FACILITIES MANAGEMENT	660,600	632,600
CENTRAL SERVICES	578,700	517,600
FLEET MAINTENANCE	678,500	720,700
CUSTOMER SERVICES	866,900	1,109,400
HUMAN RESOURCES	310,800	334,300
MAYOR	82,400	83,300
DEPARTMENT SUBTOTALS	28,689,900	29,302,600
OTHER EXPENSES		
DEBT SERVICE	474,200	557,300
CONTRIBUTION TO DDP	180,000	162,400
MISCELLANEOUS GRANT RELATED EXPENSES	25,000	25,000
INSURANCE	600,000	658,900
RETIREES HEALTH CARE	1,620,600	1,636,500
OTHER EMPLOYMENT EXPENSES	94,700	400,000
PENSION UNFUNDED LIABILITY	1,693,500	1,159,100
POLICE PENSION FUND - STATE GRANT	500,000	500,000
POLICE PENSION FUND - UNFUNDED LIABILITY	495,000	307,400
UNCOLLECTIBLES - TRASH AND OTHER	10,000	10,000
STREET LIGHTS	869,700	836,000
OTHER EXPENSE SUBTOTAL	6,562,700	6,252,600
TRANSFERS		
TRANSFER TO CAPITAL FUND - PROJECTS	613,400	1,278,300
TRANSFERS SUBTOTAL	613,400	1,278,300
TOTAL EXPENDITURES	35,866,000	36,833,500
CURRENT YEAR BALANCE	3,455,200	2,899,700
TOTALS	**$ 39,321,200**	**$ 39,733,200**

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

ADOPTED: June 24, 2013

2013-2014 BUDGET ORDINANCES - CONTINUED

GENERAL FUND CONTINGENCY
CASH RECEIPTS/REVENUES AND BUDGET FOR 2013-2014

BE IT ORDAINED BY THE MAYOR AND COUNCIL OF THE CITY OF DOVER, IN COUNCIL MET:
The amount hereinafter named aggregating Seven Hundred Forty Four Thousand Six Hundred dollars ($744,600) or so much thereof as may be necessary are hereby appropriated from current revenues and other funds for the use by several departments of the Municipal Government for the fiscal year beginning July 1, 2013 and ending June 30, 2014:

CASH RECEIPTS

	2012/13 REVISED	2013/14 BUDGET
BEGINNING BALANCE	$ 721,200	$ 732,100
INTEREST EARNED	10,900	12,500
TOTALS	**$ 732,100**	**$ 744,600**

EXPENSE SUMMARY

	2012/13 REVISED	2013/14 BUDGET
TRANSFER TO OPERATING ACCOUNT	$ -	$ 21,000
CARRY FORWARD TO NEXT YEAR	$ 732,100	$ 723,600
TOTALS	**$ 732,100**	**$ 744,600**

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

ADOPTED: June 24, 2013

GOVERNMENTAL CAPITAL PROJECTS FUND
REVENUES AND BUDGET FOR 2013-2014

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

The amount hereinafter named aggregating One Million Five Hundred Fifty Four Thousand Eight Hundred dollars ($1,554,800) or so much thereof as may be necessary are hereby appropriated from current revenues and other funds for the use by several departments of the Municipal Government for the fiscal year beginning July 2,2013 and ending June 30, 2014:

REVENUES

	2012/13 REVISED	2013/14 BUDGET
BEGINNING BALANCE	$ 156,000	$ 166,500
REVENUES		
STATE GRANTS - OTHER	158,000	15,000
BOND PROCEEDS - STREET PROGRAM	2,000,000	-
INCOME FROM SALE OF ASSETS	43,000	-
POLICE GRANTS	33,800	-
TRANSFER FROM GENERAL FUND FOR PROJECTS	613,400	1,278,300
TRANSFER FROM PARKLAND RESERVE	-	95,000
TRANSFER FROM FUTURE CAPACITY RESERVE	2,000,000	-
SUBTOTAL PROJECT RECEIPTS	4,848,200	1,388,300
STATE GRANTS - LIBRARY	1,746,000	-
TRANSFER FROM THE LIBRARY FOUNDATION	71,000	-
INCOME FROM SALE OF ASSETS - LIBRARY	1,200,000	-
CONSTRUCTION LOAN FOR LIBRARY	648,500	-
KENT COUNTY CONTRIBUTIONS	250,000	-
DEMEC GRANT	166,700	-
FRIENDS OF THE LIBRARY DONATION	102,400	-
SUBTOTAL LIBRARY PROJECT RECEIPTS	4,184,600	-
TOTAL REVENUES	9,032,800	1,388,300
TOTAL BEGINNING BALANCE AND REVENUES	**$ 9,188,800**	**$ 1,554,800**

EXPENSE SUMMARY

DEPARTMENT EXPENSES	2012/13 REVISED	2013/14 BUDGET
FIRE	$ 238,500	$ 238,500
GROUNDS MAINTENANCE	112,000	50,100
LIBRARY	4,089,100	-
RECREATION	30,000	95,000
CODE ENFORCEMENT	-	30,000
POLICE	217,000	257,300
STREETS	3,558,700	251,500
SANITATION	150,000	402,100
INFORMATION TECHNOLOGY	107,000	7,000
FACILITIES MAINTENANCE	395,000	17,800
PROCUREMENT & INVENTORY	-	55,000
MAYOR	33,000	-
DEPARTMENT SUBTOTAL	8,930,300	1,404,300
BOND ISSUANCE COSTS	32,000	-
TRANSFER TO COMMUNITY TRANSP FUND	60,000	-
CURRENT YEAR BALANCE	166,500	150,500
TOTALS	**$ 9,188,800**	**$ 1,554,800**

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

ADOPTED: June 24, 2013

2013-2014 BUDGET ORDINANCES - CONTINUED

GENERAL CAPITAL ASSET RESERVE
CASH RECEIPTS/REVENUES AND BUDGET FOR 2013-2014

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

The amount hereinafter named aggregating Five Hundred Twelve Thousand dollars ($512,000) or so much thereof as may be necessary are hereby appropriated from current revenues and other funds for the use by several departments of the Municipal Government for the fiscal year beginning July 1, 2013 and ending June 30, 2014:

CASH RECEIPTS

	2012/13 REVISED	2013/14 BUDGET
BEGINNING BALANCE	$ 498,500	$ 504,000
RECEIPTS		
INTEREST EARNINGS	5,500	8,000
TOTAL RECEIPTS	5,500	8,000
TOTALS	**$ 504,000**	**$ 512,000**

EXPENSE SUMMARY

	2012/13 REVISED	2013/14 BUDGET
CARRY FORWARD TO NEXT YEAR	$ 504,000	$ 512,000
TOTALS	**$ 504,000**	**$ 512,000**

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

ADOPTED: June 24, 2013

2013-2014 BUDGET ORDINANCES - CONTINUED

PARKLAND/RECREATION RESERVE
CASH RECEIPTS/REVENUES AND BUDGET FOR 2013-2014

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

The amount hereinafter named aggregating Two Hundred FiveThousand dollars ($205,000) or so much thereof as may be necessary are hereby appropriated from current revenues and other funds for the use by several departments of the Municipal Government for the fiscal year beginning July 1, 2013 and ending June 30, 2014:

OPERATING REVENUES

	2012/13 REVISED	2013/14 BUDGET
PRIOR YEAR BALANCE	$ 199,300	$ 202,500
INTEREST INCOME	3,200	2,500
TOTALS	**$ 202,500**	**$ 205,000**

OPERATING EXPENSES

	2012/13 REVISED	2013/14 BUDGET
TRANSFER TO CAPITAL PROJECTS FUND	$ -	$ 95,000
CURRENT YEAR BALANCE	202,500	110,000
TOTALS	**$ 202,500**	**$ 205,000**

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

ADOPTED: June 24, 2013

2013-2014 BUDGET ORDINANCES - CONTINUED

WATER/WASTEWATER FUND
REVENUES AND BUDGET FOR 2013-2014

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

The amount hereinafter named aggregating Fifteen Million One Hundred Twenty Two Thousand Two Hunded dollars ($15,122,200) or so much thereof as may be necessary are hereby appropriated from current revenues and other funds for the use by several departments of the Municipal Government for the fiscal year beginning July 1, 2013 and ending June 30, 2014:

	2012/13 REVISED	2013/14 BUDGET
BEGINNING BALANCE - WATER	$ 1,075,800	$ 770,800
BEGINNING BALANCE - WASTEWATER	991,100	412,600
BEGINNING BALANCE - KCSA	(626,400)	141,600
TOTAL BEGINNING BALANCES	1,440,500	1,325,000
BASE REVENUE		
WATER FEES	4,730,700	4,730,700
WASTEWATER FEES	3,642,700	3,642,700
WASTEWATER ADJUSTMENT FEES	2,980,400	2,980,300
GROUNDWATER INFLOW ADJUSTMENT	1,324,600	1,324,600
WATER TANK SPACE LEASING	313,500	333,800
SEWER IMPACT FEES	380,000	323,000
WATER IMPACT FEES	350,000	357,000
INTEREST - WATER	7,400	9,100
INTEREST - WASTEWATER	11,500	14,000
MISCELLANEOUS SERVICE FEE	81,400	82,000
TOTAL REVENUES	13,822,200	13,797,200
TOTAL BEGINNING BALANCES AND REVENUES	**$ 15,262,700**	**$ 15,122,200**

2013-2014 BUDGET ORDINANCES - CONTINUED

WATER/WASTEWATER FUND - EXPENDITURES AND BUDGET BALANCE FOR 2013-2014

DIRECT EXPENSES	2012/13 REVISED	2013/14 BUDGET
ENGINEERING & INSPECTION	$ 601,900	$ 664,400
WATER CONSTRUCTION	353,200	351,400
WATER DEPARTMENT	415,000	433,900
WATER TREATMENT PLANT	1,535,400	1,501,800
WASTEWATER DEPARTMENT	997,000	945,100
DIRECT EXPENDITURE SUBTOTAL	3,902,500	3,896,600
OTHER EXPENSES		
DEBT SERVICE - WATER	438,100	403,800
DEBT SERVICE - WASTEWATER	636,300	615,700
RETIREES HEALTH CARE	220,000	200,000
OTHER EMPLOYMENT EXPENSES	15,400	25,000
PENSION UNFUNDED LIABILITY	509,800	339,400
KENT COUNTY TREATMENT CHARGE	3,537,000	3,524,800
INTRAFUND SERVICE FEES	1,176,600	1,233,400
UNCOLLECTIBLES	5,000	-
INVENTORY/FIXED ASSET WRITEOFFS	5,000	-
OTHER EXPENSES SUBTOTAL	6,543,200	6,342,100
TRANSFER TO		
GENERAL FUND FROM WATER	250,000	250,000
GENERAL FUND FROM WASTEWATER	250,000	250,000
WATER IMP AND EXT	1,700,000	1,200,000
WASTEWATER IMP AND EXT	1,200,000	1,330,000
CAPITAL ASSET RESERVE WATER	70,000	-
CAPITAL ASSET RESERVE WASTEWATER	22,000	-
TRANSFER TO SUBTOTAL	3,492,000	3,030,000
TOTAL EXPENSES	13,937,700	13,268,700
CURRENT YEAR BALANCES		
CURRENT YEAR BALANCE WATER	770,800	1,056,400
CURRENT YEAR BALANCE WASTEWATER	412,600	797,100
CURRENT YEAR BALANCE KCSA	141,600	-
CURRENT YEAR BALANCE SUBTOTALS	1,325,000	1,853,500
TOTAL CURRENT YEAR BALANCES AND EXPENSES	**$ 15,262,700**	**$ 15,122,200**

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

ADOPTED: June 24, 2013

2013-2014 BUDGET ORDINANCES - CONTINUED

WATER/WASTEWATER CONTINGENCY RESERVE
CASH RECEIPTS/REVENUES AND BUDGET FOR 2013-2014

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

The amount hereinafter named aggregating Two Hundred Ninety Seven Thousand One Hundred dollars ($297,100) or so much thereof as may be necessary are hereby appropriated from current revenues and other funds for the use by several departments of the Municipal Government for the fiscal year beginning July 1, 2013 and ending June 30, 2014:

CASH RECEIPTS

	2012/13 REVISED	2013/14 BUDGET
BEGINNING BALANCE - WATER	$ 102,100	$ 103,800
BEGINNING BALANCE - WASTEWATER	$ 185,200	$ 188,300
TOTAL BEGINNING BALANCES	$ 287,300	$ 292,100
RECEIPTS		
INTEREST EARNINGS	4,800	5,000
TOTAL RECEIPTS	4,800	5,000
TOTALS	**$ 292,100**	**$ 297,100**

EXPENSE SUMMARY

EXPENSES	2012/13 REVISED	2013/14 BUDGET
TRANSFER TO OPERATING FUND/RESERVES	$ -	$ -
TOTAL EXPENSES	-	-
CURRENT YEAR BALANCE - WATER	103,800	105,600
CURRENT YEAR BALANCE - WASTEWATER	188,300	191,500
CURRENT YEAR BALANCE SUBTOTALS	292,100	297,100
TOTAL EXPENSES AND CURRENT YEAR BALANCES	**$ 292,100**	**$ 297,100**

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

ADOPTED: June 24, 2013

2013-2014 BUDGET ORDINANCES - CONTINUED

WATER/WASTEWATER IMPROVEMENT & EXTENSION FUND
CASH RECEIPTS/REVENUES AND BUDGET FOR 2013-2014

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

The amount hereinafter named aggregating Five Million Two Hundred Twenty Five Thousand NIne Hundred dollars ($5,225,900) or so much thereof as may be necessary are hereby appropriated from current revenues and other funds for the use by several departments of the Municipal Government for the fiscal year beginning July 1, 2013 and ending June 30, 2014:

CASH RECEIPTS

	2012/13 REVISED	2013/14 BUDGET
PRIOR YEAR BALANCE - WATER	$ 3,811,200	$ 1,620,000
PRIOR YEAR BALANCE - WASTEWATER	2,641,000	660,900
TOTAL BEGINNING BALANCES	6,452,200	2,280,900
RECEIPTS		
BOND PROCEEDS - WATER - 2013 ISSUE	2,000,000	-
BOND PROCEEDS - WASTEWATER - 2013 ISSUE	2,000,000	-
STATE LOAN-WATER 2010 ISSUE	142,700	-
STATE LOAN-WASTEWATER 2011 ISSUE	494,500	-
TRANS FROM OPERATING FUND FOR WATER	1,700,000	1,200,000
TRANS FROM OPERATING FUND FOR WASTEWATER	1,200,000	1,330,000
TRANSFER FROM WATER IMPACT FEE RESERVE	-	390,000
TRANSFER FROM WASTEWATER IMPACT FEE RESERVE	250,000	-
INTEREST INCOME	25,000	25,000
TOTAL RECEIPTS	7,812,200	2,945,000
TOTALS	**$ 14,264,400**	**$ 5,225,900**

EXPENSE SUMMARY

EXPENSES	2012/13 REVISED	2013/14 BUDGET
WATER	$ 5,971,600	$ 1,476,800
WASTEWATER	5,922,500	1,251,000
WATER TREATMENT PLANT	29,200	-
WATER CONSTRUCTION	31,000	90,000
ENGINEERING & INSPECTION	29,200	-
TOTAL EXPENSES	11,983,500	2,817,800
CURRENT YEAR BALANCE - WATER	1,620,000	1,655,700
CURRENT YEAR BALANCE - WASTEWATER	660,900	752,400
CURRENT YEAR BALANCE SUBTOTALS	2,280,900	2,408,100
TOTALS	**$ 14,264,400**	**$ 5,225,900**

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

ADOPTED: June 24, 2013

2013-2014 BUDGET ORDINANCES - CONTINUED

WATER/WASTEWATER CAPITAL ASSET RESERVE
CASH RECEIPTS/REVENUES AND BUDGET FOR 2013-2014

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

The amount hereinafter named aggregating One Million Twenty Five Thousand Three Hundred dollars ($1,025,300) or so much thereof as may be necessary are hereby appropriated from current revenues and other funds for the use by several departments of the Municipal Government for the fiscal year beginning July 1, 2013 and ending June 30, 2014:

CASH RECEIPTS

	2012/13 REVISED	2013/14 BUDGET
BEGINNING BALANCE - WATER	$ 427,100	$ 504,400
BEGINNING BALANCE - WASTEWATER	473,600	503,700
TOTAL BEGINNING BALANCES	900,700	1,008,100
RECEIPTS		
INTEREST EARNINGS - WATER	7,300	8,600
INTEREST EARNINGS - WASTEWATER	8,100	8,600
TRANSFER FROM WATER	70,000	-
TRANSFER FROM WASTEWATER	22,000	-
TOTAL RECEIPTS	107,400	17,200
TOTALS	**$ 1,008,100**	**$ 1,025,300**

EXPENSE SUMMARY

	2012/13 REVISED	2013/14 BUDGET
CURRENT YEAR BALANCE - WATER	$ 504,400	$ 513,000
CURRENT YEAR BALANCE - WASTEWATER	503,700	512,300
CURRENT YEAR BALANCE SUBTOTALS	1,008,100	1,025,300
TOTALS	**$ 1,008,100**	**$ 1,025,300**

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

ADOPTED: June 24, 2013

2013-2014 BUDGET ORDINANCES - CONTINUED

ELECTRIC REVENUE FUND
REVENUES AND BUDGET FOR 2013-2014

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

The amount hereinafter named aggregating Ninety Million One Hundred Thirty Eight Thousand dollars ($90,138,000) or so much thereof as may be necessary are hereby appropriated from current revenues and other funds for the use by several departments of the Municipal Government for the fiscal year beginning July 1, 2013 and ending June 30, 2014:

	2012/13 REVISED	2013/14 BUDGET
BEGINNING BALANCE	$ 14,567,100	$ 7,152,400
BASE REVENUE		
DIRECT SALES TO CUSTOMER	87,519,500	76,286,700
UTILITY TAX	1,498,900	1,492,200
MISCELLANEOUS REVENUE	985,700	602,000
RENT REVENUE	200,000	251,000
GREEN ENERGY	129,000	135,800
INTEREST EARNINGS	107,800	119,400
TRANSFER FROM RATE STABILIZATION	5,400,000	4,000,000
INTRAFUND SERVICE RECEIPTS WATER/WASTEWATER	130,800	98,500
TOTAL REVENUES	95,971,700	82,985,600
TOTALS	**$ 110,538,800**	**$ 90,138,000**

2013-2014 BUDGET ORDINANCES - CONTINUED

ELECTRIC REVENUE FUND - EXPENDITURES & BUDGET BALANCE FOR 2013-2014

EXPENSES	2012/13 REVISED	2013/14 BUDGET
POWER SUPPLY	$ 37,701,000	$ 23,832,000
SOLAR ENERGY	1,587,600	1,565,800
SOLAR RENEWAL ENERGY CREDITS	351,600	300,000
POWER SUPPLY MANAGEMENT	996,000	996,000
PJM CHARGES - ENERGY	5,697,700	12,812,900
PJM CHARGES - TRANSMISSION & FEES	6,100,700	4,740,000
CAPACITY CHARGES	11,817,200	15,787,200
SUB-TOTAL POWER SUPPLY	64,251,800	60,033,900
PLANT OPERATIONS	5,914,900	6,015,800
GENERATIONS FUELS	948,800	-
PJM SPOT MARKET ENERGY	(1,865,600)	(230,500)
PJM CREDITS	(488,400)	(397,000)
CAPACITY CREDITS	(14,318,600)	(15,079,800)
GENERATION SUBTOTAL	(9,808,900)	(9,691,500)
POWER SUPPLY & GENERATION SUBTOTAL	54,442,900	50,342,400
DIRECT EXPENDITURES		
TRANSMISSION/DISTRIBUTION	3,233,700	3,302,500
ELECTRICAL ENGINEERING	1,171,300	1,192,200
ADMINISTRATION	501,200	597,000
METER READING	212,500	220,300
SYSTEMS OPERATIONS	526,300	543,600
DIRECT EXPENDITURE SUBTOTALS	5,645,000	5,855,600
OTHER EXPENSES:		
UTILITY TAX	1,498,900	1,492,200
ALLOW FOR UNCOLLECTIBLES	150,000	200,000
CONTRACTUAL SERVICES - RFP'S	190,000	100,000
RETIREES HEALTH CARE	696,500	513,300
OTHER EMPLOYMENT EXPENSES	149,200	150,000
TRANSFER TO PENSION UNFUNDED LIABILITY	7,274,200	1,314,200
OPEB UNFUNDED LIABILITY	-	975,700
GREEN ENERGY PAYMENT TO DEMEC	129,000	135,800
INTRAFUND SERVICE FEES	3,177,100	3,319,400
INTEREST ON DEPOSITS	35,000	27,000
INVENTORY WRITE OFFS	175,000	-
TRANSFER TO WORKER'S COMPENSATION FUND	500,000	-
DEBT SERVICE	3,323,600	3,301,900
OTHER EXPENSES SUBTOTAL	17,298,500	11,529,500
TRANSFER TO		
IMPROVEMENT & EXTENSION	3,500,000	5,448,600
GENERAL FUND	8,000,000	8,000,000
FUTURE CAPACITY RESERVE	2,100,000	-
RATE STABILIZATION RESERVE	12,400,000	-
TRANSFER TO SUBTOTAL	26,000,000	13,448,600
TOTAL EXPENSES	103,386,400	81,176,100
CURRENT YEAR BALANCE	7,152,400	8,961,900
TOTALS	**$ 110,538,800**	**$ 90,138,000**

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

ADOPTED: June 24, 2013

ELECTRIC UTILITY CONTINGENCY RESERVE
CASH RECEIPTS/REVENUES AND BUDGET FOR 2013-2014

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

The amount hereinafter named aggregating Eight Hundred Twenty Six Thousand Five Hundred dollars ($826,500) or so much thereof as may be necessary are hereby appropriated from current revenues and other funds for the use by several departments of the Municipal Government for the fiscal year beginning July 1, 2013 and ending June 30, 2014:

CASH RECEIPTS

	2012/13 REVISED	2013/14 BUDGET
BEGINNING BALANCE	$ 1,070,800	$ 814,300
RECEIPTS		
INTEREST EARNINGS	16,100	12,200
TOTAL RECEIPTS	16,100	12,200
TOTALS	**$ 1,086,900**	**$ 826,500**

EXPENSE SUMMARY

EXPENSES	2012/13 REVISED	2013/14 BUDGET
TRANSFER TO INSURANCE STABILIZATION RESERVE	272,600	-
TOTAL EXPENSES	**272,600**	**-**
CURRENT YEAR BALANCE	814,300	826,500
TOTALS	**$ 1,086,900**	**$ 826,500**

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

ADOPTED: June 24, 2013

2013-2014 BUDGET ORDINANCES - CONTINUED

ELECTRIC UTILITY INSURANCE STABLIZATION RESERVE
SOURCES AND USE OF FUNDS FOR 2013-2014

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

The amount hereinafter named aggregating Seven Hundred Thirty Nine Thousand dollars ($739,000) or so much thereof as may be necessary are hereby appropriated from current revenues and other funds for the use by several departments of the Municipal Government for the fiscal year beginning July 1, 2013 and ending June 30, 2014:

CASH RECEIPTS

	2012/13 REVISED	2013/14 BUDGET
BEGINNING BALANCE	$ 337,300	$ 728,000
INTEREST EARNINGS	5,100	11,000
TRANSFER FROM ELECTRIC CONTINGENCY	272,600	-
TRANSFER FROM DEPRECIATION RESERVE	58,500	-
TRANSFER FROM FUTURE CAPACITY RESERVE	54,500	-
TOTALS	**$ 728,000**	**$ 739,000**

EXPENSE SUMMARY

	2012/13 REVISED	2013/14 BUDGET
TRANSFER TO ELECTRIC IMPROVEMENT & EXTENSION	$ -	$ -
CURRENT YEAR BALANCE	728,000	739,000
TOTALS	**$ 728,000**	**$ 739,000**

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

ADOPTED: June 24, 2013

2013-2014 BUDGET ORDINANCES - CONTINUED

ELECTRIC UTILITY RATE STABLIZATION RESERVE
SOURCES AND USE OF FUNDS FOR 2013-2014

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

The amount hereinafter named aggregating Seventeen Million Six Hundred Forty Four Thousand dollars ($17,644,000) or so much thereof as may be necessary are hereby appropriated from current revenues and other funds for the use by several departments of the Municipal Government for the fiscal year beginning July 1, 2013 and ending June 30, 2014:

CASH RECEIPTS

	2012/13 REVISED	2013/14 BUDGET
BEGINNING BALANCE	$ 10,230,100	$ 17,383,600
TRANSFER FROM ELECTRIC REVENUE FUND	12,400,000	-
INTEREST EARNINGS	153,500	260,400
TOTALS	**$ 22,783,600**	**$ 17,644,000**

EXPENSE SUMMARY

	2012/13 REVISED	2013/14 BUDGET
TRANSFER TO ELECTRIC FUND	$ 5,400,000	$ 4,000,000
CURRENT YEAR BALANCE	17,383,600	13,644,000
TOTALS	**$ 22,783,600**	**$ 17,644,000**

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

ADOPTED: June 24, 2013

ELECTRIC UTILITY IMPROVEMENT AND EXTENSION FUND
CASH RECEIPTS/REVENUES AND BUDGET FOR 2013-2014

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

The amount hereinafter named aggregating Nine Million Four Thousand Eight Hundred dollars ($9,004,800) or so much thereof as may be necessary are hereby appropriated from current revenues and other funds for the use by several departments of the Municipal Government for the fiscal year beginning July 1, 2013 and ending June 30, 2014:

CASH RECEIPTS

	2012/13 REVISED	2013/14 BUDGET
BEGINNING BALANCE	$ 3,534,600	$ 3,091,000
RECEIPTS		
TRANSFER FROM ELECTRIC	3,500,000	5,448,600
GENERAL SERVICE BILLING	91,100	440,000
INTEREST EARNINGS	40,700	25,200
TOTAL RECEIPTS	3,631,800	5,913,800
TOTALS	**$ 7,166,400**	**$ 9,004,800**

EXPENSE SUMMARY

EXPENSES	2012/13 REVISED	2013/14 BUDGET
ELECTRIC GENERATION	$ 1,236,600	$ 2,117,800
TRANSMISSION AND DISTRIBUTION	1,232,000	1,100,000
ELECTRICAL ENGINEERING	1,606,800	2,405,800
TOTAL EXPENSES	4,075,400	5,623,600
CURRENT YEAR BALANCE	3,091,000	3,381,200
TOTALS	**$ 7,166,400**	**$ 9,004,800**

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

ADOPTED: June 24, 2013

2013-2014 BUDGET ORDINANCES - CONTINUED

ELECTRIC UTILITY DEPRECIATION RESERVE
SOURCES AND USE OF FUNDS FOR 2013-2014

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

The amount hereinafter named aggregating Nine Million Nine Hundred Seventy Seven Thousand One Hundred dollars ($9,977,100) or so much thereof as may be necessary are hereby appropriated from current revenues and other funds for the use by several departments of the Municipal Government for the fiscal year beginning July 1, 2013 and ending June 30, 2014:

CASH RECEIPTS

	2012/13 REVISED	2013/14 BUDGET
BEGINNING BALANCE	$ 9,742,100	$ 9,829,700
INTEREST EARNINGS	146,100	147,400
TOTALS	**$ 9,888,200**	**$ 9,977,100**

EXPENSE SUMMARY

	2012/13 REVISED	2013/14 BUDGET
TRANSFER TO INSURANCE STABILIATION	$ 58,500	$ -
CURRENT YEAR BALANCE	9,829,700	9,977,100
TOTALS	**$ 9,888,200**	**$ 9,977,100**

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

ADOPTED: June 24, 2013

2013-2014 BUDGET ORDINANCES - CONTINUED

ELECTRIC UTILITY FUTURE CAPACITY RESERVE
SOURCES AND USE OF FUNDS FOR 2013-2014

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

The amount hereinafter named aggregating Ten Million One Hundred Thrity One Thousand Four Hundred dollars ($10,131,400) or so much thereof as may be necessary are hereby appropriated from current revenues and other funds for the use by several departments of the Municipal Government for the fiscal year beginning July 1, 2013 and ending June 30, 2014:

CASH RECEIPTS

	2012/13 REVISED	2013/14 BUDGET
BEGINNING BALANCE	$ 9,805,500	$ 9,989,800
TRANSFER FROM OPERATING FUND	2,100,000	-
INTEREST EARNINGS	138,800	141,600
TOTALS	**$ 12,044,300**	**$ 10,131,400**

EXPENSE SUMMARY

	2012/13 REVISED	2013/14 BUDGET
TRANSFER TO GENERAL FUND	$ 2,000,000	$ -
TRANSFER TO INSURANCE STABILIZATION	54,500	-
CURRENT YEAR BALANCE	9,989,800	10,131,400
TOTALS	**$ 12,044,300**	**$ 10,131,400**

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

ADOPTED: June 24, 2013

2013-2014 BUDGET ORDINANCES - CONTINUED

MUNICIPAL STREET AID FUND
CASH RECEIPTS/REVENUES AND BUDGET FOR 2013-2014

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

The amount hereinafter named aggregating Five Hundred Twenty Seven Thousand Five Hundred dollars ($527,500) or so much thereof as may be necessary are hereby appropriated from current revenues and other funds for the use by several departments of the Municipal Government for the fiscal year beginning July 1, 2013 and ending June 30, 2014:

CASH RECEIPTS

	2012/13 REVISED	2013/14 BUDGET
BEGINNING BALANCE	$ 132,200	$ 100
STATE GRANT - OPERATIONS	527,400	527,400
STATE GRANT- CAPITAL	132,200	-
TOTALS	**$ 791,800**	**$ 527,500**

BUDGET SUMMARY

	2012/13 REVISED	2013/14 BUDGET
TRANSFER TO GENERAL FUND - OPERATIONS	$ 527,400	$ 527,400
TRANSFER TO GENERAL FUND - CAPITAL	264,300	-
CURRENT YEAR BALANCE	100	100
TOTALS	**$ 791,800**	**$ 527,500**

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ADOPTED: June 24, 2013

2013-2014 BUDGET ORDINANCES - CONTINUED

COMMUNITY TRANSPORTATION IMPROVEMENT FUND
CASH RECEIPTS/REVENUES AND BUDGET FOR 2013-2014

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

The amount hereinafter named aggregating Five Hundred Thousand Five Hundred dollars ($500,500) or so much thereof as may be necessary are hereby appropriated from current revenues and other funds for the use by several departments of the Municipal Government for the fiscal year beginning July 1, 2013 and ending June 30, 2014:

OPERATING REVENUES

	2012/13 REVISED	2013/14 BUDGET
PRIOR YEAR BALANCE	$ 189,300	$ -
GRANTS REVENUE - DELDOT	300,000	500,000
TRANSFER FROM GENERAL CAPITAL FUND	60,000	-
INTEREST INCOME	500	500
TOTALS	**$ 549,800**	**$ 500,500**

OPERATING EXPENSES

	2012/13 REVISED	2013/14 BUDGET
PROGRAM EXPENSES - DELDOT	$ 324,500	$ 500,000
PROGRAM EXPENSES - CITY STREET PROGRAM	225,300	-
CURRENT YEAR BALANCE	-	500
TOTALS	**$ 549,800**	**$ 500,500**

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

ADOPTED: June 24, 2013

2013-2014 BUDGET ORDINANCES - CONTINUED

WORKERS COMPENSATION FUND
CASH RECEIPTS/REVENUES AND BUDGET FOR 2013-2014

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

The amount hereinafter named aggregating One Million Seven Hundred One Thousand Nine Hundred dollars ($1,701,900) or so much thereof as may be necessary are hereby appropriated from current revenues and other funds for the use by several departments of the Municipal Government for the fiscal year beginning July 1, 2013 and ending June 30, 2014:

OPERATING REVENUES

	2012/13 REVISED	2013/14 BUDGET
PRIOR YEAR BALANCE	$ 633,100	$ 1,200,600
INTEREST INCOME	25,000	10,600
PREMIUM FROM CITY	626,700	490,700
TRANSFER FROM ELECTRIC FUND	500,000	-
INSURANCE REFUND	4,600	-
TOTALS	**$ 1,789,400**	**$ 1,701,900**

OPERATING EXPENSES

	2012/13 REVISED	2013/14 BUDGET
PROGRAM EXPENSES/SUPPLIES - CLAIMS	$ 450,000	$ 450,000
INSURANCE	68,300	76,500
BANK FEES	1,500	600
STATE OF DEL - SELF INSURANCE TAX	37,000	37,000
CONTRACTUAL SERVICES	32,000	57,000
TOTAL EXPENSES	588,800	621,100
CURRENT YEAR BALANCE	1,200,600	1,080,800
TOTALS	**$ 1,789,400**	**$ 1,701,900**

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

ADOPTED: June 24, 2013

LIBRARY GRANT FUND
CASH RECEIPTS/REVENUES AND BUDGET FOR 2013-2014

BE IT ORDAINED BY THE MAYOR AND COUNCIL OF THE CITY OF DOVER, IN COUNCIL MET:
The amount hereinafter named aggregating Two Hundred Seventy Thousand One Hundred dollars ($270,100) or so much thereof as may be necessary are hereby appropriated from current revenues and other funds for the use by several departments of the Municipal Government for the fiscal year beginning July 1, 2013 and ending June 30, 2014:

OPERATING REVENUES

	2012/13 REVISED	2013/14 BUDGET
BEGINNING BALANCE	$ 12,700	$ -
STATE GRANT	270,100	270,100
FEDERAL GRANT	1,500	-
TOTALS	**$ 284,300**	**$ 270,100**

OPERATING EXPENSES

	2012/13 REVISED	2013/14 BUDGET
PROGRAM EXPENSES/SUPPLIES	$ 27,500	$ 28,000
OFFICE SUPPLIES	20,000	24,000
PRINTING/DUPLICATING	8,900	8,900
POSTAGE	100	100
BOOKS	120,900	124,900
FURNITURE	21,400	2,000
AUDIO VISUAL SUPPLIES	72,000	74,000
TRAINING/CONF/FOOD/TRAV	3,500	3,500
OFFICE EQUIPMENT/REPAIRS & MAINT	2,000	2,000
COMPUTER HARDWARE	8,000	2,700
SUBTOTAL EXPENSES	284,300	270,100
CURRENT YEAR BALANCE	-	-
TOTALS	**$ 284,300**	**$ 270,100**

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

ADOPTED: June 24, 2013

POLICE GRANT FUNDS
CASH RECEIPTS/REVENUES AND BUDGET FOR 2013-2014

BE IT ORDAINED BY THE MAYOR AND COUNCIL OF THE CITY OF DOVER, IN COUNCIL MET:
The amount hereinafter named aggregating Four Hundred Thirteen Thousand and One Hundred dollars ($413,100) or so much thereof as may be necessary are hereby appropriated from current revenues and other funds for the use by several departments of the Municipal Government for the fiscal year beginning July 1, 2013 and ending June 30, 2014:

OPERATING REVENUES

	2012/13 REVISED	2013/14 BUDGET
BEGINNING BALANCE	$ 178,400	$ 100
GRANTS RECEIVED	505,100	413,000
TOTALS	**$ 683,500**	**$ 413,100**

OPERATING EXPENSES

	2012/13 REVISED	2013/14 BUDGET
PROGRAM EXPENSES/SUPPLIES	$ 129,100	$ 191,000
FURNITURE	16,500	-
COMPUTER SOFTWARE	1,400	-
COMPUTER HARDWARE	139,900	60,000
TELEPHONE/FAX	15,000	15,000
TRAINING/CONF/FOOD/TRAV	29,500	36,000
CONSULTING/AUDIT FEES	1,000	1,000
CONTRACTUAL SERVICES	161,900	-
VEHICLE PURCHASES	35,100	-
TRANSFER TO GENERAL FUND	154,000	110,000
SUBTOTAL EXPENSES	683,400	413,000
CURRENT YEAR BALANCE	100	100
TOTALS	**$ 683,500**	**$ 413,100**

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

ADOPTED: June 24, 2013

2013-2014 BUDGET ORDINANCES - CONTINUED

CDBG FUND
CASH RECEIPTS/REVENUES AND BUDGET FOR 2013-2014

BE IT ORDAINED BY THE MAYOR AND COUNCIL OF THE CITY OF DOVER, IN COUNCIL MET:
The amount hereinafter named aggregating Two Hundred Twenty Three Thousand Six Hundred dollars ($223,600) or so much thereof as may be necessary are hereby appropriated from current revenues and other funds for the use by several departments of the Municipal Government for the fiscal year beginning July 1, 2013 and ending June 30, 2014:

OPERATING REVENUES

	2012/13 REVISED	2013/14 BUDGET
BEGINNING BALANCE	$ -	$ -
GRANTS RECEIVED	317,400	223,600
TOTALS	**$ 317,400**	**$ 223,600**

OPERATING EXPENSES

	2012/13 REVISED	2013/14 BUDGET
2010 CLOSING COST/DOWNPAYMENT PROG	$ 100	$ -
2012 CLOSING COST/DOWNPAYMENT PROG	5,900	-
2012 DOVER INTERFAITH MINISTRY	7,100	-
2012 HOMEOWNER REHAB ASSISTANCE	4,300	-
2012 FIRST STATE RC&D	7,000	-
CURRENT YEAR CLOSING COST/DOWNPAYMENT PROG	60,000	40,000
CURRENT YEAR DOVER INTERFAITH MINISTRY	27,500	27,500
CURRENT YEAR MHDC EMERGENCY HOME REPAIR	-	40,000
CURRENT YEAR FIRST STATE RC&D	35,000	-
CURRENT YEAR ELIZABETH W MURPHEY SCHOOL	32,800	32,700
CURRENT YEAR NCALL RESEARCH INC	7,800	6,000
CURRENT YEAR SERENITY PLACE	30,000	-
CURRENT YEAR MILFORD HOUSING H/O REHAB	52,800	32,700
CURRENT YEAR SALARIES	47,100	44,700
SUBTOTAL EXPENSES	317,400	223,600
CURRENT YEAR BALANCE	-	-
TOTALS	**$ 317,400**	**$ 223,600**

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

ADOPTED: June 24, 2013