REGULAR COUNCIL MEETING
A G E N D A

APRIL 22, 2013 - 7:30 P.M.

CITY HALL COUNCIL CHAMBERS
15 LOOCKERMAN PLAZA
DOVER, DELAWARE

OPEN FORUM - 15 MINUTES PRIOR TO OFFICIAL MEETING (7:15 p.m.)
The "Open Forum" segment is provided to extend the opportunity to the general public to share their questions, thoughts, comments, concerns, and complaints. Discussion of any item appearing on the agenda as a public hearing is prohibited during the Open Forum as an opportunity will be provided during consideration of that item. Citizen comments are limited to three (3) minutes. Council is prohibited from taking action since they are not in official session; however, they may schedule such items as regular agenda items and act upon them in the future.

INVOCATION BY BISHOP THOMAS L. HOLSEY - BIBLEWAY TEMPLE CHURCH OF GOD IN CHRIST

PLEDGE OF ALLEGIANCE LED BY COUNCILMAN BONAR

AGENDA ADDITIONS/DELETIONS

* **CONSENT AGENDA**
Those items on the Council Agenda which are considered routine and non-controversial shall be marked with an asterisk (*) and will be acted upon by a single roll call vote of the Council. There will be no separate discussion of these items unless a member of Council so requests, in which event the matter shall be removed from the Consent Agenda and considered a separate item.

* **1. Adoption of Minutes - Regular Council Meeting of April 8, 2013**

2. Proclamations
- **A. Child Abuse Prevention Month**
- **B. Military Spouse Appreciation Day**
- **C. Month of the Military Child**

3. Resolution No. 2013-14 - Robert Henry Tudor, Sr.

4. Annexation/Rezoning Public Hearing/Final Reading of Proposed Ordinance #2013-05 - Property Located at 1174 South Governors Avenue (Owned by Sipple's Used Cars, Inc.)
- **A. Annexation Referendum Results (April 11, 2013): 1 FOR 0 AGAINST**
- **B. Annexation Resolution No. 2013-13**
- **C. Rezoning Public Hearing and Final Reading of Proposed Ordinance #2013-05 Amending the Zoning Designation from BG - General Business (Kent County Zoning Classification) to C-2A - Limited Central Commercial (City of Dover Zoning Classification) (Tax Parcel: ED-00-086.05-01-12.00-000; Planning Reference: AX-13-01).**
  The First Reading of the proposed ordinance was accomplished during the Council Meeting of February 11, 2013.

5. Violations of the Dangerous Building Ordinance

A. Property Located at 423 Cecil Street, Owned by James Harris

(Staff Recommends Declaring this Building and All Accessory Structures on this Property Dangerous; Ordering the Property Repaired or Demolished by May 22, 2013 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 10 Days of the Date Established by City Council; 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)

B. Property Located at 427 West Division Street, Owned by Doris A. Cooper and Others

(Staff Recommends Declaring this Building and All Accessory Structures on this Property Dangerous; Ordering the Property Repaired or Demolished by May 22, 2013 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 10 Days of the Date Established by City Council; 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)

* **6. Parks, Recreation, and Community Enhancement Committee Report - April 8, 2013**

A. Review of Revised Active Recreation Area Plan - Woodmill Apartments

(Committee Recommended Acceptance of the Revised Active Recreation Area Plan for Woodmill Apartments as Presented and with the Inclusion of Staff's Comments and Recommendations)

B. Presentation - Central Delaware Soccer Association

(Committee Action Not Required)

C. Request of WEAVER (Women Against Violence in Every Relationship) For Placement of a Monument in the North Street and Governors Avenue Pocket Park

(Committee Took No Action)

D. Pocket Park Design - Corner of North Street and Governors Avenue

(Committee 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 WEAVER)

E. Benchmarks Established for the Economic Development Office

(Committee Action Not Required)

F. Update - CDBG Program

(Committee Action Not Required)

* **7. Utility Committee Report - April 8, 2013**

A. Presentation by GAI Consultants - City of Dover Electric System Valuation

(Committee Recommended Acceptance of the City of Dover Electric System Valuation Report, as Presented by GAI Consultants)

B. TEA/NAES Reports (*December and January*)

(Committee Recommended Acceptance of the Reports)

C. Updates

(Committee Action Not Required)

8. Quarterly Revenue Report
(Staff Recommends Acceptance of the Report)

* **9. Semi-Annual Inspection by City Manager - Robbins Hose Company**
(Staff Recommends Acceptance of the Report)

10. 2013 Municipal Election Results
(Staff Recommends Acceptance of the Municipal Election Results)

11. <u>Final Reading - Proposed Ordinance #2013-06 With LF&A #1 and SA #1</u>
The First Reading of the Proposed Ordinance was accomplished during the Council Meeting of April 8, 2013. Copies of the proposed ordinance are available at the entrance of the Council Chambers.

A. Proposed Ordinance #2013-06 With LF&A #1 and SA #1 Amending Chapter 2 - Administration, Article II - City Council, Division 2 - Meetings of the Dover Code - Excused Absences

12. Council Members' Announcements

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REGULAR COUNCIL MEETING

The Regular Council Meeting was held on April 8, 2013 at 7:30 p.m. with Council President Leary presiding. Council members present were Mr. Anderson, Mr. Dixon, Mr. Lynn (departed at 8:06 p.m. and returned at 8:14 p.m.), Mr. Perza, Mr. Bonar, Mrs. Williams, Mr. Hare, and Mr. Hutchison. Mrs. Williams was absent.

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

OPEN FORUM

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

A resident of the City of Dover, who requested to remain anonymous, advised members that the individual who was recently arrested for robbing and beating the four (4) pizza boys has returned home and has been "celebrating" during the entire weekend. She requested that members adopt Ordinance #2013-04 to provide the Police Department with a tool to use for addressing these types of situations.

Ms. Sharon Bauer, 135 Old Forge Drive, indicated that earlier in the afternoon, she was looking out her front door to see if her neighbor was at home when a green car, without tags, pulled up in front of the house where there are constant issues (mentioned by previous speaker). She explained that a male got out of that car, turned, looked directly at her and waved. She felt that these individuals are letting the neighbors, including herself, know that they are "watching" them and that she felt the incident to be frightening. She also requested that members adopted Ordinance #2013-04.

Ms. Maureen Bauer, 22 Kent Circle, stated that she is frightened by the children that reside in the neighborhood that are causing problems (mentioned by previous speaker). These children are out in the streets at all hours of the night and they block vehicular traffic. She indicated that as she was coming to the meeting, these boys were out in the street cursing at her (for no reason), and one (1) of the boys actually charged at her car. She stressed the severity of the situation and noted that it is not only in their neighborhood. She urged members to adopt Ordinance #2013-04.

Mr. Sam Friedman, 448 Country Drive, noted that according to a recent newspaper article, the City of Dover has an $800,000 budget shortfall. He stated that there have apparently been discussions regarding the possibility of raising taxes for property owners and indicated his opposition. Mr. Friedman explained that the unemployment rate for the City of Dover is higher than the entire State of Delaware. It was his feeling that Dover would not be a place he would choose to remain and raise a family, and that increasing fees for property owners will only increase costs for renters, which will make it even harder for him to choose to remain as a resident. Mr. Friedman suggested that members work on ways to improve the economic situation rather than a short term fix to the problem. Noting that there are several vacant properties along Route 13 and downtown Dover, he suggested that members should encourage businesses by promoting safety and relaying the sentiment that Dover is a place where you want to stay and live.

Ms. Deborah Holloway, 1 Hathaway Court in New Castle, indicated that the purpose of her visit was to advise members that the largest contingency of Delaware National Guard in the history of Delaware is being deployed. She is a retired critical care nurse who started a troop support outreach ministry that has been active since 2002. Ms. Holloway stated that Steel Magnolias Ministries supports soldiers, wounded warriors, and veterans across the United States and indicated her pride in supporting the 198th Signal Battalion, noting that they are already supporting the 153rd Military Police Company. She stated that she hoped to coordinate with Police Departments, Fire Departments, local restaurants, etc. to gather donations between May 15th through May 31st to send specifically to Delaware soldiers. Ms. Holloway stated that they supported the Transportation Company from Sussex County last year throughout their entire deployment.

Responding, Mr. Bonar urged Ms. Holloway to contact Mr. Lauren Jones, Executive Manager of the Delaware Volunteer Fire Fighters Association, who can be reached at 302-734-9390.

Mr. Scott Koenig, City Manager, read the following statement into the record:

> *"Last week, the City of Dover suffered a tragic loss through the sudden death of one of our employees, Bob See, a Public Works Inspector, who worked for the City for nearly ten years. All who knew Bob were well aware of what a valuable asset he was to the City as a whole, and to his Department in particular. He was energetic, hard-working, and down to earth. He could be relied upon to put his all into his job, performing his duties without question, and always looking out for the best interests of the City, our customers, and his co-workers.*
>
> *Everyone who encountered Bob received an enthusiastic greeting and a friendly smile. He could often be heard singing throughout the halls of our building. He was much loved and respected as an employee, colleague, and friend. He had overcome many obstacles throughout his life, becoming a strong role model for others. He was a single parent of two, eight-year-old boys, who were the joy and focus of his life, and was a wonderful and devoted father.*
>
> *Bob See's presence will be deeply missed by the employees of the City of Dover and the world in general"*

Mr. Koenig relayed appreciation to Ms. Sharon Duca, Mrs. Becky Rollison, Mrs. Kay Sass, and Mrs. Jody Stein for their assistance in the preparation of the statement.

Mr. Koenig asked everyone to join him in a moment of silence in remembrance of Robert W. See, Jr. born January 8, 1962 and passed April 6, 2013.

After a moment of silence, the invocation was given by Chaplain Dixon, followed by the Pledge of Allegiance.

AGENDA ADDITIONS/DELETIONS

Council President Leary noted that staff has requested the deletion of items #10-A - Dedication of Rights-of-Way and Public Infrastructure for The Village of Cannon Mill, Phase I, and #11-A - Evaluation of Bids for Cannon Mill Paving Improvements Program.

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

Mr. Bonar moved for approval of the consent agenda as presented, seconded by Mr. Dixon and carried by a unanimous roll call vote (Williams absent).

ADOPTION OF MINUTES - REGULAR COUNCIL MEETING OF MARCH 25, 2013

The Minutes of the Regular Council Meeting of March 25, 2013 were unanimously approved by motion of Mr. Bonar, seconded by Mr. Dixon and bore the written approval of Mayor Carey.

OATHS OF OFFICE - CITY COUNCIL

The Honorable Henry duPont Ridgely, Justice of the Delaware Supreme Court, administered the Oath of Office to members of City Council, as follows:

Council - Second District	-	William F. Hare
Council - Fourth District	-	David L. Anderson

(City Clerk's Office Note: These members were sworn into office prior to the Annual Council Meeting due to their unavailability on May 13, 2013.)

PROCLAMATION - ARBOR DAY

The City Clerk read the following Proclamation into the record:

WHEREAS, trees are of vital importance in beautifying our communities, moderating temperatures, producing life-giving oxygen, providing a habitat for wildlife, reducing erosion, and serving as a source of building materials and countless wood products; and

WHEREAS, in 1872, J. Sterling Morton, a Nebraska pioneer, proposed that a special day be set aside for the planting of trees by individuals and civic organizations, resulting in the first celebration of Arbor Day on April 10, 1872, with an estimated one million trees being planted in Nebraska that day; and

WHEREAS, Arbor Day has since become a national event promoted by the National Arbor Day Foundation, whose mission is to inspire people to plant, nurture, and celebrate trees; and

WHEREAS, the City of Dover was named a Tree City USA in 2012 for the twenty-third consecutive year by the National Arbor Day Foundation in recognition of the City's outstanding urban forestry program; and

WHEREAS, the City of Dover Planning and Inspections Department's Tree Planting and Preservation Ordinance has caused the planting of thousands of trees in all subdivisions and commercial sites since 1992, and the City has continued to aggressively plant street trees between curbs and sidewalks in almost every available site in the City; and

WHEREAS, the Delaware State champion American Elm on The Green may be the only living witness to Delaware's ratification of the United States Constitution that took place at the Golden Fleece Tavern in 1787, underscoring that planting and caring for trees is a special gift that one generation passes down to the next.

NOW, THEREFORE, I, CARLETON E. CAREY, SR., MAYOR OF THE CITY OF DOVER, DELAWARE, do hereby proclaim April 26th, 2013 as ARBOR DAY in the City of Dover, and urge all citizens to support efforts to care for trees along our streets, in our parks, and in our yards. As the City of Dover plants trees on public property, I urge all citizens to plant trees on their properties to enhance the environment and promote the well-being of present and future generations.

Mayor Carey presented the Proclamation to Mr. William Cooper, Superintendent of Grounds Department, and relayed appreciation for the work he and his staff do in making the City such a beautiful place.

Mr. Cooper announced that Arbor Day will be observed on April 26, 2013 at Silver Lake Park by the planting of trees between 10:00 a.m. and 12:00 noon and invited all to participate.

(City Clerk's Office Note: 2012 was the twenty-fourth consecutive year that the City of Dover was named a Tree City USA by the National Arbor Day Foundation.)

PRESENTATION - POLICE DEPARTMENT ANNUAL REPORT

The Dover Police Department submitted their Annual Report to City Council. Police Chief Hosfelt reviewed a Presentation of the highlights of the report. He noted that the bar graph on page 2 does not accurately reflect the 33,692 complaints in 2010.

Referring to the Officer of the Year, Corporal Michael A. Wisniewski, Chief Hosfelt reminded members that he was involved in a shootout when responding to a burglary. He stated that the trial for the defendant just concluded and he reported that the individual was given about a 75 year sentence. Chief Hosfelt stated that the Civilian of the Year, Mr. John W. Boyer, Sr., works with Parking Enforcement and does a tremendous job. He relayed his pride in each of these employees for the work provided to the City of Dover.

Chief Hosfelt advised members that the Police Department is currently at authorized full strength for the first time in several years. As a result, he stated that they have been able to re-implement the Quality of Life Task Force. He noted that they have been concentrating on the City's problem areas, including The Hamlet, where members of Council have been made aware of the neighbor's concerns.

Referring to the Drug, Vice, and Organized Crime Unit (DVOC), Chief Hosfelt stated that heroin is growing into a big menace in the City. He stated that as a result of the "crack down" on prescription medicines, they have become more expensive so people have turned back to heroin, which is now more affordable and readily available.

Chief Hosfelt stated that he, along with Master Cpl. Burns and Mayor Carey, attended the Accreditation Conference in March 2012, and announced that the City of Dover Police Department was one (1) of only 37 agencies in the United States selected by the Commission on Accreditation for Law Enforcement (CALEA) to receive the Accreditation with Excellence Award, which is the Gold Standard for Public Safety. He also noted that the Dover Police Department is the first law enforcement agency in the State of Delaware to achieve this award.

Mr. Hutchison stated that the City is fortunate to have the caliber of the men and women of the Dover Police Department and felt that he speaks on behalf of the citizens in relaying appreciation for their work and dedication.

Also relaying appreciation, Mr. Anderson stated his hope that City Council would continue to give support to the Dover Police Department in the upcoming budget cycle, particularly since they are beginning to implement the Quality of Life Unit. Chief Hosfelt assured members that the Dover Police Department will continue their efforts to improve safety in the downtown area, including the continuation of foot patrol.

Mayor Carey stated that the men and women of the Dover Police Department do a tremendous job everyday to protect and serve and commended Chief Hosfelt for these accomplishments.

In response to Mr. Lynn regarding the DVOC Unit, Chief Hosfelt stated that the rates would be higher if there were more officers, explaining that those numbers are only limited by the number of officers in the Unit. He explained that it is an unfortunate part of society and not just an indication of Dover, Delaware, but is indicated everywhere along the East Coast. He stated that the Unit is fully staffed and that, unfortunately, he could not provide the specific number of additional officers that would be required to "put a dent" in the problem because it would be unlimited.

Mr. Hutchison moved for acceptance of the Police Department Annual Report, seconded by Mr. Bonar and unanimously carried.

PRESENTATION - LIBRARY SIX (6) MONTH OPERATIONS REPORT

Members were provided a Six (6) Month Operations Report for the New Dover Public Library (September 20, 2012 - April 8, 2013). Ms. Marjorie Cyr, Library Director, advised members that in Delaware's Master Plan for Public Libraries, an anchor library for each county is assigned and that the Dover Public Library is the anchor library for Kent County. There are 59,254 people located in the official service area for the Dover Public Library. The responsibilities of the anchor library are: 1) to maintain the largest and strongest collections of library materials of depth in all types of formats; 2) to provide the greatest number of staff due to extended hours and the role as a reference resource to the other county libraries, as well as the constituents of the Library's official service area;

3) to have the greatest number of professional staff (librarians with a masters of library science degree from an accredited ALA program; 4) to offer computer training facilities and classes for the public and staff; 5) to offer meeting and conference room space for the public and the staff; 6) to provide full-service facilities sized from 40,000-60,000 sq. ft.; and 7) to be open seven days a week.

Ms. Cyr reminded members that in 2004, City Council contracted with Robert H. Rohlf Associates to conduct a feasibility and needs assessment study for library services. In 2005, the Site Selection Committee made their site recommendations to City Council and it was agreed that the Library would return to one of its original sites. Referring to page 2 of the presentation, she advised members that the photo depicts Loockerman Street facing the west, noting that the white farm house on the right is where the New Library sits today and that the building located to the west was the City Hall building which housed the library on the third floor.

Ms. Cyr stated that City Council authorized a contract for architectural services and the planning of a new public library facility in the Spring of 2008. She noted that the period between 2008 and 2010 was a time of intense planning and preparation. The building was designed based on feedback received from members of the community during public meetings that were held every month. On April 4, 2011, a ground breaking ceremony was held to mark the beginning of construction of the new Dover Public Library.

Ms. Cyr stated that in August 2012, the Library at 45 S. State Street closed its doors to the public for the last time, which ended 52 years of service to the citizens of central Delaware. On September 4, 2012, the Library's physical move to its new site at 35 Loockerman Plaza began and on September 18, 2012, the final preparations were made for the Ribbon Cutting that took place on September 20, 2013. She noted that no one had expected the size of the crowd that attended the Ribbon Cutting Ceremony.

Prior to reviewing the results of the first six (6) months, Ms. Cyr stated that several City Departments assisted in the Library's success and relayed a special appreciation to the Facilities, Grounds, Information Technology, Finance, Human Resources, and Police Departments as well as the City Manager's Office. Since the Library's opening, she stated that they have dedicated the Sophia R. Russell Teen Loft and the Mary Clark Flood Reading Garden and received the donation of the beautiful sculpture which rests in the Reading Garden. She assured members that the public is using the Library as anticipated and reviewed the statistics, reflecting that program attendance has increased 17%; computer usage has increased 13%; circulation has increased 22%; and issuance of new library cards has averaged 700 per month, equating to a 131% increase. Ms. Cyr stated that the next steps will be to obtain LEED (Leadership in Energy and Environmental Design) certification and the sculpture dedication, which was commissioned by Rosemary Twilley and donated to the Library. With reference to the LEED certification, she noted that the Library is between a silver and gold level, which should be obtained within the next month, and that the Dover Public Library will be the first LEED certified public library in the State of Delaware. She noted that brochures have been made available regarding LEED for members of Council as well as the public.

Mr. Bonar moved for acceptance of the Library Six (6) Month Operations Report, seconded by Mr. Dixon and unanimously carried.

PUBLIC HEARING - VIOLATION OF THE DANGEROUS BUILDING ORDINANCE - PROPERTY LOCATED AT 231 NORTH QUEEN STREET, OWNED BY JEANETTE WATSON C/O SANDRA DEAN

A public hearing was duly advertised for this time and place to consider a violation of the Dangerous Building Ordinance at 231 North Queen Street, owned by Jeannette Watson and others, with Sandra Dean as the estate administrator. Mrs. Ann Marie Townshend, Director of Planning, Community Development, and Recreation, stated that the property consists of a two (2) story, wood framed, single family home. She advised members that the dwelling was condemned as unfit for human habitation on May 18, 2010 due to the amount of structural damage to the rear of the home caused from an unrepaired water leak in the bathroom and noted that all utilities were terminated on that date. The last contact with the occupants occurred on June 21, 2010. The home was registered as a vacant building and monitored by staff. On March 5, 2012, she stated that the Dover Police Department requested an interior inspection of the home due to insanitary conditions. The interior was found to be extremely dirty with fecal matter through-out the home. The first floor sun room had a water leak and when entry was made into the home, there was approximately 1 (one) inch of water in the room. Mrs. Townshend stated that currently, the structure remains vacant with no active utility services and in a serious state of disrepair. She also advised members that no efforts have been made by the owner to repair the property.

Mrs. Townshend noted the receipt of an email from Ms. Sandra Dean (attorney for the estate) indicating that the estate has no funds to repair the property, they have been unable to sell the property despite it being listed for several months, and agreeing that it is a dangerous building. She provided a chronological history and presentation on the conditions of the house located at 231 North Queen Street ***(Exhibit #1)***. Mrs. Townshend advised members that in July 2012, the State obtained a structural engineer report that identified several deficiencies and that it was estimated that the costs for repairs would be in excess of $25,000. In addition, she indicated the receipt of a letter from Ms. Dean in September 2012 requesting the City to delay the presentation of the violation of the dangerous building ordinance until February 2013 to provide time for a possible sale of the property.

Staff recommended that City Council: 1) Declare this building and all accessory structures on this property dangerous; 2) Order the property repaired or demolished by May 8, 2013 by the owner or equity owner at their own risk; 3) Order the Building Inspector to cause the repair or demolition of the structures if not completed by the owner within 10 days of the date established by City Council; and 4) Order the City Manager with the assistance of the City Solicitor to cause the cost of repairs or demolition to be charged against the land on which the building exists as a municipal lien or cause such cost to be added to the tax duplicate as an assessment, or to be levied as a special tax, or to be recovered in a suit at law against the owner.

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

Mr. Bonar moved that the structure located at 231 North Queen Street be declared a dangerous building and subject to demolition, as recommended by staff. The motion was seconded by Mr. Lynn and carried by a unanimous roll call vote (Mrs. Williams absent).

LUTHER VILLAGE III PLANNED NEIGHBORHOOD DESIGN (PND) SENIOR CITIZEN HOUSING OPTION - SKETCH PLAN REVIEW

Members were advised that the subject site for Luther Village is located east of John Hunn Brown Road and west of the continuation of Babb Drive. This area is located northeast of and adjoining the Dover Crossing Shopping Center (Target and Safeway). The subject site was originally part of a $122.3^{+/-}$ acre property previously proposed as the Amberfield Subdivision. A Minor Lot Line Adjustment plan recorded on May 30, 2002 created a 34 acre parcel for the Luther Village PND: Senior Citizen Housing Option project. The remaining area was approved for a separate residential development with the application for Clearview Meadow: Planned Neighborhood Design (C-04-01 and SB-04-04). Access to the Luther Village site is provided via Babb Drive from John Hunn Brown Road or from the street network adjacent to the Clearview Meadow subdivision, which also leads to Babb Drive.

Mrs. Ann Marie Townshend, Director of Planning, Community Development, and Recreation, advised members that the Luther Village Planned Neighborhood Design-Senior Citizen Housing Option Plan encompasses a total of nine (9) development phases with eight (8) apartment buildings and a town center building for the senior citizen community. The project consists of a proposal for 524 apartment units (473 apartment units shown) and the constructed and associated road system, parking, open space, and stormwater management areas. Each phase typically consists of an apartment building, associated parking lots, stormwater management elements, active recreation areas such as walking trails, and open space landscaping. She noted that both Luther Village Phase 1, which involved the southwest portion of the Luther Village site for a 68 unit apartment building, and Luther Village Phase 2, which consists of a 32 unit apartment building, have been completed.

Due to the economy, Mrs. Townshend stated that progress on the property had ceased for several years. As a result, the Plan approval for the overall Master Plan for the Luther Village Planned Neighborhood Design-Senior Citizen Housing Option has lapsed. Therefore, she stated that staff is resubmitting the Plan in order to restart the process for approval of the project for Luther Village Phase 3, which proposes a 48 unit apartment building with a one story resident activity room building. She noted that the Sketch Plan (dated March 21, 2013) also depicts the layout for continuation of the internal loop drive, apartment buildings, town center building, parking, stormwater management, etc.

In accordance with Article 3, Section 24.1 (b) of the Zoning Ordinance, there is a two (2) or three (3) step review and approval process. Mrs. Townshend explained that in the first step, the developer shall meet with the City Council and present a general sketch plan. The City Council shall determine whether or not the proposed project is of such a design and type that warrants further review by the Planning Commission. If City Council determines that further review is warranted, the project shall proceed to the second step, which is a more detailed Conditional Use Site Plan review and public hearing process before the Planning Commission. A third review step with the Planning Commission may be required, depending on the type, physical size, and complexity of the project application. She indicated that this submission to City Council represents the first step in the review process for Luther Village III: Planned Neighborhood Design - Senior Citizen Housing Option.

Staff recommended determining that the proposed project is of such a design and type that warrants further review and that the project be referred to the Planning Commission.

Responding to Mr. Bonar, Mrs. Townshend stated that the total project consists of 524 apartments, with Phase III proposing 48 of those units. She stated that there are eight (8) buildings in totality.

Mr. Keith Kooker of Landmark Science and Engineering, 880 South State Street, confirmed that a total of 524 units are proposed for the entire development. Mrs. Townshend reminded members that when Clearview Meadow PND was presented, DelDOT was involved; therefore, the infrastructure was planned for the area to service.

Mr. Hutchison noted that Luther Towers has been an outstanding partner in the community and urged the support of members regarding the proposal.

Mr. Hutchison moved that the Luther Village III: Planned Neighborhood Design - Senior Citizen Housing Option is of such a design and type that warrants further review and referred it to the Planning Commission, as recommended by staff. The motion was seconded by Mr. Lynn and carried by a unanimous roll call vote (Mrs. Williams absent).

UTILITY COMMITTEE REPORT - MARCH 25, 2013

The Utility Committee met on March 25, 2013 with Chairman Bonar presiding.

Presentation by Calpine and KVAERNER on Employment and Construction Plans

Mr. Scott Koenig, City Manager, advised members that the Calpine Corporation had initiated construction of the Garrison Energy Center and was currently working with a third-party company to extend the existing temporary road. He stated that a few weeks ago, Calpine announced that they had entered into an Engineering, Procurement, and Construction (EPC) contract with KVAERNER to finalize the internal design and construction documents specifying delivery of the energy center to Calpine by June 2015 so that all targets for delivering power to the grid would be met.

Mr. Eugene "Junior" Wiley, Jr., Site Manager for KVAERNER at the Garrison Tract facility, briefed members on the KVAERNER company, which is a wholly union contractor. He reviewed the Garrison Schedule and stated the intent to mobilize by April 1, 2013. He reminded members that the previously mentioned roadway would be installed by Calpine and was not part of the scope of work for KVAERNER. Mr. Wiley stated that this project was a joint venture with Parsons Brinckerhoff (located in San Francisco, California), the engineer of record. He indicated that the first task would be to attend to environmental and stormwater protection issues. In reviewing the schedule, Mr. Wiley indicated that this was a large project, particularly for this area; however, there would not be a large influx of workers on the site immediately. He projected that approximately 100 employees would be working at the site by the end of the year. He estimated that there would be approximately 200-250 employees on site from April 2014 through July or August of 2014, and by the end of 2014, this number would drop back to approximately 100. He anticipated that the engineering staff would assist Calpine with the start-up in October or November 2014 and they would continue working with Calpine through the Spring of 2015.

Mr. Wiley assured members that efforts were being made to pursue local talent and services for employment. He provided a list of various local unions that would be contacted to obtain craftsmen to work on the project.

Responding to Mr. Hutchison, Mr. Wiley indicated that all permits necessary to begin this project had been obtained and he relayed appreciation to the City inspectors for their assistance in this endeavor.

In response to Mr. Snaman regarding the gas pipeline, Mr. Wiley stated his understanding that gas was to be provided to the site by October 2013; however, he was unsure if approval had been obtained from the Federal Energy Regulatory Commission (FERC). Mr. Bonar stated that he would attempt to obtain this information.

Mr. Lynn noted that the project was located within his Council District and requested that all deference and courtesy be granted to the residents of Wild Meadows as the construction gets underway, explaining that the project was located in close proximity to the subdivision. He requested assurance that the project would be constructed with as little disruption to residents' daily lives as possible. Concurring, Mr. Wiley stated that he was acting as if he lived in the area and planned to request an opportunity to meet with residents in an effort to develop a relationship and provide a line of communication. Responding, Mr. Lynn offered to introduce Mr. Wiley to the residents at a homeowner's association meeting and requested that he provide a presentation, including a question and answer period. He felt this would be helpful to residents of Wild Meadows as well as Persimmon Park Place.

Referring to an email forwarded to him by Mr. Lynn, Mr. Koenig stated that tracks from the parking lot to the back of the Wild Meadows properties were the result of either the City's construction crew or the boring contractor working on the water line to the rear of the property. He explained that the City was currently extending water from just outside the Wild Meadow Subdivision down to the fence point where water would be delivered to KVAERNER for construction. He assured members that the area would be repaired once the weather became more favorable, noting that the area was very muddy.

Mr. Koenig advised members that the Eastern Shore Natural Gas Company had contacted the City to set up a meeting to discuss how gas service would be provided to the Garrison Tract. He stated that staff preferred that the gas service be extended all the way down the Route 1 right-of-way, entering the western side of the subdivision in order to take advantage of plans for distributing it to the subdivision in the future.

Responding to Mr. Koenig, Mr. Bonar requested that the representatives of Wild Meadows be made aware of such issues.

No further action was taken by the Committee.

Proposed Amendments to the Governing Policy for Energy Commodity Risk Management

Members were provided proposed amendments to the Governing Policy for Energy Commodity Risk Management. Mr. Scott Koenig, City Manager, reminded members that the City had retained The Energy Authority (TEA) and delegated responsibility to this organization to provide Risk Management Services. As a result, the City had issued the Governing Policy for Energy Commodity Risk Management to outline the philosophy, framework, and the delegation of responsibilities related to Dover's energy commodity risk management.

Mr. Koenig briefly reviewed the proposed amendments relative to Commodity Futures Trading Commission (CFTC) reporting (Page 15); another financial product, Covered Swap (Page 16); and the addition of Appendix D - Swap Transaction Representatives (Page 24). He noted that the quadruple X's (XXXX) in Appendix D would require the insertion of either "the City of Dover" or "TEA", and assured members that this would be completed prior to submission of the proposed amendments to City Council.

Mr. Koenig stated that staff recommended approval of the proposed amendments so that the policy would be in compliance with current law.

Responding to Mr. Perza, Mr. Koenig explained that Mr. Kirk Betts serves as the City's Power Supply Attorney and had reviewed the proposed amendments from his knowledge of the Dodd-Frank legislation and the energy market, through which the City conducts trades.

The Committee recommended approval of the proposed amendments to the Governing Policy for Energy Commodity Risk Management to comply with federal regulations on power supply transactions.

By consent agenda, Mr. Bonar moved for approval of the revised Governing Policy for Energy Commodity Risk Management *(Exhibit #2)*, as recommended by the Committee. The motion was seconded by Mr. Dixon and carried by a unanimous roll call vote (Mrs. Williams absent).

By consent agenda, Mr. Bonar moved for acceptance of the Utility Committee Report, seconded by Mr. Dixon and carried by a unanimous roll call vote (Mrs. Williams absent).

LEGISLATIVE, FINANCE, AND ADMINISTRATION COMMITTEE REPORT - MARCH 25, 2013

The Legislative, Finance, and Administration Committee met on March 25, 2013 with Chairman Lynn presiding.

Evaluation of Bids - Infield Groomer Replacement

Mr. Scott Koenig, City Manager, advised members that the Grounds Division utilizes a 1998 Chi Tech ball field tractor to drag the six (6) softball fields. The 15-year-old piece of equipment was purchased in 2002. Staff had not originally planned to replace the tractor, since the City's small engine mechanic had been able to keep it operational; however, it was recently discovered that the manufacturer filed for bankruptcy several years ago. This will prevent staff from obtaining necessary parts and, as a result, the Grounds Division will not be able to provide adequate maintenance of the City's softball fields. Mr. Koenig noted that the Department of Planning, Inspections, and Recreation currently receives approximately 20% of the Recreation Division's revenues from softball leagues each year.

Staff solicited quotes for the purchase of the Infield Groomer. The sole quote was received from Turf Equipment and Supply Company from Jessup, MD in the amount of $17,372.12. Mr. Koenig explained that funding for this purchase would be available from General Fund savings realized from the purchase of the Grounds Division's FY 2013 budgeted #552 Dump Truck and #562 Wing Mower, equating to a total of $17,396.45 total savings.

Staff requested authorization to purchase an Infield Groomer at a cost of $17,372.12 from Turf Equipment and Supply Company and approval of a budget revision to allow for the use of savings realized, as identified by staff, to pay for the unbudgeted but necessary purchase.

The Committee recommended approval of staff's request.

During the Council meeting, Mr. Lynn advised members that, since the Committee meeting, staff discovered a defect in the bid process; therefore, a revised recommendation would be presented for consideration.

Mr. Scott Koenig, City Manager, explained that some bids that were submitted electronically were inadvertently sent to staff's junk mail; therefore, they were not presented for consideration. He noted that there were a total of three (3) bids submitted and the bid from Finch Services, Inc. was rejected as it was determined that it did not meet the minimum specifications for the equipment required. The Lawn & Golf Supply Co., Inc. and Turf Equipment and Supply Company bid packages were found to be free of math errors and/or discrepancies and represented fair market value.

Mr. Koenig assured members that staff has updated administrative procedures to prevent this situation from occurring in the future.

Responding to Mr. Lynn, Mr. Koenig stated that staff felt confident that this was the only time this situation had occurred in the bid process. He explained that the City rarely receives electronic bids and that these particular bids were submitted to a purchaser in the Electric Department rather than the City's Purchasing Department.

Staff recommended authorization to purchase the Infield Groomer, in the amount of $17,348.00, from Lawn & Golf Supply Co., Inc., based upon Bid #2013-013 and to allow for the usage of budgetary savings realized, as identified under the funding source, to pay for the unbudgeted but necessary purchase of the Infield Groomer.

Mr. Lynn moved for approval of staff's recommendation, seconded by Mr. Bonar and carried by a unanimous roll call vote (Mrs. Williams absent).

FY12 Audit - Required Auditor Communications

In accordance with Section 46 of the City Charter, the City's financial books are audited by independent auditors each year. Mrs. Donna Mitchell, Controller/Treasurer, indicated that the auditor's results are typically presented when the Comprehensive Annual Financial Report (CAFR) is submitted to City Council for adoption; however, since additional research was required to complete the federal grant audit and, since there was nothing material to the CAFR in this respect,

the auditor's communications were delayed until completion of the audit and presentation of the federal grant audit. She reminded members that SB & Company, LLC, served as the City's auditor.

Mrs. Mitchell introduced Mr. William Seymour, Engagement Partner with SB & Company, LLC, who reviewed a presentation entitled "Communications with Those Charged With Governance for the Year Ended June 30, 2012," which included the results of their audit of the June 30, 2012 financial statements of the City of Dover. Mr. Seymour noted that, in accordance with generally accepted auditing standards, an unqualified opinion had been issued on the financial statements for the governmental, enterprise, and fiduciary funds (including pension funds).

Mr. Seymour relayed appreciation to City management for their assistance in conducting the audit and introduced Mr. Travis Milnes, Audit Senior with SB & Company, noting that Mr. Milnes had performed most of the work on the City's audit.

Referring to Page 18 of the "Single Audit Together with Reports of Independent Public Accountants for the Year Ended June 30, 2012," Mr. Lynn relayed concern with the findings regarding the Community Development Block Grants (CDBG) and questioned which sub-recipients were not provided the necessary information to comply with federal requirements. Responding, Mrs. Mitchell stated that these findings related to last year's audit and explained that the auditors were required to include this information in the audit report for two (2) years.

Elaborating, Mr. Seymour indicated that this concern was identified last year and the auditors were required to "close out" the issue. He indicated that if these three (3) findings remain in next year's single audit, they will be included as an update. If management alleviates the issue, the problem will disappear; if not, the auditors will re-report it.

Responding, Mrs. Mitchell advised members that corrective action was taken last year and a procedure was developed to address this issue. She confirmed that staff was now following the procedure and assured members that the issue had been resolved.

The Committee recommended acceptance of the FY12 Audit - Required Auditor Communications Report, as presented.

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

Proposed Ordinance #2013-06 Amending Chapter 2 - Administration, Article II - City Council, Division 2 - Meetings of the Dover Code - Excused Absences

Mr. Lynn stated that, at his request, staff had prepared Proposed Ordinance #2013-06 amending Chapter 2 - Administration, Article II - City Council, Division 2 - Meetings of the Dover Code, which would establish a procedure for excusing City Council member absences and provide a list of excusable absences.

Mr. Hare questioned if there was a need for such an ordinance and suggested that the current process of reviewing each issue on a case-by-case basis be continued.

Responding, Mr. Lynn stated that the absence of members of Council was addressed in the Charter in a broad and ambiguous manner that did not provide Council information for handling excused absences. He reminded members that the current Charter simply indicates that no Council Member shall have three (3) consecutive absences unless they are excused absences but does not define what would constitute an "excused absence." He stated that this matter became an issue when members of Council were advised that Mr. Anderson would be deployed with the National Guard and would miss several meetings (possibly years). He felt that since there was no definition for "excused" absences, there was a danger that such absences could be used for political gain.

In response to Mr. Hare's suggestion regarding the suspension of salary after six (6) weeks of such absence, Mr. Lynn stated his opposition and questioned if individuals who are fighting in Afghanistan should be penalized by removing their pay for something completely out of their control.

Mr. Hare reiterated his concerns regarding fairness to the citizens if members of Council receive compensation during extended absences and suggested that salaries be suspended during such leaves of absence.

Responding to Mr. Shevock, Mr. Lynn advised members that when his father, Mr. Pat Lynn, was absent for a significant amount of time while battling cancer during his term as a Commissioner for Kent County Levy Court, no action was taken by members of Levy Court, which allowed his father to continue to serve his term until his death.

As for the history of such occurrences within the City of Dover, Council President Leary cited recent instances of members of Council who were ill and continued to serve until their deaths, such as Mrs. Russell and Mr. Pitts. He recalled previous situations when members of Council, such as Mr. Fenimore and Mr. VanSant, became ill during their terms of office, noting that at that time members of Council were compensated per meeting attended.

In response to Mr. Shevock, Mr. Lynn felt that if several members of Council were to be excused, and if this resulted in difficulty obtaining a quorum to conduct business, members of Council could revisit the issue of excused absences.

Mr. Anderson relayed his support for the proposed amendment. With regard to excused absences, he felt that the Council President should be authorized to excuse absences and that an appeal process should be established that would allow Council to reverse the action taken by the Council President.

In reviewing the proposed amendment, Council President Leary felt that members may be trying to "fix something that is not broken." It was his feeling that sometimes Council tries to codify issues to the point where they become confining and unworkable. He noted that there had never been an issue involving the absence of members of Council, regardless of the reason (vacation, sickness, etc.) and he did not feel that there was value in codifying this to the degree presented in the proposed amendment.

Mr. Bonar advised members that, to his knowledge, absences in the State Legislature are handled under House and Senate rules that require a member who is going to be absent to notify the Speaker of the House, or the President Pro Tempore or President of the Senate. He reminded members that

the late Representative Hazel Plant (Wilmington) was unable to attend any meetings of the legislative session for almost two (2) years and that several individuals assisted in representing her district. He felt confident that members of Council would do this during Mr. Anderson's absence.

Based on previous discussions by Council regarding this issue, Mr. Perza expressed his sense that members of Council collectively serve as judges of each other's actions, explaining that if a member's absence was unacceptable or was interfering with City business, Council had the responsibility to the City to address the issue and take appropriate action. He felt that this was a political question reserved to members of Council and was hesitant to define it by ordinance. He suggested that, should an emergency arise that would make it necessary to fill seats within a short period of time, members of Council should not be prohibited from doing so by a member's creative use of "excused absence" as a loophole to avoid a responsibility. Mr. Perza suggested that no action be taken and to allow for such judgement to remain in the hands of Council.

In response to the analogy provided by Council President Leary, Mr. Lynn advised members that if a member of Council wished to take an extended vacation (three (3) to four (4) months), the ordinance would require the City Clerk to inform Council of the reason for the absence and, upon passage of a motion by the majority of the members present, the absent member would be considered excused. As an attorney, he explained that in his experience "ambiguity is rife for mischief" and would be exploited. Although this had not happened yet on City Council, he stated that this would not preclude it from happening in the future.

Mr. Hare reiterated his concern regarding the absent member continuing to receive compensation, should the Committee recommend adoption of the proposed ordinance amendment. It was his feeling that members of Council were not above City employees and noted that a City employee who had to take extended leave would not continue to receive compensation. He also felt that it would not be fair to citizens if an elected representative continued to receive compensation while unable to serve as a member of Council. He suggested that a member should not continue to receive compensation for any leave of absence that extends beyond three (3) meetings.

Mr. Dixon indicated his concurrence with Council President Leary and suggested that members of Council should not attempt to fix something that was not broken.

The Committee recommended adoption of Proposed Ordinance #2013-06, stipulating that there be an amendment that, after three (3) meetings, if excused, a member's pay would be suspended until the member returns.

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

City Hall Replacement - Potential RFP for Architectural Services for Conceptual Design

Members were reminded that during the Council Financial Workshop of January 7, 2013, the City Manager prepared a brief outline of a proposal to evaluate possible replacement of the existing City Hall building with a new West Wing and Connector. Mr. Scott Koenig, City Manager, advised members that currently, the City of Dover owns both the old Dover Public Library and the building at 5 East Reed Street. He explained that the Old City Hall, the Old Library, and 5 East Reed Street would all need building improvements over the coming years. It was staff's belief that it would be

in the City's best interest to conduct a formal evaluation of the merits of replacing a majority of the City Hall building. This concept would allow all staff (from 5 East Reed Street and City Hall) to be in one (1) building, which would result in improved efficiency.

Mr. Koenig indicated that various entities had expressed an interest in the purchase/lease of the Old Library Site and other office space at 5 East Reed Street; therefore, the City of Dover would have options for filling or selling the office space being vacated.

Staff recommended authorization to issue a Request for Proposals (RFP) for architectural services to conduct space evaluation and conceptual planning for the replacement of the City's existing office space. An internal review committee would be put together to review the proposals submitted by interested architects. This conceptual planning expenditure would be budgeted in the FY 2014 Operational Budget.

Mr. Koenig assured members that once RFPs were received, they would be presented to Council for approval or disapproval of the proposal, explaining that he was unsure of the costs that would be involved in such a project.

In response to Mr. Hare, Mr. Koenig stated that there would be no costs to the City to request RFPs, with the exception of advertising the RFP and staff time in its preparation. The costs would be incurred if/when City Council endorsed an architectural contract. As expressed during the Council Retreat held on March 22, 2013, Mr. Hare relayed his support of the concept; however, he stated that since there was a budget shortage, he would not support moving forward with such a project unless it could be accomplished without an increase in taxes, rates, or fees.

Mr. Lynn reminded members that the time for borrowing was now, due to the low interest rates and labor costs and relayed his support for this endeavor.

Mr. Perza stated that if the costs for replacing the facilities were effectively the costs for upgrading the buildings, he would support further investigation by staff.

Council President Leary reminded members that they had a responsibility to the taxpayers to take care of the City's physical plant and cited grave concerns regarding the City's current facilities, including problems with duct work, asbestos, etc. He stated that there were a multitude of reasons to begin pursuing this matter at this time.

The Committee recommend that the City Manager be authorized to issue a Request for Proposals (RFP) for architectural services to prepare concepts to replace existing office space related to City Hall and 5 East Reed Street, as recommended by staff.

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

Evening and Weekend Code Enforcement Coverage

Mrs. Ann Marie Townshend, Director of Planning, Community Development, and Recreation, advised members that there had been an increase in complaints regarding code violations that take place during evening and weekend hours. The Code Enforcement staff works during normal business hours, 8:00 a.m. through 5:00 p.m., Monday through Friday. In order to expand hours to

include enforcement during the evenings and on weekends, she stated that it would be necessary to include funding for overtime expenses. She noted that a letter from Senator Bushweller had been received requesting that the City consider expanding its Code Enforcement coverage to include evenings and weekends due to complaints received by his office.

Mrs. Townshend stated that evening coverage could be achieved by flexing staff schedules to include later start and end times (for example, a schedule that would include one (1) 11:00 a.m. to 8:00 p.m. day each week), the expansion of enforcement to include weekends would have to be paid through overtime pay. She advised members that currently, $923 allocated to overtime remained in the Code Enforcement budget for FY 13. Overtime was budgeted in this Division to assist the Fire Marshal's Office with off-hour fire investigations. The remaining balance could be allocated to weekend code enforcement.

Should members support the expansion of Code Enforcement coverage to include evenings and weekends, Mrs. Townshend explained recommendations of staff, as follows:

- Adjust staff schedules to provide three (3) to five (5) days each week during the spring, summer and fall months when one (1) staff member would be on duty until 8:00 p.m. This would likely be reduced to one (1) evening per week in winter months when outdoor activity is less prominent.

- Provide four (4) hours of weekend coverage scheduled on Saturday or Sunday, and budget for overtime to pay for these added hours. Utilizing compensatory time for this would diminish Code Enforcement services, as each hour of compensatory time worked equates to 1.5 hours off during the normal workday.

- Budgeting for this amount of overtime for FY 14 would require approximately $5,500 in salaries, plus the associated benefit load.

Staff recommended that they be instructed to develop a schedule and budget overtime in FY 14 to support evening and weekend Code Enforcement coverage.

In response to Mr. Hare, Mrs. Townshend stated that the after hours coverage would be adjusted to compensate for hours of daylight/darkness during the winter and summer. However, she did not feel that it would be possible to avoid overtime by changing employees' weekly work hours, explaining her feeling that these employees were hired to work an 8:00 a.m. to 5:00 p.m. weekday schedule and should not be mandated to work weekends and evenings without additional compensation. She suggested the possibility of employees volunteering before they were scheduled for the evening/weekend hours. With regard to work being performed during hours when it is dark, Mrs. Townshend advised members that there have been complaints of businesses with non-functional parking lot lights. In addition, she stated that employees attend association meetings that are held in the evening when it is sometimes dark outside.

Rather than providing compensatory time or overtime, Mr. Hare suggested the possibility of hiring a part-time employee for evening and weekend coverage. Responding, Mrs. Townshend stated that although it was her feeling that the costs to hire a part-time employee would be greater than paying current employees overtime, staff could consider this suggestion.

In response to Mr. Shevock, Mrs. Townshend stated that, as an example, complaints were relayed at recent White Oak/Towne Point and Persimmon Park Place Homeowners' Association meetings regarding parking on the grass. She explained that when there is no grass growing in a yard and the area is rutted, it has a negative affect on the neighborhood. She stated that homeowners cannot be cited for ruts in their yard; however, they can be cited for parking on the grass. She anticipated that the weekend inspections would occur on either Saturday or Sunday.

Mr. Anderson questioned the level of complaints requiring code enforcement that could not be addressed during regular working hours. Responding, Mrs. Townshend stated that parking on the grass is a major complaint that could not be addressed during regular working hours since cars are not parked on the grass during those hours. In addition, she stated that several complaints had been received regarding trash being put out for pickup on the weekend when collection would not occur until later in the week.

Although he understood the concerns regarding trash, Mr. Hare cautioned staff to determine if there may be a legitimate reason for early placement at the curb, relaying an incident when an elderly couple had their sons work on the weekend to put bulk trash out that would not be picked up until later in the week. Responding, Mrs. Townshend stated that individuals are requested to contact the City to advise of such extenuating circumstances. However, she advised members that the complaints received regarding trash being put out during the weekend were not the result of extenuating circumstances, occurred on a regular basis, and were a nuisance to the neighbors.

Responding to Mr. Bonar, Mrs. Townshend stated that although she was not aware of other municipalities that had instituted evening and weekend code enforcement coverage, it was her feeling that the City of Wilmington and perhaps the City of Newark may have additional hours; however, she noted that most other municipalities are small and have only one (1) Code Enforcement officer. She stated that the counties tend to have a passive code enforcement policy.

Council President Leary advised members of problems with individuals running illegal boarding houses and the difficulty of these violations being observed during regular work day hours. (Mrs. Townshend noted similar issues with auto repairs.) He stated that when there are violations, such as a tractor trailer truck being parked in a neighborhood during weekend hours, the Police Department is called to respond. He questioned if there would be a cost savings for the Police Department if these types of issues could be handled by a code enforcement officer. Responding, Police Chief Hosfelt stated that having a Code Enforcement Officer available during the evening and weekend hours would benefit the Police Department's Community Policing Unit. He explained that certain violations are discovered during the evening and weekend hours and days often lapse before the incident is reported to the Inspections Department, since there are typically communications back and forth between the two (2) departments before they are able to "get together." It was Chief Hosfelt's opinion that the evening and weekend code enforcement coverage would prove to be beneficial to the City.

In response to Mr. Dixon, Mrs. Townshend stated that the extended hours of enforcement would be provided citywide and not specific to any one (1) council district. She stated that the idea would be to review specific complaints that have been received to determine locations, as well as those known areas of violations. She assured members that these efforts would be coordinated with the Police Department for safety reasons.

If the proposal were implemented, Mr. Hare suggested that members of Council ride along with a Code Enforcement Officer to show them problem areas in their districts.

The Committee recommended approval of staff's recommendation that they be instructed to develop a schedule and budget for overtime for FY 14 to support evening and weekend Code Enforcement Coverage, with the stipulation that staff try to develop the schedule without utilizing overtime if possible.

Mr. Lynn recognized the Code Enforcement officers for a job well done.

Mr. Hare clarified that his intention for amending the motion was not to prohibit overtime but for staff to try to work out a schedule that would prevent as much overtime as possible.

By consent agenda, Mr. Bonar moved for approval of the Committee's recommendation instructing staff to develop a schedule and budget for overtime for FY 14 to support evening and weekend Code Enforcement coverage, with the stipulation that staff try to develop the schedule without utilizing overtime if possible. The motion was seconded by Mr. Dixon and carried by a unanimous roll call vote (Mrs. Williams absent).

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

MONTHLY REPORTS - FEBRUARY 2013

By motion of Mr. Bonar, seconded by Mr. Dixon, the following monthly reports were accepted by consent agenda:

Budget
Chief of Police
City Assessor
City Manager
Dover Fire Department
Economic Development Office

EVALUATION OF BIDS - ENGINEERING SERVICES AGREEMENT - GENERAL SCOTT SUBSTATION SWITCHGEAR REPLACEMENT

Mr. Scott Koenig, City Manager, reminded members that in December 2012, City Council awarded three (3) year contracts for electrical engineering services to Pike Energy Solutions, LLC and Power Consulting Engineers (PCE). Based on a review of the project needs for the General Scott Switchgear, the Electric Department staff requested a project specific proposal from PCE to perform the following services for the General Scott Substation Project: 1) Provide new Specifications; 2) Provide Bid Documents; 3) Review the vendor proposals and make recommendation; and 4) Feeder relay settings. He noted that the cost of these services will be based on time and materials not to exceed $55,000. Mr. Koenig explained that this involves a multi-year project that has an overall cost of $1,150,000.

Staff recommended awarding the work to Power Consulting Engineers (PCE) in an amount not to exceed $55,000 based on Time & Materials.

Mr. Hare moved for approval of staff's recommendation, seconded by Mr. Bonar and carried by a unanimous roll call vote (Mrs. Williams absent).

FEE PROPOSAL - ATTORNEY SERVICES FOR LABOR NEGOTIATIONS

Members were provided fee proposals for Attorney services for labor negotiations submitted by Baird Mandalas, LLC, as follows:

American Federation of State, County, and Municipal Employees (AFSCME)

Mr. Scott Koenig, City Manager, reviewed a letter received from Baird Mandalas, LLC, outlining their terms to represent the City of Dover in connection with labor negotiations with the American Federation of State, County, and Municipal Employees (AFSCME). He noted that the higher costs for their service is due to this being a new group for negotiations, whereas their service for the other groups are for additional contract negotiations where there is an existing contract in place. He stated that the total costs will be based on the length of time it takes to complete these negotiations, explaining that if lengthy negotiations are not necessary, there will be a cost savings for the City.

Staff recommended retaining the firm of Baird Mandalas, LLC for AFSCME Labor Negotiations at a fee up to $50,000.

Mr. Bonar moved for approval of staff's recommendation, seconded by Mr. Hare and carried by a unanimous roll call vote (Mrs. Williams absent).

International Brotherhood of Electrical Workers (IBEW) Local 1238

Mr. Scott Koenig, City Manager, reviewed a letter received from Baird Mandalas, LLC, outlining their terms to represent the City of Dover in connection with labor negotiations with the International Brotherhood of Electrical Workers (IBEW) Local 1238. He noted that there is an existing contract that expires June 30, 2013.

Staff recommended retaining the firm of Baird Mandalas, LLC for IBEW Local 1238 Labor Negotiations at a fee of $15,000.

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

FIRST READING - PROPOSED ORDINANCE #2013-06 With LF&A #1

Council President Leary reminded the public that copies of the proposed ordinance are 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 ordinances will take place during the Council Meeting of April 22, 2013.

Mr. Lynn reminded members that the proposed ordinance would establish a procedure for excusing City Council member absences and provides a list of excusable absences. It would also suspend compensation after three consecutive excused absences.

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:

PROPOSED ORDINANCE #2013-06 WITH LF&A #1 AMENDING CHAPTER 2 - ADMINISTRATION, ARTICLE II - CITY COUNCIL, DIVISION 2 - MEETINGS OF THE DOVER CODE -EXCUSED ABSENCES

(Legislative, Finance, and Administration Committee)

FINAL READING - PROPOSED ORDINANCE - STAFF SUBSTITUTE #2, WITH LF&A #1 AND COUNCIL #1 FOR ORDINANCE #2013-04

The First Reading of the following proposed ordinance was accomplished during the Council Meeting of March 25, 2013.

Chapter 22 - Buildings and Building Regulations, Article X - Rental Dwellings

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

Mrs. Ann Marie Townshend, Director of Planning, Community Development, and Recreation, stated that Ordinance #2013-04 is known as the City's "Safe Community" ordinance. She advised that the proposed ordinance prohibits tenants of rental properties from participating in criminal activities and requires that tenants and landlords submit a fully executed Safe Community Lease Addendum when applying for utility services in a tenant's name. It adds that, in some instances landlords be required to participate in a safe communities program, including participation in a safe communities seminar offered by the Dover Police Department. All landlords will be provided the opportunity to attend the seminar. Mrs. Townshend stated that the ordinance establishes a process by which the City can suspend a rental permit if a landlord is not complying with this Section of the Dover Code. In addition, the proposed ordinance allows for prorating of rental permit fees for permits purchased after the beginning of the permit year. Mrs. Townshend reviewed additional typographical corrections that have been made to the Final Ordinance.

Mr. Anderson, along with Mr. Dixon and Council President Leary, relayed appreciation for staff's dedicated work with this project.

By motion of Mr. Bonar, seconded by Mr. Lynn, and carried by a unanimous roll call vote (Mrs. Williams absent), Ordinance #2013-04 was adopted, as follows:

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

That Chapter 22 – Buildings and Building Regulations, Article X – Rental Dwellings be amended to read as follows:

DIVISION 1. – GENERALLY

Sec. 22-331. - Purpose; applicability; definitions; compliance.

(a) *Purpose.* The purpose and intent of this article is to ensure public health, safety and welfare insofar as they are affected by the continued occupancy and maintenance of

dwellings operated for lease to the public. The health, safety and welfare of the occupants of the dwellings are of the utmost importance to the city, as is the general community character in which these dwelling units are located.

(b) *Applicability.* The provisions of this article shall apply to all matters affecting or relating to rental dwellings. Where, in this article, different sections of this Code may specify different requirements, the most restrictive shall govern.

(c) *Definitions.* The following words, terms and phrases, when used in this article, shall have the meanings ascribed to them in this subsection, except where the context clearly indicates a different meaning:

(1) *Criminal activity* is defined as any crime classified by applicable law as a (a) felony, (b) Class A misdemeanor, or (c) any of the following offenses: any drug offense defined by Title 16 of the Delaware Code, and the following misdemeanors in addition to any Class A misdemeanor, as defined by Title 11 of the Delaware Code: §601-offensive touching, §602-menacing, §628-vehicular assault 3, §763-sexual harassment, §764-indecent exposure, §811-criminal mischief, §812-graffiti, §820-trespassing, §821/2/3-criminal trespassing, §1105- crime against a vulnerable adult, §1106-unlawfully dealing with a child, §1301- disorderly conduct, §1313-malicious interference with emergency communications, §1315-public intoxication, §1321-loitering, §1322-criminal nuisance, §1323-obstructing of public passage, §1341-lewdness, §1342- prostitution, §1343-patronizing a prostitute, §1445-unlawfully dealing with a dangerous weapon, §1446-unlawfully dealing with a switchblade knife.

(2) *Dwelling unit* means a single unit providing complete independent living facilities for one or more persons, including permanent provisions for living, sleeping, eating, cooking and sanitation.

(3) *Multiple-family dwellings* means dwelling units operated as a group, and located in the same building. This shall include apartments, roominghouses, condominium dwelling units, and accessory apartments located within structures principally used for owner occupancy.

(4) *Rental dwelling* means a dwelling unit that is leased for occupancy to a person or persons in exchange for monetary payment or provision of goods or services to the owner of the dwelling unit.

(5) *Single-family dwellings* means dwelling units operated singly, and separated from other units. In general, this definition shall apply to single-family detached dwellings, including mobile homes, and attached units, including duplexes, and townhouses.

(d) *Compliance required.* No person shall operate, occupy or let to another for occupancy any dwelling which is not in compliance with the International Property Maintenance Code adopted in section 22-221 and all other applicable codes.

Sec. 22-332. - Inspection required.

(a) The code enforcement office, in accordance with the procedures set forth in the International Property Maintenance Code adopted in section 22-221, shall inspect rental dwellings for compliance with the property maintenance code and all other applicable codes to ensure compliance.

(b) Following an inspection, the code enforcement office shall issue a letter and/or report of any code violations and provide a timeline for compliance. There shall be no fee for the first followup inspection. Each subsequent reinspection shall be subject to a fee as provided for in Appendix F—Fees and Fines.

Sec. 22-333. - Agent required.

(a) *Property manager.* Any owner of a rental dwelling, residing outside of the county, shall be required to have a licensed property manager residing or having an office located in the county, or a family member or other designated individual who does not manage any other rental real estate for a fee and who resides in the county acting as a property manager. The property manager, including family members and designated individuals, shall have charge, care and control of the rental dwelling, and shall provide access to the rental dwelling for inspection, upon request by the building inspector or city planner, within a reasonable time.

(b) *Corporate or partnership owners.* Any corporation or partnership owning a rental dwelling shall have a designated member, partner, or employee having charge, care, and control of the rental dwelling. The designated member, partner or employee shall reside in or have an office located in the county, or shall be required to have a licensed property manager residing or having an office located in the county, or a family member or other designated individual who does not manage any other rental real estate for a fee, and who resides in the county, acting as a property manager. The property manager, family members or other designated individuals shall have charge, care and control of the rental dwelling, and shall provide access to the rental dwelling for inspection, upon request by the building inspector or city planner, within a reasonable time.

Secs. 22-334—22-350. - Reserved.

DIVISION 2. - PERMIT

Sec. 22-351. - Generally.

(a) *Single-family dwellings.* It shall be unlawful for any person to operate any single-family rental dwelling without obtaining a permit from the licensing division of the department of planning and inspections in order to determine compliance with the appropriate provisions of this article. The permit shall expire annually on January 31. The fee for the annual permit shall be as provided for in Appendix F—Fees and Fines. The permit fee for rental dwelling permits issued after January 31st will be prorated from the date the permit is issued until the next January 31st.

(b) *Multiple-family dwellings.* It shall be unlawful for any person to operate any multiple dwelling without first obtaining an annual permit therefor from the licensing division of the department of planning and inspections in order to determine compliance with the appropriate provisions of this article. The permit shall expire annually on January 31, and the fee for the annual permit shall be as provided for in Appendix F—Fees and Fines. The permit fee for rental dwelling permits issued after January 31st will be prorated from the date the permit is issued until the next January 31st.

(c) *Late payment penalty.* In the event that the permit fee set forth herein is not paid on the date due, then the permittee shall incur a penalty fee as provided for in Appendix F—Fees and Fines until the same is paid.

(d) *Reinstatement fee.* An owner whose permit has been suspended in accordance with section 22-352 shall pay a reinstatement fee as provided for in Appendix F—Fees and Fines.

(e) *Lien.* In the event that the property owner fails to pay said fees within 30 days from the date a notice thereof is mailed to the owner, then such fees shall be entered in the municipal lien docket as a lien owing the city; and the same may be turned over to the city solicitor for collection.

(f) *Utilities.* The owner or occupant of any rental unit shall not be entitled to receive city utilities until the permit fee required in this section is paid in full and city personnel shall refuse to provide sewage, water and electricity to the property until satisfactory proof is furnished that such permit fee has been paid.

Sec. 22-352. - Suspension.

(a) *Grounds; duration.* The building inspector shall suspend the permit issued or withhold the permit paid for, pursuant to this division, when:

(1) The building inspector determines that any dwelling or the premises surrounding the dwelling fails to meet the requirements of this chapter or any rule or regulation issued pursuant thereto;

(2) The failure of the property owner or property manager to initiate and prosecute in good faith eviction proceedings following notification by the City that the terms of the safe communities lease addendum have been violated; or

(3) The failure of the property owner or property manager to attend a safe communities seminar when required by §22-371(b).

Suspension shall last until the violations have been corrected to the satisfaction of the building inspector, or the suspension shall have been reversed.

(b) *Notice of violations.* Upon suspending any permit under this section or withholding the permit paid for, the building inspector shall notify the owner of the violations of

the applicable code and shall prescribe a period in which the violation shall be corrected.

(c) *Appeal.* Any owner or operator of any dwelling, whose permit to operate the structure is suspended by the building inspector pursuant to the procedures of this section, shall have the right to appeal and notice as provided in section 22-225

(d) *Effect of appeal.* Upon suspension of a permit, or withholding of a permit ordered by the building inspector and upon the permittee serving the city clerk with a notice of appeal pursuant to section 22-225, the permit suspension shall be stayed and an existing permit shall remain in force until the appeal is decided.

Secs. 22-353—22-369. - Reserved.

DIVISION 3. – SAFE COMMUNITIES

Sec. 22-370. Criminal activity

Tenants of rental dwellings, any member of the tenant's household, any guest or other person under the tenant's control shall not engage in criminal activity on or within 500 feet of the lot on which the rental dwelling resides.

Sec. 22-371. – Safe communities seminar.

(a) The City of Dover police department shall offer a safe communities seminar a minimum of two times each calendar year. The seminar shall be voluntary, except in the following circumstances:

(1) When a rental dwelling permit has been suspended in accordance with Section 22-352, the property owner or manager shall attend the seminar prior to reinstatement of the suspended rental dwelling permit; or

(2) When a rental dwelling has been the subject of response by the police department on three or more occasions within a six month period, due to occasions where the tenant, any member of the tenant's family, or any guest or other person under the tenant's control have engaged in criminal activity, the property owner or managers shall attend the seminar.

(b) Upon notification by the chief of police that the safe communities seminar is required in accordance with subsection 2 above, the department of planning and inspections shall notify the property owner and/or property manager that he is required to attend the next scheduled safe communities seminar. Such notice shall be sent by U.S. Mail, evidenced by Certificate of Mailing to the property owner and property manager if a property manager is on record with the department of planning and inspections.

Sec. 22-372. – Safe communities lease addendum.

(a) All residential leases shall include a safe communities lease addendum, signed by the property owner and tenant, in the following form:

In addition to all other terms of the lease, landlord and tenant agree as follows:

(1) The tenant, any member of the tenant's household, any guest or any other person under the tenant's control on or within 500 feet of the leased premises:

i. Shall not engage in criminal activity, including drug-related criminal activity, on or within 500 feet of the leased premises. "Drug-related criminal activity" means the illegal manufacture, sale, distribution, use, or possession of any illegal or controlled substance defined by 16 Del.C. Ch. 47.

ii. Shall not engage in any act intended to facilitate criminal activity.

iii. Shall not permit the dwelling unit to be used for or to facilitate any criminal activity.

(2) Any activity prohibited by the safe communities lease addendum shall constitute a substantial violation of the lease, material noncompliance with the lease, and grounds for termination of tenancy and eviction.

(b) The department of planning and inspections shall provide the safe communities lease addendum.

(c) An executed copy of the safe communities lease addendum shall be required for all rental dwellings in the City of Dover prior to establishment of a utility account for the premises.

Sec. 22-373. – Eviction Required.

(a) If the tenant, any member of the tenant's household, any guest or other person under tenant's control engages in criminal activity as defined by §22-331(c)(1) and Chapter 22 – Buildings and Building Regulations of the Dover Code on three or more occasions within a 12-month period, the chief of police shall notify the department of planning and inspections to initiate the safe communities lease termination notice procedure directing the property owner or property manager to terminate the tenancy in accordance with subsection (b).

(b) Upon notification by the chief of police that termination of tenancy is required in accordance with subsection (a), the department of planning and inspections shall notify the property owner and property manager that they have 30 days to initiate the

eviction or otherwise terminate the tenancy. Such notice shall be sent by U.S. Mail, evidenced by Certificate of Mailing, to the property owner and property manager if a property manager is on record with the department of planning and inspections.

ADOPTED: APRIL 8, 2013

COUNCIL MEMBERS ANNOUNCEMENTS

Council President Leary announced that the City of Dover and the Delaware Department of Justice have scheduled the first Crime Free Rental Unit Seminar to be held on Saturday, April 13, 2013, beginning at 8:30 a.m. and concluding at 4:30 p.m., at the Public Assembly Room of the Dover Police Department, 400 South Queen Street. He noted that the seminar is free to landlords and property managers and that lunch will be provided for attendees. Mr. Leary stated that pre-registration is required and that those wishing to attend should contact the Office of Planning and Inspections at 302-736-7196.

Referring to the comments made by Ms. Holloway during the Open Forum, Mr. Anderson stated that the current drop off point located in Dover is the Sleep Cheap mattress and furniture store located at 1144 South Bay Road.

For those who will be observing his absence during Council/Committee Meetings, Mr. Anderson announced that he has the honor of being activated to serve this great Country in Afghanistan, serving in the National Guard's 198th Signal Battalion. He requested that everyone's thoughts and prayers be for all soldiers, airmen, marines, sailors, etc. until each and everyone of them returns. He relayed appreciation for the community's support and indicated he would see everyone again in a year.

Council President Leary stated he is proud of the service provided to our country by Mr. Anderson, along with his colleagues in the 198th Signal Battalion.

Mr. Bonar relayed God Speed to Mr. Anderson and could not recall when there was a sitting member of Council activated for any length of time. He also relayed appreciation for his contributions.

Mr. Bonar announced that One Community Unity Wellness Day will be observed on Saturday, April 27, 2013 from 9:00 a.m. to 12:00 noon, at the John W. Pitts Recreation Center, 10 Electric Avenue, and invited all to participate.

Speaking to Mr. Anderson, Mr. Perza stated his thoughts and prayers will be with him while serving our country. He assured Mr. Dixon that any member of Council will provide assistance to the Fourth Council District during Mr. Anderson's absence.

Mayor Carey wished Mr. Anderson and his family all the best, to be safe, and have a speedy return.

Referring to the service Mr. Anderson will be providing, Mr. Hare requested that he not think it's easy or to take anything for granted and that he return safe.

Mr. Hutchison relayed his appreciation for Mr. Anderson's commitment and his pride in the men and women of the National Guard - God Speed.

Mr. Lynn asked that Mr. Anderson be safe and offered any assistance members of Council could provide to his family during his absence.

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

Meeting Adjourned at 9:03 p.m.

TRACI A. McDOWELL
CITY CLERK

All orders, ordinances, and resolutions adopted by City Council during their Regular Meeting of April 8, 2013, are hereby approved.

CARLETON E. CAREY, SR.
MAYOR

/TM/jg
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Exhibits
Exhibit #1 - Presentation - Violation of Dangerous Building Ordinance - 231 North Queen Street
Exhibit #2 - Governing Policy for Energy Commodity Risk Management, as amended

Violation of Dangerous Building Ordinance 231 N Queen Street

Planning & Inspections Department

Dover, Delaware

April 8, 2013

EXHIBIT #1
Regular Council Meeting of 04/08/2013

231 N Queen Street
Case History

- Twelve code enforcement cases since 2006
  - Exterior violations
  - Tall grass and weeds
  - Interior violations
  - Vacant Building
- Registered as Vacant by The City in June of 2011
- Condemned by City Staff in May 2011
- Source of neighbor complaints
- Outstanding Charges
  - Code Enforcement Fines

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

(5) *Unfit for habitation.*

(9) *General welfare.*

(10) *Code violations.*

(12) *Unoccupied buildings.*


231
DIAL 911
POLICE
















fresh & pure
douche


Classique









Recommended Council Action

- Declare this building and all accessory structures on this property dangerous.
- Order the property repaired or demolished by **May 8, 2013** by the owner or equity owner at their own risk.
- Order the Building Inspector to cause the repair or demolition of the structures if not completed by the owner **within 10 days of the date established by City Council**.
- Order the City Manager with the assistance of the City Solicitor to cause the cost of repairs or demolition to be charged against the land on which the building exists as a municipal lien or cause such cost to be added to the tax duplicate as an assessment, or to be levied as a special tax, or to be recovered in a suit at law against the owner.

City of Dover, Delaware

Governing Policy

For

Energy Commodity
Risk Management

Effective: September 10, 2012

Approved by: City of Dover Council

Amended: April 8, 2013

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PURPOSE OF THE RISK MANAGEMENT POLICY

A. Introduction

The City of Dover ("**City**") and its customers are routinely exposed to energy price risk, volume variability risk, basis risk and credit risk – herein referred to collectively as energy commodity risk - in the normal conduct of serving its electric load requirements. Volatility of energy commodity prices and volumetric uncertainty (either supply/generation or load obligations) impose a substantial and direct risk to the City's financial and operating performance.

By authority of its charter, the City has responsibility for overseeing the City's electricity operations, including the management of its cost of serving Dover's customers. By agreement dated May 6, 2011 and approved by the City (the "**EMA**"), the City has engaged The Energy Authority, Inc. ("**TEA**") to assist the City with Asset Management and Strategic Planning Services, Risk Management Services, and Energy Management Services.

This Policy for Energy Commodity Risk Management ("**Policy**") is established the explicit understanding that the City has retained and delegated responsibilities to TEA to provide Risk Management Services.

Additionally, the City has issued this Policy for dealing with the philosophy, framework and delegation of responsibilities necessary to govern activities related to Dover's energy commodity risk management. As set forth herein, the City has established an organizational structure, delegated responsibility and established internal controls and procedures to ensure that all transactional and oversight activities are conducted in compliance with this Policy and in accordance with the City's normal reporting, legal, financing and regulatory requirements relating to energy assets and transactions.

B. Scope of Policy

This Policy covers all transactions entered into the by the City of Dover designed to meet the City's electric load requirement and the management of risk related to these transactions.

In the event of conflict between this Policy and the EMA, the Policy shall control. This Policy is separate and distinct from enterprise risk management policies and procedures addressing the City's safe operation of its generating stations and energy infrastructure, insurance requirements, permit compliance, employee matters regulatory compliance with laws and regulations of the State of Delaware and Federal

Agencies such as EPA, FERC, NERC and CFTC or other potential risks to the City beyond the purchase and sale of fuel and electric power and its ancillary products.

C. Objectives and Risk Philosophy

The objectives of the Policy are to identify energy commodity price and credit risk exposures and give the City a framework for the quantification and management of these exposures. The Policy will identify the reports needed to convey how the identified risk exposures can potentially impact the City's overall cost of providing electricity service to its customers and report on the risk management of the transactions associated with City's electric load requirements.

Under the Policy, risk management activities will be conducted consistent with the City's overall objective of appropriate risk mitigation. There are several objectives of the Policy which, when taken and executed together, serve to manage the City's energy commodity price exposures. Specifically, the Policy:

- Establishes framework for developing credit limits for counterparties and quantifies and manages the credit exposures related to potential counterparty abrogation
- Quantifies the impact of the above exposures on City's financial results
- Manages the impact of the above exposures in line with the City's identified level of risk tolerance
- Provides clear delineation of responsibilities and authority, outline a separation of duties, and ensure reporting of risk is timely and accurate.
- Ensures that the impact of any action affecting the City's position is consistently quantified, monitored and authorized.

The City's risk management activities will be conducted consistent with its overall objective of appropriate risk mitigation and never for purposes of speculation.

D. Policy Administration

This Policy has been approved by the Executive Risk Management Committee and The Utility Committee of the Dover City Council. The Utility Committee must approve modifications to the Policy with the exception of the appendix information which can be modified with the approval of the Executive Risk Management Committee.

MANAGEMENT AND CONTROLS

This Policy articulates the management and organization of the City and TEA to serve as a control framework outlining delegation of duties and responsibilities.

A. Utility Committee of The City Council

The Utility Committee of The City Council (The Committee) has a responsibility to provide approval of this Policy. With this approval, The Committee also assumes additional duties. They will understand the risks the City is and could be exposed to due to their energy commodity risk management activities. In this role, the Committee will have a responsibility to also understand the City's policies and procedures, internal controls and systems which are used to help manage the City's energy commodity risks.

The Committee will approve any amendments to the Policy or limits within. The Executive Risk Management Committee will update the Committee periodically regarding the Policy and its functions. It will be the Committee's responsibility to:

- Discuss guidelines and strategic policies that govern the process by which the Energy Risk Management Committee assesses and manages risks
- Review and approve the risk policy at least annually
- Approve new members of the Executive Risk Management Committee
- Acknowledge the risk inherent in transactions covered under this Policy

B. Executive Risk Management Committee

An Executive Risk Management Committee ("**ERMC**") has been formed to provide executive management oversight for the City's energy commodity risk management activities. The ERMC is charged with the creation, amendment and administration of this Policy, including acquiring any approvals required by the Utility Committee, and will ensure that all energy commodity risk management activities of the City are performed consistent with this Policy. The ERMC will meet at least monthly to review compliance and conduct its business as described in this Policy.

The ERMC shall be comprised of the following voting members: The City Manager, The Director of Utility, The City's Controller and TEA's Member Service Manager.

The City's ERMC will make decisions following the process outlined in this Policy. TEA's Member Services Manager may include representatives from other areas within TEA in the monthly ERMC meetings who will attend in person or by conference call as non-voting advisors. Other City employees and TEA staff may also be asked to attend meetings from time-to-time, as the ERMC deems necessary. The responsibilities of the ERMC shall include:

- Establish scope and frequency for management reporting to the Utility Committee.
- No less than annually, review the City's Energy Commodity Policies and Procedures for correctness and completeness.

- Review and approve any new risk report or change to an existing risk report provided by TEA to monitor risks outlined in this Policy.
- Understand and approve any models, methodologies, and assumptions used for measuring risks such as volume risk, process risk, counterparty risk and commodity risk.
- Monitor the City's risks and ensure they are within the limits and are being managed according to what is indicated within the City's Policy and associated procedures
- Understand the City's risk management objectives and risk tolerances.
- Review and approve the risk management and trading strategy programs and associated risk. Each program should be reviewed to ensure alignment with Policy objectives and compliance with risk limits within this Policy.
- Periodically review any risk management program approved in light of recent market changes, and ensure continued compliance with its established guidelines
- Review and approve new products, markets, trading counterparties and credit limits
- Review all violations and exceptions to this Policy and report such to the Committee.
- Approve the individuals or companies that engage in the City's commodity transactions and are subject to the limits within this Policy.
- Ensure that the individuals or companies authorized to transact on behalf of the City as well as manage its risks, are appropriately trained and qualified.
- Ensure independence and segregation of duties between front, middle and back office at TEA.

Recommend changes to this Policy to the City's Utility Committee for approval and ensure the Utility Committee understands the City's overall compliance with this Policy and associated procedures

The ERMC will meet at least monthly to review risks identified and reported on by the Policy, this meeting shall be chaired by The City Manager. Minutes of each meeting of the ERMC shall be recorded and reflect any decisions and follow-up action items to be performed. These minutes will be reviewed and approved by the members of the ERMC in a timely manner.

Each member of the ERMC has a unique role as defined below:

1. City Manager

The City Manager is independent of all commercial functions and carries the responsibility of establishment and maintenance of risk management for the City. The City Manager will be a voting member of the ERMC and act as a chair of the ERMC. Other responsibilities include:

- Ensure this Policy is maintained.

- Oversee reviews of the City's energy commodity risks, limits, risk measurement methodologies and models, and programs and recommend changes to the ERMC.
- Ensure potential transactions and their impacts on the City's risks and limits defined within this Policy.
- Develop and monitor the implementation of the Policy, and oversee other risk management processes and procedures established by this Policy or otherwise by the ERMC.

2. Director of the Utility

The Director of the Utility is responsible for all trading, hedging, pricing, structuring, and market and operational risk management activities associated with the City. The Director of the Utility will be a voting member of the ERMC. Other responsibilities include:

- Review the effectiveness of transaction processing systems and procedures relating to risk measurement.
- Recommend operational risk and business risk assessment guidelines.

3. Controller

The Controller is independent of all commercial functions and carries the responsibility of the City's accounting practices. The Controller will be a voting member on the ERMC. Other responsibilities include:

- Perform financial accounting including accounting for hedging and derivatives activities.
- Comply with tax rules and make appropriate tax elections.
- Record realized and unrealized gains and losses.
- Reconcile general ledger, cash transactions and margin accounts.
- Implement tax-hedge accounting policies and other regulatory tax requirements.
- Develop and maintain documentation outlining standard procedures for conducting business.
- Invoice counterparties and resolve billing disputes.
- Perform daily/weekly/monthly transaction checkout with counterparties.
- Develop and maintain documentation outlining standard procedures for conducting business.

4. TEA Member Services Manager

The TEA Member Service Manager roles and responsibilities are defined exhibit B of the EMA between the City and TEA. The TEA Member Service Manager will be a voting member on the ERMC. Other responsibilities include:

- Monitor risk reports between ERMC meetings.
- Report to the Committee and the ERMC on the City's adherence to all limits and functions within this policy.
- Engage the ERMC in discussions regarding events or developments that could expose the company to potential losses.
- Recommend to the ERMC specific risk limits consistent with the City's risk management objectives, risk tolerance, and risk management policy.
- Coordinate and distribute independent market fundamental analysis.
- Provide advisory support and recommendations as specified in Article 5 of the EMA.

DISCUSSION OF RISKS

This Policy covers the management of all material energy market risks faced by the City. A comprehensive list of risks that are or could be relevant to City is shown in Appendix C of the Policy. Among the most critical of these risks are commodity risk, counterparty risk, process risk, volume risk, and budget risk. These risks are measured by the limit structure and controls outlined in the Policy.

Commodity risk represents the potential adverse impacts to the value of the City's portfolio due to changes in the market. Commodity risk encompasses volatility risk, forward price risk, basis risk, correlation risk and liquidity risk.

Counterparty risk represents the potential losses the City could incur due to delivery risk and receivable risk. Delivery risk stems from a supplier or trading counterparty that is unable or unwilling to perform on its commitments including but not limited to delivery or receipt of commodities. Receivable Risk includes the City's risk associated with a counterparty's timeliness of payment for services rendered.

Process risks represents the risks associated with process problems including, but not limited to, inaccurate data capture, untimely trade execution or settlement problems. Controls over process risks are embedded in the organizational structure of TEA through the design processes and operating procedures.

Volume Risk represents the potential for unforeseen changes from projections of excess or shortfall of capacity or energy from the actual needs. When variances are large coupled with large costs to transact and adverse moves in market prices this risk could be realized. In management of this risk, the City must be aware of the fact that unexpected variations in volume are often highly correlated with price movements.

Budget Risk represents the potential to deviate outside of tolerable bounds of the City's budget. Deviations from budget can be caused by forecast error or unforeseeable adverse changes in market prices.

MARKETING AND TRADING PRACTICES

A. Standards of Conduct

Individuals authorized to transact for the City shall not misrepresent, conceal or withhold information regarding energy commodity trading and risk management transactions to any person responsible for the accurate recording and/or reporting of such transactions; participate in any such transaction or similar activity for the benefit of any party other than the City; or hold or be a beneficiary of any financial interest in any entity with which the employee is engaged in trading or other business activity (other than ownership of an interest in a mutual fund managed by another party). Further, no employee authorized to place or execute such transactions may engage in trading power or energy commodities derivative instruments for his or her personal account.

B. Products, Activities and Limitations

Pursuant to achieving the City's core objectives for the purpose of energy commodity risk management, the following limitations shall apply.

- Permissible instruments will be restricted to the products and instruments specified in Appendix A – Approved Products of the Policy;
    - All physical forward transactions shall be governed by the Edison Electrical Institutive (EEI), North American Energy Standards Board (NAESB), or similar agreements with counterparties approved by the City.
    - The City reserves the right to enter into financial hedge transactions to effectuate Policy objectives, but does not authorize TEA to enter into financial hedge transactions on its behalf. Any such financial transactions that the City may enter into shall be governed by ISDA agreements with counterparties as approved by the City.
- The maturity for each permissible instrument will be restricted to the maturity limits specified in the risk limits section of the Policy.
- Transaction volumes for each risk management transaction will be restricted to the amounts specified in the Risk Limits section of the Policy.
- Risk management transactions will be outlined in the ***City of Dover Hedge Program*** which will be approved by the ERMC. Risk management transactions may include the following:
    - Hedging the forward price of purchased power for delivery to the City as needed to meet its electric load requirements.

- Hedging the forward price of natural gas and fuels as needed to generate power to meet the City's electric load requirements.
- Unwinding of hedges to accommodate changes in expected load requirements, or for economic reasons subject to explicit constraints set by the ERMC.

C. Contract Documentation and Confirmations

No over-the-counter transaction may be executed until an EEI, NAESB, or similar agreement has been authorized by the City, approved by the ERMC and fully executed by the parties.

Written confirmations will be required from counterparties, as defined in the Master Service Agreement between the City and counterparty, within one business day or such longer time as required by the contract in question for all risk management transactions. Contemporaneous with any commitments and prior to receipt of written confirmations, verbal commitments shall be memorialized internally as to instrument structure, quantity, relevant time horizon, price and any other relevant terms; such internal documentation shall be time stamped and correlated to the ultimate written confirmation to or from the counterparty. Both the internal documentation as well as the written confirmation from the counterparty shall be provided to TEA's Risk Control Group immediately upon receipt for verification.

In the event that there is a material failure to provide timely documentation or confirmations, then at the City Manager's sole discretion, the offending individual's authorization may be suspended. Similarly, if the failure to provide timely documentation or confirmations is due to the failure of counterparty, then at the discretion of the City Manager, a moratorium may be imposed on transactions with that counterparty. In such cases, the City Manager shall notify the ERMC of the issues leading to the suspension or moratorium shall.

Nothing herein shall inhibit the City Manager from bringing control issues to the TEA's Member Services Manager prior to a decision on materiality or the imposition of a suspension of trading privileges or counterparty moratorium.

D. Training

The ERMC will ensure that all City employees and/or TEA Staff that will execute transactions on behalf of the City will have appropriate training in the markets in which the transactions occur.

E. New Product Protocol

As required to manage the City's energy commodity risk the ERMC shall approve new products provided the requirements of the ***New Product Approval Procedure*** are met.

RISK LIMITS AND RISK MEASUREMENTS

A. Limits

The limit structure is designed to quantify the types of risk in City's energy commodity portfolio. The City will manage and report on its energy commodity market risk using Volume/Maturity/Value Limits, a Cost of Service Limit and a Hedge Loss Limit.

1. Volume/Maturity/Value Limits

Transaction limits for the Individuals Authorized to execute transactions and the maturity limits for each permissible instrument are listed below. Transactions for amounts in excess of those listed may be executed only upon approval of the ERMC. This limit, maturity and value structure is not intended for use when transacting day-ahead and real time in the PJM market.

Volume/Maturity/Value Limits		**Maximum Daily Notional Limits**	
		Volume	**Value ($000)**
Power (MW) Hourly Limit	Balance of the Month through 12 Months	50	20,000
	Between 13 Months and 24 Months	50	20,000
	Between 25 Months and 36 Months	25	10,000
	Between 37 Months and 48 Months	25	10,000
	Between 49 Months and 60 Months	25	10,000
Natural Gas (MMBtu) Monthly Limit	Balance of the Month through 12 Months	30,000	400
	Between 13 Months and 24 Months	30,000	400
	Between 25 Months and 36 Months	10,000	200
	Between 37 Months and 48 Months	10,000	200
	Between 49 Months and 60 Months	10,000	200
#2/#6 Fuel Oil (Bbl) Monthly Limit	Balance of the Month through 12 Months	6,000	400
	Between 13 Months and 24 Months	6,000	400
	Between 25 Months and 36 Months	3,000	200
	Between 37 Months and 48 Months	3,000	200
	Between 49 Months and 60 Months	3,000	200

The amounts in the table above refer to the maximum volume of orders that can be placed in any one day the individuals authorized to conduct trades for the specified time period. On any one day the maximum transaction volume placed can be for up to 50 MegaWatts per hour for every hour during a single calendar month (including both on-peak and off-peak hours), OR 25,000 MMBtu per month for all months pertinent to the natural gas transaction, OR 6,000 Bbl per month for all months pertinent to the oil transaction.

For no reason should a transaction be executed that exceeds the City's electric load requirements. If there is an adjustment to the City's electric load requirements and the existing transactions greater than 100% of the adjusted electric load requirements the ERMC will review and approve the offsetting strategy deployed in sufficient proportion to mitigate the encroachment.

B. Stress Testing and Back Testing

The City's positions shall be periodically stress tested and models shall be back tested. The processes around these tests are outlined in the ***Stress Testing and Back Testing Procedure***.

C. Instances of Exceeding Risk Limits

Should the City or TEA enter into a transaction that causes the portfolio to exceed any above mentioned limits the Director of the Utility shall, in addition to notifying the ERMC, also notify the Chair of The Committee as soon as practicable and shall provide periodic reports to the Chair on the status the transactions for as long as the City is exceeding its limits. The ERMC will review and determine whether any liquidation or offsetting of transactions is warranted. The incident will be documented as a Policy Exception by the Director of the Utility.

CREDIT POLICY

Credit Risk is the risk due to the uncertainty in a counterparty's ability to meet its contractual obligations. The primary objective of this credit policy is to mitigate, to the extent commercially reasonable, the credit risks associated with transactions covered in this Policy while still allowing the City to achieve its objectives.

A. Measuring Credit Risk

The status of credit risk will be measured and reported through reports provided by TEA.

The current credit exposure will be reported at the agreement level via a Counterparty Credit Report provided by TEA. This information will be made available in real time to TEA trading personnel so that it can be checked prior to executing transactions for the City. Those responsible for risk oversight at the City and TEA will have access to this information no less frequently than once per day. The ERMC will monitor overall credit utilization and any credit exceptions at least monthly. When measuring the

current credit risk, netting will be applied to the exposure if the City's contract with a counterparty includes provisions for netting.

B. Analysis and Extension of Credit Limits

Physical and financial commodity transactions will be executed with counterparties approved by the ERMC with credit available to support the transactions. The creditworthiness of a counterparty will be determined by both qualitative and quantitative factors. Factors shall include, but not limited to:

- A company's debt credit ratings provided by the rating agencies.
- Financial data such as an analysis of the income statement, balance sheet, and cash flow, as well as liquidity and capital structure.
- Subjective factors such as company's fuel diversity, overall size, risk management policy and internal controls, geographic diversity, and market intelligence.

A credit limit is the amount of unsecured credit granted to a counterparty. Unsecured credit exposure includes amounts owed by the counterparty, whether billed or not, and the mark-to-market differences in value of any collateral which the counterparty has provided the City. Any net exposure above the collateral threshold will require the posting of collateral by a counterparty. Further information on the City's procedure for establishing credit is contained in the ***Counterparty & Credit Review Process***.

Collateral thresholds, term limitations and credit exposure limits will be subject to the maximums indicated in Appendix B, based upon the lower of the S&P and Moody's credit ratings.

At no time will the City incur a credit exposure with any counterparty greater than $60,000,000.

C. Instances of Exceeding Credit Limits

The City and TEA are restricted by the credit limits approved by the ERMC. The ERMC can suspend trading with a counterparty, if that counterparty's credit limit has been reached or exceeded. **The City or TEA traders shall not exceed the Counterparty Credit Limit by executing transactions with any counterparty without approval of the ERMC.**

The ERMC will determine when it's appropriate to require additional collateral if a counterparty's credit exposure exceeds its credit limit. Collateral includes standing letter of credit, cash, and prepayments.

All credit exceptions will be documented and reported to the ERMC and the Committee as Policy Exceptions.

REPORTING

A. Risk Reporting

Preparation of timely reports is critical to monitoring risk. TEA will furnish the required reports on a regular frequency for the City in a format acceptable to the ERMC. In addition, the ERMC and its designees will be provided access to the City's risk reports as updated daily via TEA's secure Web Portal.

Reports required on a monthly basis and for periodic meetings of the ERMC include the following:

- **Profit and Loss Report**

The Profit and Loss (P&L) Report shows the daily realization of transactions at either the transaction price or the market price as transaction roll from unrealized to realized. This report should show volumes, transaction prices and market prices of realized physical and financial power and fuel transactions.

- **Mark to Market Report**

The Mark to Market ("MTM") Report conveys the potential transaction exposure if the energy commodity portfolio was liquidated at the most recent market settlement prices. This report should show volumes, transaction prices and market prices of unrealized physical and financial power and fuel transactions.

- **Activity Report**

The Activity Report presents a summary of all energy commodity risk management activities undertaken, including new transactions taken, existing transactions settled/liquidated, and any transactions unwound.

- **Cost of Service Report**

The City's exposure to energy price risk shall be monitored and reported on a Cost-of-Service basis. All calculations are at the wholesale level. The Cost-of-Service recognizes all prior (expired) months within the Power Year on the basis of actual (incurred) costs, and recognizes all forward (pending) months within the Power Year on the basis of expected forward power and fuel prices and expected forward load-following risks. As defined below, the Cost-of-Service is an aggregation of Forward Energy Commodity Portfolio Cost, the Load Following Cost Expectation and the City's Budget Target for Purchase Power Expense.

  - The Net Purchased Power Cost shows the net cost of all physical and financial transactions related to the City's anticipated commodity requirements for power and fuel and is based on the price of all hedge transactions plus the forward

market price of all unhedged transactions valued at current forward prices for energy commodities, customer-level cost per MWH of all physical and financial transactions related to Dover's actual plus anticipated energy.

- The expected fixed costs defined as load-serving entity (LSE) capacity costs, transmission costs and TEA management fees.
- The Expected Load-Following Cost for a specified power year is defined as the expected cost (or revenue) associated with intra-month load variations due to weather or other events affecting demand. As an interim measure due to lack of necessary market information and the rapid evolution of the PJM RTO market, the ERMC has specified $2.50 per MWH as an estimate of the Load Following Cost to be used for estimating the City's Forward Cost-of-Service Report. The ERMC will update the Expected Load Following estimate while lack of necessary market information persists no less than annually.
- The Budget Target for Purchase Power Expense represents the City's view of expected purchase power expense.

B. Credit Reporting

- **Counterparty Credit Report**

The Counterparty Credit Report conveys the exposure to all counterparties with which the City has credit exposure resulting from its energy commodity risk management activities.

- **CFTC Reporting**

The City understands that transacting over the counter (OTC) swaps carries an additional Commodity Futures Trading Commission (CFTC) reporting function. Once required by the CFTC, the City will report on how it generally meets its financial obligations associated with entering into non-cleared swaps in a manner acceptable to the CFTC.

C. Hedge Effectiveness Reporting

If the City's transactions require a hedge effectiveness test, those testing results will be reported to the ERMC no later than one month after the end of the financial reporting period. The report will include a summary of testing methodology, assumptions of the testing and the outcome of results with a pass or fail by transaction.

INFORMATION TECHNOLOGY SYSTEMS

Since information systems play a vital role in The City's trading abilities, the City shall ensure that the information systems and technology used to store all transaction information is maintained and secure. The City's transactions will be stored in TEA's

enterprise trading and risk management system. TEA uses the TriplePoint Commodity XL (CXL) system, integrated with Commodity XL for Credit Risk (Credit Risk). TEA has assigned a Database Administrator (DBA) that is charged with the database security and maintenance for the transaction database, CXL.

The following safeguards for data security and backup will be installed:

- Transaction data stored in the system of record will be replicated daily to ensure data redundancy;
- The CXL database will be backed up at least daily after the close of business.

POLICY DISTRIBUTION AND COUNSEL

A. Distribution Outside The City

The City's Policy is restricted to the use of the City and TEA organizations. It shall not be distributed outside these organizations without the consent the ERMC.

B. Designated Counsel

Questions about the interpretation of any matters of this Policy should be referred to ERMC. The ERMC will provide clarification and explanation on any updates to this Policy.

All legal matters stemming from this Policy will be referred to the City's Legal Counsel.

APPENDIX A – Approved Products

The following shall constitute a list of approved forward hedge products to be utilized by TEA to manage the City's energy commodity portfolio:

- Forward Physical Power Peak
- Forward Physical Power Off-Peak
- Forward Physical Power All Hours
- Forward Physical Natural Gas Delivered Dover via Eastern Shore Pipeline
- Forward Physical Residual Fuel Oil (#6) Delivered Dover
- Forward Physical Residual Fuel Oil (#2) Delivered Dover
- Capacity
- Forward Financial Power Peak
- Forward Financial Power Off-Peak
- Forward Financial Power All Hours
- Financial Call Option
- Financial Put Option
- Covered Swap

The above instruments can be executed by TEA on behalf of the City of Dover for the current and next two successive Power Years (July to June).

APPENDIX B – Approved Counterparties and Threshold Tables

This Appendix establishes approved counterparties and their Collateral thresholds. Collateral thresholds, term limitations and credit exposure limits that are subject to the following maximums based upon the lower of the S&P and Moody's credit ratings:

Credit Thresholds from Dover Extended to the Counterparty

Constellation Energy

Threshold	S&P	Moody's
$ 60,000,000	AAA	Aaa
$ 50,000,000	AA- to AA+	Aa3 to Aa1
$ 50,000,000	A- to A+	A3 to A1
$ 40,000,000	BBB+	Baa1
$ 30,000,000	BBB	Baa2
$ 20,000,000	BBB-	Baa3
$ -	Below BBB-	Below Baa3

Integrys

Threshold	S&P	Moody's
$ 20,000,000	AAA	Aaa
$ 20,000,000	AA- to AA+	Aa3 to Aa1
$ 15,000,000	A- to A+	A3 to A1
$ 10,000,000	BBB+	Baa1
$ 5,000,000	BBB	Baa2
$ 1,000,000	BBB-	Baa3
$ -	Below BBB-	Below Baa3

Sempra Energy

Threshold	S&P	Moody's
$ 20,000,000	A or above	A2 or above
$ 20,000,000	A- to A+	A3
$ 15,000,000	BBB+	Baa1
$ 10,000,000	BBB	Baa2
$ -	BBB- or lower	Baa3 or lower

Conectiv

Threshold	S&P	Moody's
Unspecified *	Above BBB+	Above Baa3
$ -	Below BBB-	Below Baa3

*** Conectiv does not have a defined credit threshold, so for planning purposes, a $10,000,000 threshold is imposed as a conservative limit**

Macquarie Cook Power

Threshold	S&P	Moody's
$ 25,000,000	AAA	Aaa
$ 20,000,000	AA- to AA+	Aa3 to Aa1
$ 15,000,000	A- to A+	A3 to A1
$ 10,000,000	BBB+	Baa1
$ 5,000,000	BBB	Baa2
$ -	BBB- or below	Baa3 or below

FPL Energy

Threshold	S&P	Moody's
$ 30,000,000	AAA	Aaa
$ 25,000,000	AA- to AA+	Aa3 to Aa1
$ 20,000,000	A- to A+	A3 to A1
$ 15,000,000	BBB+	Baa1
$ 10,000,000	BBB	Baa2
$ -	BBB- or below	Baa3 or below

Deutsche Bank

Threshold	S&P	Moody's
$ 25,000,000	AAA	Aaa
$ 20,000,000	AA- to AA+	Aa3 to Aa1
$ 15,000,000	A- to A+	A3 to A1
$ 10,000,000	BBB+	Baa1
$ 5,000,000	BBB	Baa2
$ -	BBB- or below	Baa3 or below

Barclays Bank

Threshold	S&P	Moody's
$ 25,000,000	AAA	Aaa
$ 20,000,000	AA- to AA+	Aa3 to Aa1
$ 15,000,000	A- to A+	A3 to A1
$ 10,000,000	BBB+	Baa1
$ 5,000,000	BBB	Baa2
$ -	BBB- or below	Baa3 or below

Credit Thresholds from the Counterparty Extended to Dover

Constellation Energy

Threshold		Fitch	Moody's
$	40,000,000	AA- or Above	Aa3 or above
$	30,000,000	A+	A1
$	20,000,000	A	A2
$	10,000,000	A-	A3
$	-	BBB or below	Baa1 or below

Integrys

Threshold		Fitch	Moody's
$	20,000,000	AAA	Aaa
$	20,000,000	AA- to AA+	Aa3 to Aa1
$	15,000,000	A- to A+	A3 to A1
$	10,000,000	BBB+	Baa1
$	5,000,000	BBB	Baa2
$	1,000,000	BBB-	Baa3
$	-	Below BBB-	Below Baa3

Sempra Energy

Threshold		Fitch	Moody's
$	27,000,000	A- or above	A3 or above
$	5,000,000	BBB+	Baa1
$	1,000,000	BBB	Baa2
$	-	BBB- or lower	Baa3 or lower

Conectiv

Threshold		Fitch	Moody's
Unspecified *		Above BBB+	Above Baa3
$	-	Below BBB-	Below Baa3

***Conectiv does not have a defined credit threshold, so for planning purposes, a $10,000,000 threshold is imposed as a conservative limit**

Macquarie Cook Power

Threshold		Fitch	Moody's
$	25,000,000	AAA	Aaa
$	20,000,000	AA- to AA+	AA3 to Aa1
$	15,000,000	A- to A+	A3 to A1
$	10,000,000	BBB+	Baa1
$	5,000,000	BBB	Baa2
$	-	BBB- or below	Baa3 or below

FPL Energy

Threshold	Fitch	Moody's
$ 23,000,000	AAA	Aaa
$ 18,000,000	AA- to AA+	AA3 to Aa1
$ 13,000,000	A- to A+	A3 to A1
$ 8,000,000	BBB+	Baa1
$ 3,000,000	BBB	Baa2
$ -	BBB- or below	Baa3 or below

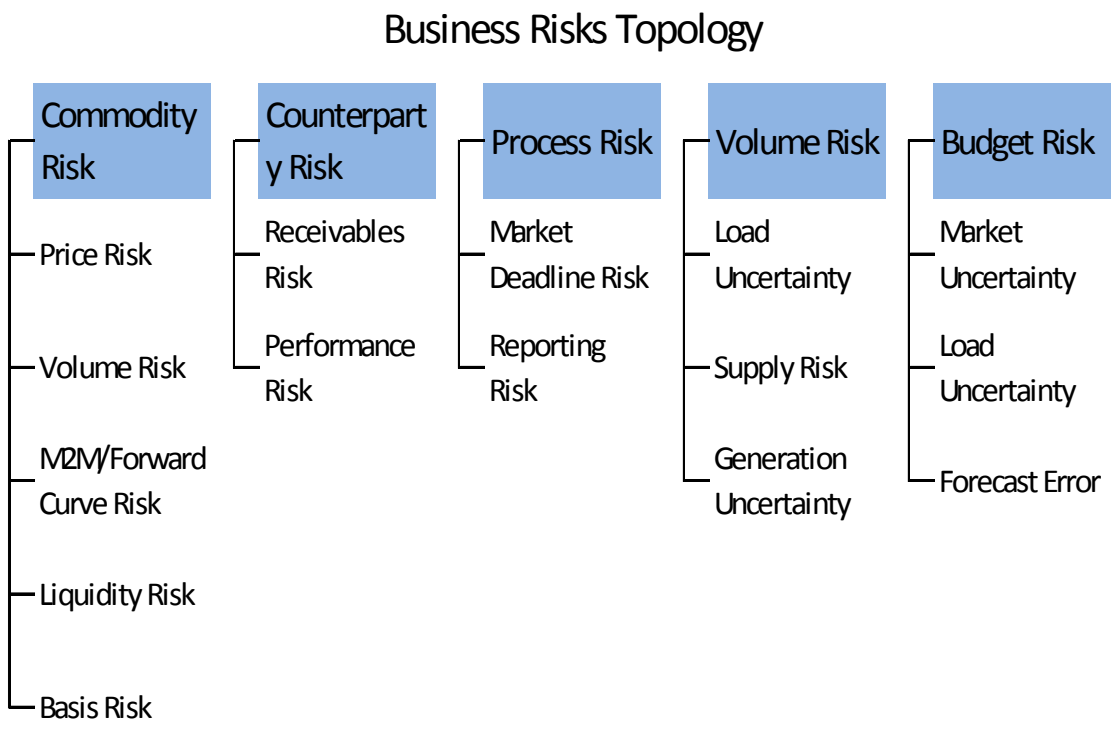
Deutsche Bank

Threshold	Fitch	Moody's
$ 25,000,000	AAA	Aaa
$ 20,000,000	AA- to AA+	AA3 to Aa1
$ 15,000,000	A- to A+	A3 to A1
$ 10,000,000	BBB+	Baa1
$ 5,000,000	BBB	Baa2
$ -	BBB- or below	Baa3 or below

Barclays Bank

Threshold	Fitch	Moody's
$ 25,000,000	AAA	Aaa
$ 20,000,000	AA- to AA+	AA3 to Aa1
$ 15,000,000	A- to A+	A3 to A1
$ 10,000,000	BBB+	Baa1
$ 5,000,000	BBB	Baa2
$ -	BBB- or below	Baa3 or below

APPENDIX C – Business Risks



APPENDIX D – Swap Transaction Representative

Purpose:
To ensure that the City of Dover, a Special Entity under the Dodd-Frank Financial Reform Act, selects a qualified representative ("Representative") to provide advice and guidance when entering into swap transactions with Swap Dealers or Major Swap Participants.

Definitions:
Special Entity: As defined in 7 U.S.C. 6s(h)(2)(C) and further interpreted in 17 C.F.R. 23.401(c). The Energy Authority "TEA" is a Special Entity as defined by 17 C.F.R. 23.401(c)(2).

Swap Dealer: As defined in 7 U.S.C. 1a(49) and further interpreted in 17 C.F.R. 1.3(ggg)

Major Swap Participant: As defined in 7 U.S.C. 1a(33) and further interpreted in 17 C.F.R. 1.3(hhh)

Representative: As defined in this policy and 17 C.F.R. 23.450

Policy:
Selection: The City of Dover shall endeavor to seek and employ an individual or entity that will voluntarily act as a Representative for all energy commodity swap transactions between the City of Dover and any Swap Dealer or Major Swap Participant. The Representative must meet the following qualifications identified in 17 C.F.R. 23.450(b):

(i) Has sufficient knowledge to evaluate the transaction and risks;
(ii) Is not subject to a statutory disqualification;
(iii) Is independent of the swap dealer or major swap participant;
(iv) Undertakes a duty to act in the best interests of the Special Entity it represents;
(v) Makes appropriate and timely disclosures to the Special Entity;
(vi) Evaluates, consistent with any guidelines provided by the Special Entity, fair pricing and the appropriateness of the swap; and
(vii) In the case of a Special Entity as defined in § 23.401(c)(2) or (4), is subject to restrictions on certain political contributions imposed by the Commission, the Securities and Exchange Commission, or a self-regulatory organization subject to the jurisdiction of the Commission or the Securities and Exchange Commission; provided however, that this paragraph (b)(1)(vii) of this section shall not apply if the representative is an employee of the Special Entity.

The Representative and the City of Dover shall enter into a legal agreement that binds the Representative to comply with items (i) through (vii) in this policy.

At no longer than any 12 month interval, the City of Dover shall review the performance of the Representative to ensure compliance with items (i) through (vii) in this policy.

APPENDIX E – Glossary

Back Office – That part of a trading organization which handles transaction accounting, confirmations, management reporting, and working capital management.

Bilateral Transaction - Any physical or financial transaction between two counterparties, neither of whom is an Exchange or market entity (e.g. MISO).

Capacity – The real power output rating of a generator or system, typically in megawatts, measured on an instantaneous basis.

Commodity - A basic good used in commerce that is interchangeable with other commodities of the same type. Commodities are most often used as inputs in the production of other goods or services. The quality of a given commodity may differ slightly, but it is essentially uniform across producers. When they are traded on an exchange, commodities must also meet specified minimum standards, also known as a basis grade.

Financial Bilateral Transaction – A Bilateral Transaction that is non-physical and is defined by a Source Point, Sink Point, and Delivery Point that may be any CP Nodes as specified by the Midwest ISO.

Financial Forward – An agreement regarding a position in a specified commodity, a specified price, and a specified future settlement date, that does not result in physical delivery of the commodity. Rather one party in the agreement makes a payment to the other party on the basis of the commodity price at the future date.

Front Office – That part of a trading organization which solicits customer business, services existing customers, executes trades and ensures the physical delivery of commodities.

Hedging Transaction - A transaction designed to reduce the exposure of a specific outstanding position or portfolio; "fully hedged" equates to complete elimination of the targeted risk and "partially hedged" implies a risk reduction of less than 100%.

Mark-to-Market Value – A measure of the current value of unrealized positions; includes both Open Positions and Closed Positions.

Middle Office – That part of a trading organization that measures and reports on market risks, develops risk management policies and monitors compliance with those policies, manages contract administration and credit, and keeps management and the Board informed on risk management issues.

Policy – Dover's Governing Policy for Energy Commodity Risk, as amended and approved by The Utility Committee.

Portfolio – A collection of transactions.

Realized Gains/(Losses) – The amount earned (or lost) from a transaction , considered to be **realized** once the time for performance has lapsed (e.g. delivery of power in the case of physical transactions or expiration of an option in the case of financial transactions).

Term – The total duration of a contract, defined as the number of days between the beginning flow date and ending flow date, inclusive.

Unrealized Gains/ (Losses) – The amount expected to earn (lose) on a specific transaction(s); however, the time for performance has not lapsed. The total value of Unrealized Gains/ (Losses) is the Mark-to-Market value.

PROCLAMATION

WHEREAS, *according to Services for Children, Youth and Their Families, in 2012 approximately 16,000 calls reporting cases of suspected child abuse or neglect were made to the Delaware Report line; and*

WHEREAS, *the signs of child abuse and neglect are not always as obvious as a broken bone or bruise; symptoms can include unexplained injuries, changes in behavior, fear of going home, changes in school performance and attendance, and changes in sleeping and eating; and*

WHEREAS, *children are the embodiment of innocence and hope for the future and every child deserves to be loved, cared for, and protected from verbal, sexual, emotional, and physical abuse and neglect and have the opportunity to grow up in a nurturing environment, free from harm and fear; and*

WHEREAS, *according to the Child Welfare Information Gateway, by ensuring that parents have the knowledge, skills, and resources they need to care for their children, we can help promote children's social and emotional well-being and prevent child maltreatment. Research shows that when parents possess six protective factors, the risk for neglect and abuse diminish. Those six protective factors are: Nurturing and attachment; Knowledge of parenting and of child and youth development; Parental resilience; Social connections; Concrete supports for parents; and Social and emotional developmental well-being.*

NOW, THEREFORE, I, CARLETON E. CAREY, SR., MAYOR OF THE CITY OF DOVER, DELAWARE, *do hereby proclaim the month of April 2013 as*

Child Abuse Prevention Month

in the City of Dover and implore all citizens to commit to learning about the behavioral and physical signs of abuse and to promote and encourage the knowledge, skills, and resources available to aid parents in caring for their children.

_____

Carleton E. Carey, Sr.
Mayor

PROCLAMATION

WHEREAS, *it is through the strength and resilience of our military spouses that our troops willingly accept their mission to serve and protect our country and loved ones, knowing the relentless courage of their spouses will prevail and that the prayers of not only their spouses but of all their supporters will help them get through the darkest of times; and*

WHEREAS, *military spouses must endure hardships resulting from separation from their loved ones, including the added responsibilities of maintaining home and family and stress from not knowing the fate of the troops overseas, and military spouses should be applauded for their continued support and patriotism while the difficulties they face show no mercy and do not discriminate among ranks; and*

WHEREAS, *former President Ronald Reagan established Military Spouse Appreciation Day in 1984 and U.S. Secretary of Defense Casper Weinberger established the Friday before Mother's Day as a nationally recognized day of observance of the powerful difference spouses make in the lives of our service members.*

NOW, THEREFORE, I, CARLETON E. CAREY, SR., *MAYOR OF THE CITY OF DOVER, DELAWARE, do hereby proclaim May 10, 2013 as*

Military Spouse Appreciation Day

in the City of Dover and encourage all citizens to be cognizant of the plight of military spouses and show support by offering friendship, empathy and understanding, realizing that they, too, are making daily sacrifices for their country.

_____

Carleton E. Carey, Sr.
Mayor

PROCLAMATION

WHEREAS, *there are 1.8 million children with a parent serving in the military, approximately 900,000 with one or both parents deployed and nearly 45,000 who are living with a parent's wound, injury, illness or death; and*

WHEREAS, *in 1986, Secretary of Defense Caspar W. Weinberger designated each April as "The Month of the Military Child," to recognize the contributions that each military child makes as their parent or parents serve and protect our nation; and*

WHEREAS, *each April all branches of the U.S. military provide special events and programs to honor and support military families for their continuous courage, sacrifices and resilience; and*

WHEREAS, *in 2005, Operation Military Kids was originated to connect military children with local resources in order to achieve a sense of community support and enhance their well-being.*

NOW, THEREFORE, I, CARLETON E. CAREY, SR., MAYOR OF THE CITY OF DOVER, DELAWARE, *do hereby proclaim April 2013 as*

Month of the Military Child

in the City of Dover and urge all citizens to recognize our military children for their accomplishments and resilience and to focus on supporting them through the struggles they encounter being a part of the military.

Carleton E. Carey, Sr.
Mayor

PETITION TO ANNEX AND REZONE PROPERTY
Report to the
Dover City Council
April 22, 2013

Applicants/Owners:	Sipple's Used Cars, Inc.
Property Address:	1174 South Governors Avenue
Tax Parcel ID #:	ED00-086.05-01-12.00-000
Size:	8,250 SF +/-
Present Use:	Residential
Proposed Use:	Residential

Comprehensive Plan Designation: Category 1 – High Priority Annexation Areas

Comprehensive Plan Land Use Designation: Commercial

Present Zoning:	BG (General Business)
Proposed Zoning:	C-2A (Limited Central Commercial)
Planning Commission Recommendation:	Following a public hearing before the Planning Commission on Monday, March 18, 2013, where no members of the public spoke regarding the rezoning request, the Planning Commission recommended unanimously in favor of the proposed rezoning. An excerpt of the minutes is provided.
File Number:	AX-13-01

Surrounding Land Uses:
The immediately adjacent properties that are within the City are zoned C-2A (Limited Central Commercial Zone) and include a church and the Creekstone office parcel. The property directly adjacent to the south is zoned BG (General Business) in Kent County, and the properties across South Governors Avenue are zoned BG (General Business) in Kent County.

Comprehensive Plan:
The Annexation and Growth Map (Map 13-1: Potential Annexation Areas) contained within the current certified *2008 Comprehensive Plan* as amended designates this land as Category #1 – High Priority Annexation Areas thus making these lands desirable for Annexation. Map 13-2: Potential Land Use for Annexation Areas indicates the Commercial designation for the properties. The requested zoning is consistent with this designation.

Request for C-2A Zoning:
The types of permitted uses in the C-2A (Limited Central Commercial Zone) are given Article 3 §14 of the *Zoning Ordinance*, and include the following:

- Convenience retail stores such as drug stores, grocery stores, luncheonettes, variety stores or combinations thereof.
- Personal service stores such as, but not limited to, barbershops, beauty parlors, and tailors, provided that where steam pressure is used in clothes pressing, it shall not exceed 60 pounds per square inch.
- Service establishments furnishing services other than of a personal nature, but excluding gasoline filling stations and motor vehicle storage, repair, or service.
- Residential uses.
- Other retail and service establishments, but excluding:
    - Gasoline filling stations and motor vehicle storage, repair, or service, except that gasoline pumps shall be permitted as an accessory use, subject to conditional use approval by the planning commission pursuant to article 10, section 1.
    - Wholesaling, warehousing or storage.
    - The manufacturing, printing, assembling, converting, altering, finishing, cleaning or any other processing of goods on the premises, except as permitted in the C-1 zone.
    - Excessive traffic generating uses, such as theaters, drive-ins, bowling alleys and other commercial, recreation, restaurants, etc.
- Business, professional or governmental offices.
- Banks, theaters and restaurants.
- Hotels, clubs and places of worship.
- Civic institutions.

Recommendation of the Planning Staff and Planning Commission:
The requested zoning of C-2A is consistent with the Comprehensive Plan and compatible with the surrounding area. Staff recommends in favor of the C-2A zoning requested by the applicant and the ultimate development of the site as commercial. Such development would be subject to site development plan review by the Planning Commission.

The staff recommendation was made prior to the benefit of hearing the comments of surrounding land owners and residents. Following a public hearing before the Planning Commission on Monday, March 18, 2013, where no members of the public spoke regarding the rezoning request, the Planning Commission recommended unanimously in favor of the proposed rezoning. An excerpt of the minutes is provided.

Excerpt from Planning Commission Minutes of March 18, 2013:

AX-13-01 Lands of Sipple's Used Cars at 1174 South Governors Avenue – Public Hearing and Recommendation to City Council on the Rezoning Request associated with the Annexation of one parcel of land totaling 8,250 SF +/- located at 1174 South Governors Avenue. The property is currently zoned BG (General Business District) in Kent County. The proposed zoning for the property is C-2A (Limited Central Commercial Zone). The property is located west of South Governors Avenue south of Lynnhaven Drive. The annexation category according to Dover's *2008 Comprehensive Plan* is Category 1: High Priority Annexation Area and the land use designation is Commercial. The owner of record is Sipple's Used Cars, Inc. Address: 1174 South Governors Avenue. Tax Parcel: ED-00-086.05-01-12.00-000.

Representatives: **None**
Mrs. Townshend stated that the request is for an annexation and rezoning. The Planning Commission's role in this is to review and make a recommendation to City Council as it relates to the rezoning. The current zoning of the property is BG (General Business District) in Kent County. The proposed zoning is C-2A (Limited Central Commercial Zone) in the City of Dover. The property shows in the City of Dover's *Comprehensive Plan* as a Category 1 High Priority Annexation Area. It is one of the areas that is largely surrounded by the City. The potential land use for annexation indicates that it would receive a commercial designation if annexed into the City of Dover. The requested zoning is C-2A (Limited Central Commercial Zone) and looking at the surrounding zonings, all of the properties that are within the City of Dover and adjacent to the subject property are also zoned C-2A (Limited Central Commercial Zone). Looking at the properties there is a church and Creekstone Office Complex which are both zoned C-2A (Limited Central Commercial Zone). The properties that are in Kent County are BG (General Business District). The C-2A (Limited Central Commercial Zone) is consistent with the surrounding land uses and zoning classifications as well as with the *Comprehensive Plan*.

Mr. Tolbert questioned if this was a used car lot? Responding to Mr. Tolbert, Mrs. Townshend stated that it was not a used car lot. The property was owned by Sipple's Used Cars and this property is a residential parcel. It's zoned business but it is used residentially.

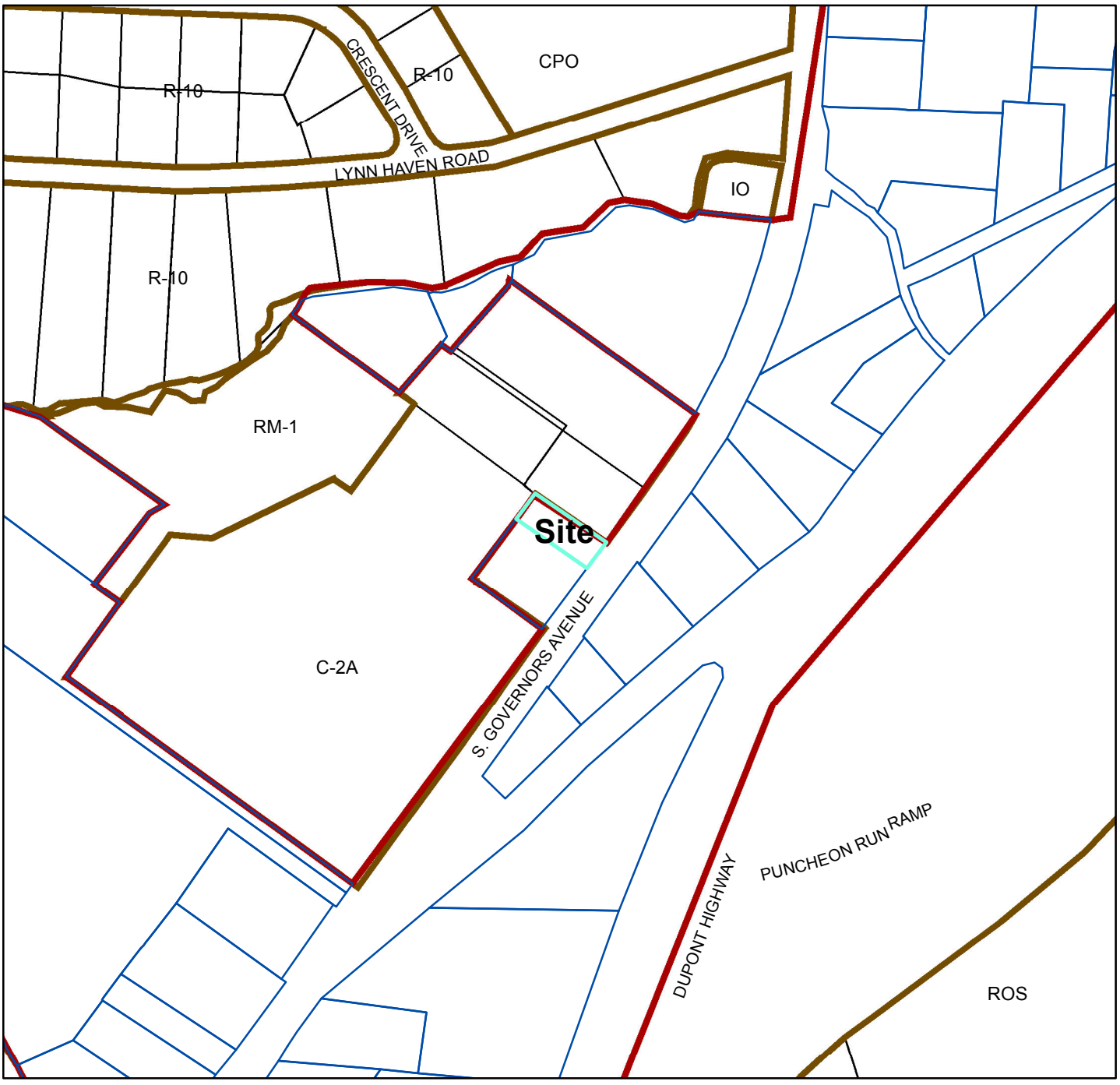
Mr. Tolbert opened a public hearing and after seeing no one wishing to speak, closed the public hearing.

Mr. Holt moved to approve AX-13-01 Lands of Sipple's Used Cars at 1174 S Governors Avenue, recommending to City Council a rezoning from BG (General Business District) to C-2A (Limited Central Commercial Zone), seconded by Dr. Jones and the motion was unanimously carried 7-0 with Mr. Ambruso and Colonel Welsh absent.

City of Dover

Department of Planning & Inspections

Application No.: AX-13-01



Plan Title: Lands of Sipples Used Cars, Inc.
Location: 1174 South Governors Avenue
Plan Type: Annexation
Tax Parcel: ED-00-086.05-01-12.00-000
Proposed Zoning: C-2A
Proposed Land Use Classification: Commercial
Annexation Classification: Category 1 High Priority
Owner: Nathan Sipple
Date: 2-5-13

Legend

- Zoning
- Dover Parcels
- Kent County Parcels
- Dover Boundary

0 150 300 600 Feet

CITY OF DOVER

DEVELOPMENT ADVISORY COMMITTEE

APPLICATION REVIEW COMMENTARY

STAFF D.A.C. MEETING DATE: FEBRUARY 27, 2013

CITY OF DOVER
Electric &
Public Works
Departments

APPLICATION: **LANDS OF SIPPLE'S USED CARS, 1174 S. GOVERNORS AVE.**

FILE #: **AX-13-01**

REVIEWING AGENCY: **City of Dover Electric and Public Works Departments**

CONTACT PERSON: **Steve Enss - Electric**
Jason A. Lyon, P.E. – Public Works

CONTACT PHONE #: **Electric - 302-736-7070 Public Works – 302-736-7025**

THE SUBJECT PROPOSAL HAS BEEN REVIEWED FOR CODE COMPLIANCE, PLAN CONFORMITY AND COMPLETENESS IN ACCORDANCE WITH THIS AGENCY'S AUTHORITY AND AREA OF EXPERTISE.

THE FOLLOWING ITEMS HAVE BEEN IDENTIFIED AS ELEMENTS WHICH NEED TO BE ADDRESSED BY THE APPLICANT:

CITY AND STATE CODE REQUIREMENTS

ELECTRIC / WATER / WASTEWATER / STORMWATER / SANITATION / STREETS / GROUNDS

1. Our office has no objections to the proposed annexation of tax parcel ED-00-086.05-01-12.00-000.

RECOMMENDATIONS SUGGESTED AS CONDITIONS OF APPROVAL TO MEET CODE OBJECTIVES

ELECTRIC / WATER / WASTEWATER / STORMWATER / SANITATION / STREETS / GROUNDS

1. None

ADVISORY COMMENTS TO THE APPLICANT

ELECTRIC

1. None.

WATER

1. As per the Petition to Annex and Rezone Property, as heard by the City of Dover Utility Committee, February 25, 2013, please find the following:
    a. There is no water service to the property; however, a water main runs in South Governors Avenue in front of the property. The property owner would be responsible for the costs associated with tapping the water main, payment of impact fees, and obtaining permits associated with such improvements. Water infrastructure must be installed in accordance with the requirements of the City of Dover Water / Wastewater Handbook and DelDOT.
    b. The owner / developer is responsible for submitting a plan to the Department of Public Works that depicts the required information for a DelDOT State Utility Permit.

WASTEWATER

1. As per the Petition to Annex and Rezone Property, as heard by the City of Dover Utility Committee, February 25, 2013, please find the following:
    a. There is no sewer service to the property; however, a sanitary sewer main runs in South Governors Avenue in front of the property. The property owner would be responsible for the costs associated with connecting to the sanitary sewer main, payment of impact fees, and obtaining permits associated with such improvements. Wastewater infrastructure must be installed in accordance with the requirements of the City of Dover Water / Wastewater Handbook and DelDOT.
    b. The owner / developer is responsible for submitting a plan to the Department of Public Works that depicts the required information for a DelDOT State Utility Permit.

SANITATION

1. The City of Dover will only provide sanitation service to residential properties.

STORMWATER / STREETS / GROUNDS

1. None.

IF YOU HAVE ANY QUESTIONS OR NEED TO DISCUSS ANY OF THE ABOVE COMMENTS, PLEASE CALL THE ABOVE CONTACT PERSON AND THE PLANNING DEPARTMENT AS SOON AS POSSIBLE.

KENT CONSERVATION DISTRICT
800 BAY ROAD SUITE 2 • DOVER, DELAWARE • 19901 (302) 741 2600 EXT. 3 • FAX (302) 741 0347

CITY OF DOVER
DEVELOPMENT ADVISORY COMMITTEE
APPLICATION REVIEW COMMENTARY
MARCH 2013

APPLICATION: Lands of Sipple Used Cars

FILE #: AX-13-01

REVIEWING AGENCY: *Kent Conservation District*

CONTACT PERSON: *David C. Cahill* **PHONE #:** *741-2600 ext.3*

THE SUBJECT PROPOSAL HAS BEEN REVIEWED FOR CODE COMPLIANCE, PLAN CONFORMITY AND COMPLETENESS IN ACCORDANCE WITH THIS AGENCY'S AUTHORITY AND AREA OF EXPERTISE. THE FOLLOWING ITEMS HAVE BEEN IDENTIFIED AS ELEMENTS WHICH NEED TO BE ADDRESSED BY THE APPLICANT:

CITY AND STATE CODE REQUIREMENTS:

1. *Kent Conservation District has no objection to re-zoning plan for the above referenced site.*

ADVISORY COMMENTS TO THE APPLICANT:
The Following comments are advisory and apply to the development of a detailed site plan for this project.

1. *If at any time expansion or earth disturbing activity (clearing, grubbing tree clearing etc.) takes place and exceeds 5000 square feet; a detailed Sediment and Stormwater Management Plan must be submitted and approved to the Kent Conversation District.*

CITY OF DOVER

DEVELOPMENT ADVISORY COMMITTEE

APPLICATION REVIEW COMMENTARY

D.A.C. MEETING DATE: February 27, 2013

DELDOT

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APPLICATION: Lands of Sipple's Used Cars at 1174 South Governors Avenue
FILE#: AX-13-01 REVIEWING AGENCY: DelDOT

CONTACT PERSON: Julio F. Seneus PHONE#: 760-2145

==========

THE SUBJECT PROPOSAL HAS BEEN REVIEWED FOR CODE COMPLIANCE, PLAN CONFORMITY AND COMPLETENESS IN ACCORDANCE WITH THIS AGENCY'S AUTHORITY AND AREA OF EXPERTISE.

THE FOLLOWING ITEMS HAVE BEEN IDENTIFIED AS ELEMENTS WHICH NEED TO BE ADDRESSED BY THE APPLICANT:

CITY & STATE CODE REQUIREMENTS:

1. The Department has no comments.

RECOMMENDATIONS SUGGESTED AS CONDITIONS OF APPROVAL TO MEET CODE OBJECTIVES:

ADVISORY COMMENTS TO THE APPLICANT FOR THE REZONING:

- A Traffic Impact Study (TIS) will be required if the proposed business exceeds 50 VPH (vehicle per Peak Hour) or 400 VPD (vehicle per day). When the study is completed, DelDOT will review it and send recommendations of the improvements to Kent County. The improvements contained in the study will be implemented by the developer per DelDOT's discretion. Please, contact Mr. Troy Brestel at (302) 760-2167 or via e-mail at Troy.Brestel@state.de.us to set up a scoping meeting for this project.

- A pre-submittal meeting with the applicant will be required, if the proposed development generates 200 vehicles per day (VPD).

- In order to be issued an entrance permit, the department will require the applicant to provide the proper forms, fees, and entrance plans.

- The applicant is required to obtain a utility permit from the DelDOT Central District for this project prior to performing any construction works within the right-of-way.

If you have any questions or need to discuss any of the above comments, please call the above contact person and the planning department as soon as possible.

STATE OF DELAWARE
EXECUTIVE DEPARTMENT
OFFICE OF STATE PLANNING COORDINATION

April 11, 2013

Ms. Ann Marie Townshend, AICP
City of Dover
P.O. Box 475
Dover, DE 19903-0475

RE: Plan of Services 2013-04, Sipple Annexation
Tax Parcels # ED00-086.05-01-12.00

Dear Ms. Townshend,

This letter is to confirm that we have received and accepted the Plan of Services for the above-referenced annexation. The City has completed all relevant annexation requirements of Title 22, Section 101, Subsection (3) of the Delaware Code.

After the property has been annexed please notify our office in writing so that we may update our records and maps. A copy of the official annexation resolution should accompany this notification. Please do not hesitate to contact me if I can be of any further assistance.

Sincerely,

David L. Edgell, AICP

Principal Planner

cc: Connie Holland
Laura Simmons

122 William Penn Street · Third Floor · Dover, DE 19901
Phone (302)739-3090 · Fax (302) 739-5661 · www. stateplanning.delaware.gov

PREPARED BY:
City of Dover
PO Box 475
Dover, DE 19903-0475

TAX MAP PARCEL NO.
ED-00-086.05-01-12.00/000

MAYOR AND COUNCIL

COUNCIL RESOLUTION NO. 2013-13

RESOLUTION NO. 2013-13 APPROVING THE INCLUSION OF AN AREA WITHIN THE LIMITS OF THE CITY OF DOVER.

WHEREAS, the Charter of the City of Dover authorizes Council to extend the boundaries of the said City after a special election of the qualified voters and real estate owners of the territory proposed to be annexed, and

WHEREAS, the Mayor and Council of the City of Dover deem it in the best interest of the City of Dover to include an area contiguous to the present City limits, and hereinafter more particularly described within the limits of the City of Dover, and

WHEREAS, the Charter of the City of Dover provides that if a majority of the votes cast in an election held in a territory proposed to be annexed shall be in favor of inclusion of that territory within the limits of the City of Dover, the Council may thereupon adopt a resolution annexing said territory and including same within the limits of the City of Dover.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF DOVER, IN COUNCIL MET:

1. That the following described area, situated in East Dover Hundred, Kent County, State of Delaware, shall be annexed to and included within the limits of the City of Dover:

> ALL THAT certain lot, piece or parcel of land and premises, together with the buildings thereon erected, situated on the West side of Governors Avenue extended near the City of Dover, Kent County and State of Delaware, and bounded as follows: on the East by said Governors Avenue, on the South by lands now or formerly of D. Vinal Dragoo and Rosamond M. Dragoo, his wife, on the West by other lands now or formerly of the said Bessie L. Campbell and on the North by lands now or formerly of William Derrickson, formerly owned by Lydia C. Maloney and Eugene S. Clark, said lot, piece or parcel of land having a front on said Governors Avenue of fifty-five (55) feet and extending back with that width to lands now or formerly of the said Bessie L. Campbell distance of one hundred fifty (150) feet and containing eight thousand two hundred fifty (8,250) square feet of land, more or less.

AND BEING the same lands and premises as were conveyed unto Nathan Sipple, Jr., by deed of Gloria J. Ivory, et al, dated January 3, 2002, and recorded in the Office of the Recorder of Deeds, in and for Kent County, State of Delaware, in Deed Record Book 452, Page 230. Thereafter the said Nathan Sipple, Jr. died testate July 24, 2010, and under the terms of his Will (duly recorded in the Office of the Register of Wills in Kent County) the above described lands and premises, as part of all the rest, residue and remainder of the decedent's estate pursuant to Article VII of said Will, became part of the testamentary trust created therein, David C. Sipple and Nathan Edward Sipple being the Co-Trustees thereof.

SUBJECT, however, to the reservations, restrictions, conditions and covenants of record and subject to such state of facts as an accurate survey and/or inspection of the lands and premises will disclose; the operation and effect of any zoning laws, and building restrictions imposed by public authority; and easements and public utility grants of record.

2. That the above described property shall be annexed into the City of Dover with a zoning classification as set by City Council and in accordance with the zoning map and environs, then in force, effective upon such lands being included within the limits of the City of Dover.

3. That the certified copy of the resolution of annexation, together with a plot of the area annexed, shall be filed for record with the Recorder of Deeds of Kent County.

4. That the effective date of this resolution shall be the 23rd day of April, 2013 at 12:01 a.m.

ADOPTED: *

S:\ANNEXATIONS\Annex-2013\1174 S Governors Ave\Res. No. 2013-13 Annexation Approval Resolution for Packet Revised.wpd

CARLETON E. CAREY
MAYOR

THOMAS J. LEARY
COUNCIL PRESIDENT

FINAL READING

CITY OF DOVER PROPOSED ORDINANCE #2013-05

AN ORDINANCE AMENDING THE ZONING ORDINANCE AND ZONING MAP OF THE CITY OF DOVER BY CHANGING THE ZONING DESIGNATION OF PROPERTY LOCATED AT 1174 SOUTH GOVERNORS AVENUE

WHEREAS, the City of Dover has enacted a zoning ordinance regulating the use of property within the limits of the City of Dover; and

WHEREAS, it is deemed in the best interest of zoning and planning to change the permitted use of property described below from BG - General Business (Kent County zoning classification) to C-2A - Limited Central Commercial (City of Dover zoning classification).

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

1. That from and after the passage and approval of this ordinance the Zoning Map and Zoning Ordinance of the City of Dover has been amended by changing the zoning designation from BG - General Business (Kent County zoning classification) to C-2A - Limited Central Commercial (City of Dover zoning classification) on that property located at 1174 South Governors Avenue, consisting of .17 $^{+/-}$ acres, owned by Sipple's Used Cars, Inc. (Tax Parcel: ED-00-086.05-01-12.00-000; Planning Reference: AX-13-01)

ADOPTED: *

S:\ANNEXATIONS\Annex-2013\1174 S Governors Ave\Ordinance #2013-05-Rezoning of 1174 S Governors Ave-Final Rdg.wpd

Actions History

April 22, 2013 - Public Hearing/Final Reading by Council

February 11, 2013 - First Reading/Referral by Council

Draft

ACTION FORM

PROCEEDING: City Council

DEPARTMENT OF ORIGIN: Planning & Inspections **DATE SUBMITTED**: April 12, 2013

PREPARED BY: Tim Taraila, Code Enforcement Supervisor; Ann Marie Townshend, AICP, Director of Planning and Community Development

SUBJECT: 423 Cecil Street, Dover, Delaware – Violation of Dangerous Building Ordinance

REFERENCE: Chapter 22, Article XI – Dangerous Buildings, Sec. 22-385 - Hearing before Council and Chapter 22, Article XI - Dangerous Buildings Case # 13-715

RELATED PROJECT: N/A

APPROVALS: N/A

EXHIBITS: PowerPoint Presentation and File Photos to be presented at the Council meeting.

EXPENDITURE REQUIRED: Preliminary estimate is $10,000-15,000.

AMOUNT BUDGETED: $150,000 Budgeted for all demolitions Citywide in the FY-2013 Budget. Balance of $60,057.19 remaining as of April 12, 2013.

FUNDING SOURCE (Dept./Page in CIP & Budget): 110-1600-534-30-33.

TIMETABLE: As soon as possible.

RECOMMENDED ACTION:

1. Declare this building and all accessory structures on this property dangerous.
2. Order the property repaired or demolished by **May 22, 2013** by the owner or equity owner at their own risk.
3. Order the Building Inspector to cause the repair or demolition of the structures if not completed by the owner **within 10 days of the date established by City Council**.
4. Order the City Manager with the assistance of the City Solicitor to cause the cost of repairs or demolition to be charged against the land on which the building exists as a municipal lien or cause such cost to be added to the tax duplicate as an assessment, or to be levied as a special tax, or to be recovered in a suit at law against the owner.

BACKGROUND AND ANALYSIS

The property is owned by James Harris. The property is a one story wood framed single family home. The dwelling was condemned as unfit for human habitation on 3/15/2013 due to the degree of deterioration of the structure. The home has numerous windows and doors boarded, with structural damage to parts of the roof. Currently the structure is vacant, with no utilities and in a serious state of disrepair.

ACTION FORM

PROCEEDING: City Council

DEPARTMENT OF ORIGIN: Planning & Inspections **DATE SUBMITTED**: April 12, 2013

PREPARED BY: Tim Taraila, Code Enforcement Supervisor; Ann Marie Townshend, AICP, Director of Planning and Community Development

SUBJECT: 427 W Division Street, Dover, Delaware – Violation of Dangerous Building Ordinance

REFERENCE: Chapter 22, Article XI – Dangerous Buildings, Sec. 22-385 - Hearing before Council and Chapter 22, Article XI - Dangerous Buildings Case # 13-714

RELATED PROJECT: N/A

APPROVALS: N/A

EXHIBITS: PowerPoint Presentation and File Photos to be presented at the Council meeting.

EXPENDITURE REQUIRED: Preliminary estimate is $10,000-15,000.

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4. Order the City Manager with the assistance of the City Solicitor to cause the cost of repairs or demolition to be charged against the land on which the building exists as a municipal lien or cause such cost to be added to the tax duplicate as an assessment, or to be levied as a special tax, or to be recovered in a suit at law against the owner.

BACKGROUND AND ANALYSIS

The property is owned by Doris A Cooper & Others. The property is a one story wood framed single family home. The dwelling was condemned as unfit for human habitation on 3/15/2013 due to the degree of deterioration of the structure. The home has numerous windows and doors boarded. Currently the structure is vacant, with no utilities and in a serious state of disrepair.

PARKS, RECREATION, AND COMMUNITY ENHANCEMENT COMMITTEE

The Parks, Recreation, and Community Enhancement Committee Meeting was held on April 8, 2013, at 12:03 p.m. with Chairman Bonar presiding. Members present were Mr. Anderson (arrived at 12:12 p.m. and departed at 1:04 p.m.), Mr. Dixon and Mrs. Horsey. Mr. Lewis was absent.

AGENDA ADDITIONS/DELETIONS

By unanimous consent, the agenda was approved as presented.

Review of Revised Active Recreation Plan - Woodmill Apartments

Ms. Janelle Cornwell, City Planner II, reviewed the Revised Active Recreation Plan for Woodmill Apartments. She noted that Woodmill Apartments is not a Planned Neighborhood Development; it is a multi-family residential development, consisting of $14.12862^{+/-}$ acres, located south of Farmview Drive and east of Mifflin Road. She stated that the apartment complex consists of two (2) parcels of land with eight (8) apartment buildings, consisting of a total of 258 units. The property is zoned RG-2 (General Residence Zone). She advised members that the use as garden apartments is a permitted use within the RG-2 zoning district.

Ms. Cornwell advised members that at the time the apartment complex was originally developed, Active Recreation Area was not a requirement. She indicated that the apartment complex was reviewed by the Planning Commission in 1988, 1989, and 1990 and that the swimming pool and clubhouse were added in 2000.

Members were reminded that the requirement for Active Recreation Area under the current Zoning Ordinance is 275 SF per dwelling unit. Based on the 258 dwelling units, 70,950 SF ($1.62879^{+/-}$ acres) of Active Recreation Area is required for the development. There is currently 55,295 SF of Active Recreation Area within the development, which includes a 4,600 SF swimming pool, a 1,800 SF volleyball court, two (2) tennis courts (totaling 13,804 SF), a 2,563 SF playground, and lawn area around the swimming pool, clubhouse, and volleyball and tennis courts.

Ms. Cornwell advised members that the Revised Active Recreation Area Plan indicates that 76,234 SF ($1.75^{+/-}$ acres) of land would be reserved as Active Recreation Area with the elimination of the tennis courts and by creating a park area on the west side of the property. The revision proposes the elimination of the tennis courts on the east side of the property. The clubhouse, swimming pool, and volleyball court on the east side of the property will remain. The revision includes the addition of a picnic table and horseshoe pit on the west side of the property. A play area that contains a playground is located in the area of the proposed horseshoe pit and picnic table. A large lawn area on the west side is central to the revised recreation area.

Ms. Cornwell, stating that the proposal must be considered by the Parks, Recreation, and Community Enhancement Committee for a recommendation prior to by the Planning Commission, reviewed information from the submitted Plan (last updated March 21, 2013).

Mr. Dixon moved to recommend acceptance of the Revised Active Recreation Area Plan for Woodmill Apartments as presented and with the inclusion of staff's comments and recommendations. The motion was seconded by Mrs. Horsey and unanimously carried.

Presentation - Central Delaware Soccer Association

Mr. Brian Ford, President of the Central Delaware Soccer Association (CDSA), introduced Mr. Mike Womer, Vice-President of the CDSA. Mr. Ford began by advising members that there will be a wave of activity coming to the City of Dover and that the CDSA wanted to be sure the City is postured to take advantage of it. They reviewed a presentation entitled "CDSA Soccer Academy - Promoting Today's Teamwork for Tomorrow's Leaders" ***(Attachment #1)***.

Noting that there are multiple sports utilizing the fields at Schutte Park, as well as the general public, Mr. Ford stated that the purpose of the presentation was to examine the space that is available at Schutte Park. He stated that the CDSA has the most kids in a program at that facility and wanted to take the lead and alert the City of the wave of activity that is coming and the demand for the use of the fields. Referring to the presentation, Mr. Ford reviewed some of the schedules and the volume of teams and participants at both the CDSA Park and Schutte Park, noting the revenue that was generated through concessions and referring to revenue that it brings into the City in general through gas purchases, hotel stays, etc. Referring to the presentation, Mr. Ford supported his reference to the potential for revenue by reviewing comparisons with other locations similarly situated to the City of Dover by way of tournaments.

Mr. Ford provided a brief history of the CDSA and advised members that they created a five (5) year strategic plan over a year ago, and that a part of that plan was to get the CDSA to run like a business. He stated that the CDSA has approximately $500,000 worth of value in the Club and that jobs are being created. Mr. Ford referred to the paid positions on page 7 of the Presentation and stated that there have been two (2) additional part-time positions created: Director of Operations, with a salary of $8,000; and Administrative Assistant, with a salary of $6,000.

Mr. Bonar stated that Dover High School will be vacating their current football field and questioned if the CDSA has had any contact with Dover High School regarding the possibility of using that field once it is vacated. Responding, Mr. Ford advised members that the turf field at Dover High School is beyond its lifespan and that within a year or so, it will be in such disrepair that an insurance rider could not be obtained to play on the field. He explained that UV rays deteriorate the turf after approximately 10 years; therefore, there would be a substantial investment required to make necessary repairs for its use. He also noted that the area would only provide three (3) fields, which is not sufficient for the CDSA. Mr. Ford stated there was a possibility of utilizing the fields at the new Dover High School and Schutte Park for a tournament in the future, since they are in close proximity to one another.

In regard to bringing tournaments to the area, Mr. Ford noted the possible economic benefits for the City of Dover by way of individuals purchasing hotel rooms, food, gas, etc. He also noted that Kent County is perfectly situated between New Jersey, Philadelphia, Baltimore, Washington, D.C., and Virginia Beach. He advised members that these regions do not typically play each other in tournaments due to the distances between each; however, tournaments held in Kent County would only be 2 hours and 20 minutes from all locations, which would allow those leagues to participate in tournaments against one another. In addition, the fees for these tournaments are being paid to states other than Delaware because there are no facilities to host such tournaments.

Elaborating, Mr. Womer indicated that a 3v3 tournament for recreational players had 150 teams participate in a single weekend event.

Referring to page 14 of the Presentation, Mr. Ford advised members that the "end game" for the CDSA is to become a Development Academy. He reminded members of the CDSA's strategic placement on the Mid-Atlantic Coast and noted that D.C. United recently affiliated with Beach FC, which is located in Virginia Beach. Mr. Womer noted that Beach FC began small and has grown into a huge organization, similar to what the CDSA is now attempting to create.

Responding to Mr. Bonar, Mr. Ford stated that if there were two (2) turf fields added to Schutte Park and the remaining fields were kept as grass, the CDSA's plan could be accomplished. Mrs. Ann Marie Townshend, Director of Planning, Community Development, and Recreation, stated that the cost of building a turf field would be a minimum of $1M and would have a 10 year life span. Noting that Dover High School has recently gone through the process of obtaining costs, etc. for creating turf fields, Mr. Ford suggested that they be contacted to provide details. Concurring, Mr. Bonar requested that members be provided with this information.

Mrs. Townshend advised members that City staff has included funds in the CIP for next year to begin the land planning at Schutte Park. Further discussions regarding the CDSA can occur during the CIP review process. She indicated that with the current activities at Schutte Park, parking is an issue. If the City is going to consider providing additional fields for the CDSA, consideration must also be given to providing adequate parking and developing a stronger turf management plan. She explained that the charges for renting the fields have been ridiculously low; therefore, there has not been enough revenue generated to cover the costs for maintenance.

In response to concerns of Mrs. Townshend, Mr. Womer noted the possibility of the CDSA and other similar organizations sharing revenues to help support maintenance, explaining that there are certain allocations for running the programs that could help in this way.

Mr. Bonar requested that staff provide additional information to allow for the consideration of assisting the CDSA in the next budget cycle for planning purposes. Responding, Mrs. Townshend assured members that funds for planning have been included in the budget for next fiscal year. She stated that staff has planned to utilize parkland reserve funds and plans to apply for State Grants to be used to offset costs.

Request of WEAVER (Women Empowered Against Violence in Every Relationship) for Placement of a Monument in the North Street and Governors Avenue Pocket Park

Mr. Bonar noted that the City has received a request from WEAVER (Women Empowered Against Violence in Every Relationship) for the placement of a monument in the planned North Street and Governors Avenue Pocket Park. He introduced Representative Darryl Scott.

Ms. Fay Myers, member of WEAVER since 2008 and Board Member of the Delaware Coalition Against Domestic Violence, reviewed the WEAVER brochure and explained that WEAVER is a Task Force of the Delaware Coalition Against Domestic Violence. She advised members that the

goal of WEAVER is to educate the community about the effects of domestic violence. Ms. Myers stated that this is accomplished by working with employers, police departments, government officials, etc. and by speaking at various organizations throughout the community.

Ms. Myers explained the Silent Witness Project, which consists of silhouettes of men, women, and/or children who lost their lives during an act of domestic violence. It was suggested that a pocket park located in the City of Dover be used for the placement of wooden silhouettes, without names, to serve as a reminder that domestic violence exists and that everyone has the ability to do something to help stop it. She assured members that any funds required would be the responsibility of WEAVER.

Mr. Bonar noted that the next agenda item was consideration of the design for the Pocket Park to be located at the corner of North Street and Governors Avenue. He suggested that after the presentation of the Pocket Park Design, Ms. Myers meet with Mr. Greg Moore, Becker Morgan Group, to discuss the possibility of including the request of WEAVER into the design and that it be presented to the committee for further consideration.

Representative Scott stated that, in addition to visiting churches, schools, etc., Ms. Myers is also educating local legislators. He advised members that once every 15 minutes a woman is affected by domestic violence (75%) and that men are also affected. According to a recent survey of 8th graders, he stated that one (1) in every four (4) students indicated witnessing some type of domestic violence. Representative Scott thanked members for their consideration.

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.

Mr. Jonathan Street, Civil Designer for Becker Morgan Group, reviewed a Site Plan for the North Street Pocket Park. He advised members that the pocket park would be a continuation of the North Street Improvement Projects and would serve as a gateway to the downtown area from North Street.

In response to Mr. Bonar regarding the request of WEAVER, Mr. Greg Moore, DDP Board President, stated that, although the DDP would be making the improvements, since it is City property, the City would have the final decision regarding the request of WEAVER. However, he felt that the red silhouettes may not be appropriate due to the close proximity to residential properties. He suggested the possibility of placing a placard or some type of appropriate sign board on a masonry column that is planned for the park area.

Mrs. Ann Marie Townshend, Director of Planning, Community Development, and Recreation, noted that the design is consistent with the Transit Center Neighborhood Plan that was developed by the Dover/Kent County Metropolitan Planning Organization and the DDP. The DDP received funds through the State Bond Bill for improvements along North Street between State Street and Governors Avenue. These improvements included the Loockerman Way Plaza, North Street Streetscape and Paving, and the North Street Parking Lot Consolidation. These projects came in below the budgeted amount and the DDP allocated some of the cost savings to the development of a Pocket Park on the property at 301 South Governors Avenue.

Mrs. Townshend explained that since the site will be owned and managed as a City park, the project must be reviewed by the Parks, Recreation and Community Enhancement Committee and ultimately approved by City Council. In addition, the design will require review and approval by the Planning Commission, following a recommendation by the Historic District Commission.

Staff recommended endorsement of the conceptual design, recognizing that a more detailed landscape plan identifying actual plant species will be developed in coordination with the Public Works Department as the plan progresses through the Site Development Plan process.

In response to Mrs. Townshend, several members suggested the possibility of some type of silhouette, dark in color, in order for the WEAVER issue to "stand out." Having no objections to a silhouette, Mrs. Horsey relayed concerns with lighting. She also requested that consideration be given to the adjacent residents and suggested the possibility of providing additional vegetation on the south and west side of the property to provide landscape screening in an effort to improve aesthetic for these residents. She also warned members of skateboarders utilizing the park.

Mr. Anderson moved to recommend 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 WEAVER. The motion was seconded by Mr. Dixon and unanimously carried.

Benchmarks Established for the Economic Development Office

Mr. Bill Neaton, Economic Development Director, reviewed the Benchmarks for the Economic Development Office. He noted that the Benchmarks have been divided into different categories for Downtown Dover Development and the Economic Development Office.

Mr. Neaton reminded members that during the last review of the Benchmarks held in the fall, Mr. Anderson had requested that a survey on merchants and business owners be conducted and the results provided to members. Noting that the survey was conducted in the spring and the results have been provided to members, he highlighted the fact that, of the 41 respondents, 16 were identified as female owned businesses and 12 were identified as minority owned businesses. Mr. Neaton noted that several businesses have been in business in the downtown area for several years. Although most business owners did not feel safe after dark in the downtown area, he noted that the majority felt safe during the day. It was his feeling that this was the result of the Dover Police Department and Downtown Safety Task Force accomplishments during the past year.

Referring to the responses regarding parking accessibility, Mr. Bonar felt that the negative responses were an indication that there is a very deep misunderstanding of the available parking, noting that there are three (3) parking lots located nearby and well within walking distance of any business in the downtown area. Responding, Mr. Neaton indicated a responsibility in advising the merchants of the available parking and suggested the possibility of taking business owners on a tour of the downtown area to point out the various parking spaces.

Mr. Bonar noted that the survey indicated that there are existing businesses planning to close or relocate within the next year, which is very disconcerting. He requested that the City take whatever action possible to assure the businesses remain in the downtown area.

Responding to Mr. Bonar, Mr. Neaton stated that there is a company from Germany interested in a parcel at the Garrison Oak Tract and that the first site visit is scheduled for tomorrow. It is their desire to acquire a ten (10) acre site with the possibility of expanding to (twenty) 20 acres in the future. There is a second site visit tentatively scheduled for next week from a food processing company that is also wishing to acquire a ten (10) acre parcel of land. Mr. Neaton also advised members that he will be focusing on the Garrison Tract, since there is a new Executive Director for the Downtown Dover Partnership.

UPDATE - CDBG PROGRAM

Mrs. Tracey Harvey, Planner I, reviewed the Status of FY12 Community Development Block Grant (CDBG) Projects - March 2013. She provided members with a table depicting the program funds spent for FY 2013 ***(Attachment #2)***. Mrs. Harvey advised members that Habitat for Humanity has acquired their 11th property and already has a buyer, once the property is renovated.

Mrs. Harvey announced that the City of Dover has met the timeliness standard for the expenditure of funds in a timely manner.

For the record, Mr. Bonar announced that Mr. Anderson's official duty as a committee member is coming to an end for a year since he is being deployed to Afghanistan. He relayed appreciation for Mr. Anderson's contributions to the committee and, more importantly, the community.

By unanimous consent, the meeting adjourned at 1:22 p.m.

David L. Bonar
Chairman

DLB/MK/jg/dd/tm
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Attachments
Attachment #1 - Presentation - CDSA Soccer Academy - Promoting Today's Teamwork for Tomorrow's Leaders
Attachment #2 - Program Funds Spent for FY 2013

CDSA Soccer Academy

Promoting Today's Teamwork for Tomorrow's Leaders

April 2013

ATTACHMENT #1
PR&CE Committee Meeting of 04/08/2013

CDSA Generated Volume In & Around Dover

Event Name	Home Team	Away Team	Date	Start Time	End Time	Field	Location
Boys U12	Holy Cross Crusaders	Rockets	04/06/2013	11:45 AM	1:00 PM	Schutte #3	Schutte Park
Boys U12	Holy Cross Crusaders	Torpedoes	05/04/2013	11:45 AM	1:00 PM	Schutte #2	Schutte Park
Boys U12	Torpedoes	Storm	04/27/2013	11:45 AM	1:00 PM	Schutte #3	Schutte Park
Boys U12	Holy Cross Crusaders	Torpedoes	04/20/2013	1:00 PM	2:30 PM	Schutte #3	Schutte Park
Boys U12	Rockets	Holy Cross Crusaders	05/11/2013	11:45 AM	1:00 PM	Schutte #3	Schutte Park
Boys U12	Rockets	Storm	03/23/2013	11:45 AM	1:00 PM	Schutte #3	Schutte Park
Boys U12	Torpedoes	Rockets	04/13/2013	11:45 AM	1:00 PM	Schutte #3	Schutte Park
Boys U12	Rockets	Fighters	04/20/2013	11:45 AM	1:00 PM	Schutte #2	Schutte Park
Boys U12	Fighters	Holy Cross Crusaders	04/27/2013	11:45 AM	1:00 PM	Schutte #2	Schutte Park
Boys U12	Fighters	Torpedoes	04/06/2013	11:45 AM	1:00 PM	Schutte #2	Schutte Park
Boys U12	Rockets	Storm	05/04/2013	11:45 AM	1:00 PM	Schutte #3	Schutte Park
Boys U12	Holy Cross Crusaders	Torpedoes	03/23/2013	11:45 AM	1:00 PM	Schutte #2	Schutte Park
Boys U12	Fighters						
Boys U12	Storm						
Boys U12	Torpedoes						
Boys U12	Fighters						
Boys U12	Storm						
Boys U8	Adidas Accelerators						
Boys U8	Adidas Accelerators						
Boys U8	REMAX Machine						
Boys U8	Harrington LLC Gl						
Boys U8	REMAX Machine						
Boys U8	REMAX Machine						
Boys U8	Harrington LLC Gl						
Boys U8	Pizzeria Terminal						
Boys U8	Adidas Harrington LLC Gl						
Boys U8	Pizzeria Terminal						
Boys U8	Adidas						
Boys U8	Adidas						

Time	Field 1 (sm)	Field 2 (sm)	Field 3 (sm)	Field 4 (lg)	Field 5 (lg)	Field 6 (lg)
12:30 PM - 12:40 PM						
12:40 PM - 12:50 PM						
12:50 PM - 1:00 PM		BU11 United		U13G Union vs CRUSA	BU14 Rovers	
1:00 PM - 1:10 PM						
1:10 PM - 1:20 PM						
1:20 PM - 1:30 PM						
1:30 PM - 1:40 PM						
1:40 PM - 1:50 PM						
1:50 PM - 2:00 PM						
2:00 PM - 2:10 PM						
2:10 PM - 2:20 PM						
2:20 PM - 2:30 PM		J11G Glory vs LV				
2:30 PM - 2:40 PM						
2:40 PM - 2:50 PM						
2:50 PM - 3:00 PM						
3:00 PM - 3:10 PM						
3:10 PM - 3:20 PM						
3:20 PM - 3:30 PM						
3:30 PM - 3:40 PM						
3:40 PM - 3:50 PM						
3:50 PM - 4:00 PM						
4:00 PM - 4:10 PM		ODP Training 4-7			BU17 Rowdies	ODP Training
4:10 PM - 4:20 PM						
4:20 PM - 4:30 PM						
4:30 PM - 4:40 PM	BU9 Cannons					
4:40 PM - 4:50 PM						
4:50 PM - 5:00 PM						
5:00 PM - 5:10 PM						
5:10 PM - 5:20 PM						
5:20 PM - 5:30 PM						

- CDSA field management in a sample 60 day period will see 215 games within the borders of Dover
- 650 players and families circulated in Dover on a given game day purchasing goods and services throughout

Current Dover REC Infrastructure
Problem Statement

Schutte Park (REC)

- One Lil Kickers (75 players)
- Six KK – U8 Fields (250 players)
- Four 8v8 Fields (150 players)
- One 11v11 Field (75 players)



Problem Statement – CDSA's expected growth and desire to service the community from a youth development and economic development perspective is quickly outgrowing the current allocation of space at the Schutte Park facility.

Schutte Park has been an excellent home to CDSA in the past decades!

- As the years have passed Schutte Park has continued to service additional sports such as Basketball, Field Hockey and Lacrosse
- As a result, the allocation of space to CDSA long-term will see a strain relative to our growth plan
- Current allocation as of spring 2013 will limit the ability to host statewide REC tournaments

External Benchmark
Government Partnership for Growth

Study Subject:

- 2012 study by the Traverse City Area Chamber of Commerce (Michigan) on benefit of investing in local Traverse Bay Area Youth Soccer (TBAYS)
- TBAYS soccer club overall growth feeds a youth soccer machine by currently hosting two, 200 - 300 team tournaments twice a year
- City Comparison:

Traverse City, MI	Dover, DE
8.7 sq miles	22.4 sq miles
Pop: 14,894	Pop: 36,560
Med Income $39K	Med Income $45K
Unemployment 6.4%	Unemployment 7.5%

Study found:

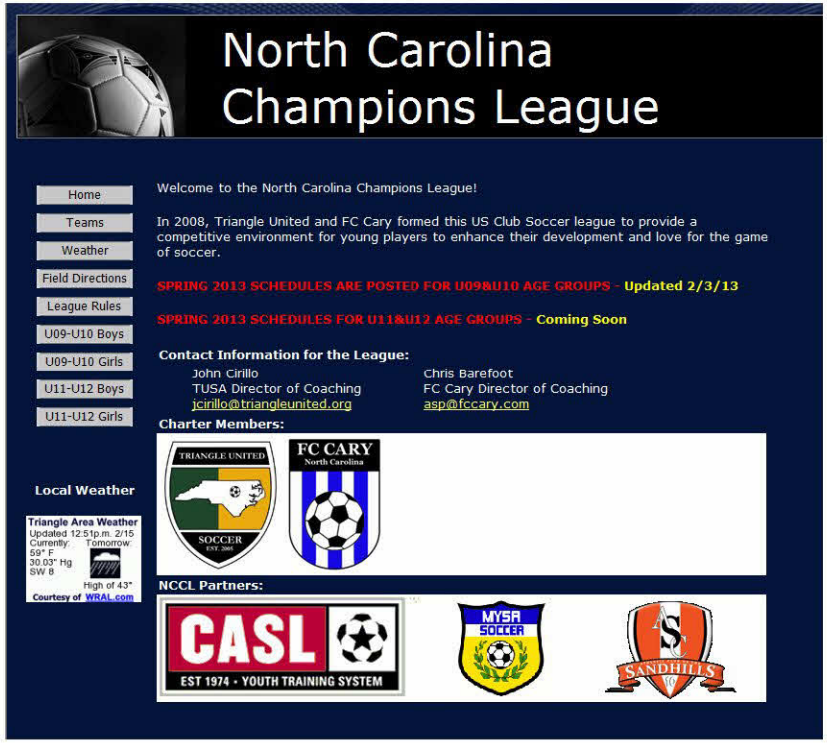
- Parents spend $7 Billion a year traveling for youth sports
- 70% of children (age 6-17) play at least one sport
- On a national level, associated tournaments have a significant local economic impact
- TBAYS two (2) annual tournaments bring:
  - 3,400 families; 15,900 people
  - $3.4 million in direct regional spending
  - 2,000 hotel rooms per night
  - 74% utilize area hotel/motel;
  - Family spent $439 on accommodations
  - Frequenting 100 restaurants/retailers
- Overall investment in the TBAYS by the city expanded the number of REC opportunities available to youth
- 50% of participants visit for the first time

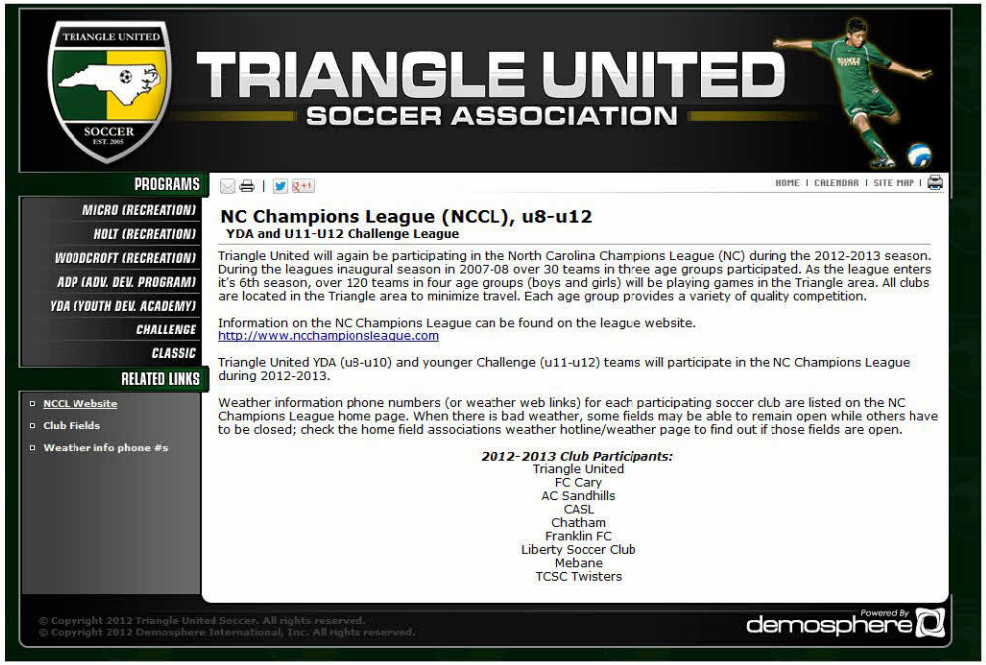
Source: Game on! The Impact of Youth Sports on a Regional Economy
Traverse City Area Chamber of Commerce (Michigan) & Traverse Bay Area Youth Soccer (TBAYS) - Sept 18, 2012

External League Benchmark
NC Champions League (NCCL)

- In 2008, youth soccer clubs Triangle United SC and FC Cary formed this US Club Soccer league to provide a competitive environment for young players to enhance their development and love for the game of soccer
- During the leagues inaugural season in 2007-08 over 30 teams in three age groups participated
- As the league enters it's 6th season, over 120 teams in four age groups (boys and girls) will be playing games in the Triangle area
- All clubs are located in the Triangle area to minimize travel
- Each age group provides a variety of quality competition

http://www.ncchampionsleague.com/





Our Heritage – Past & Present

Our Heritage

- Headquartered in Dover, DE
- Established in 1983 to introduce and grow youth soccer to Central Delaware
- Programs fostered in Smyrna, Harrington, Milford and Woodbridge
- CDSA saw modest growth through the 80's and early 90's
- 1991 City of Dover names Schutte Park the Home of CDSA and enrollment explodes with the opening of Schutte Park Dover
- Mid 1990's CDSA is instrumental fostering Girls High School soccer in the state
- Expansion in 2010 for brick and mortar CDSA Park infrastructure and growth force a move of travel program to Lewis Drive Dover complex
- Aggressive strategic plan implemented in 2011/2012 to make Dover and Central Delaware a Mid-Atlantic hub for soccer

Today's CDSA

- **REC:**
  - 550 REC Players
  - 60 REC Teams; Across 6 Age Groups
  - 3 Training Programs
  - Dover Adult League
  - Statewide High School League; Centralized
- **Travel:**
  - 375 Travel Players
  - 24 Travel Teams; Across 9 Age Groups
  - 1 State Champion; 5 State Champion Finalist
  - CDSA Statewide Travel League; Centralized
- **Community:**
  - 30 – 40 Dover Business Sponsors
  - Chatty Reed Travel Player Scholarship
  - Zack Carter REC Player Scholarship

Staffing for Future Growth
Job Creation

Over time the CDSA Soccer Academy has created training staff positions to focus on youth development.

- **Technical Director:**
  - **Chad Reed**
    - National A Licensed
    - Trainer of 3 time state champion Riptide
    - Delaware Olympic Development Program (ODP) Head Coach

- **Boys Director of Player Development:**
  - **DC Lavender**
    - National C Licensed
    - Delaware Olympic Development Program (ODP) Head Coach
    - 10 years coaching with CDSA
    - 10 seasons of High school Assistant Varsity boys and girls at Caesar Rodney and Dover High School

- **Staff Coach:**
  - **Juan Salas**
    - US Youth Soccer National "C" license Certificate/Delaware State "E" license
    - 2011 DYSA Coach of the Year

- **Girls Director of Player Development:**
  - **Jules Howell**
    - 4 year varsity player for Slippery Rock University Women's Soccer team 2007-2010
    - Caesar Rodney High School Assistant Coach 2012 - Present
    - E Licensed Coach

- **REC Director of Coaching:**
  - **Josh Tucker**
    - National D Licensed
    - Former Delaware Olympic Development Program (ODP) Head Coach

- **Goal Keeper Director of Coaching:**
  - **Danny Simmons**
    - National D Licensed
    - USYS Goalkeeper Cert
    - Polytech Girls Varsity & Boys Asst Coach

Alignment with Premier Partners

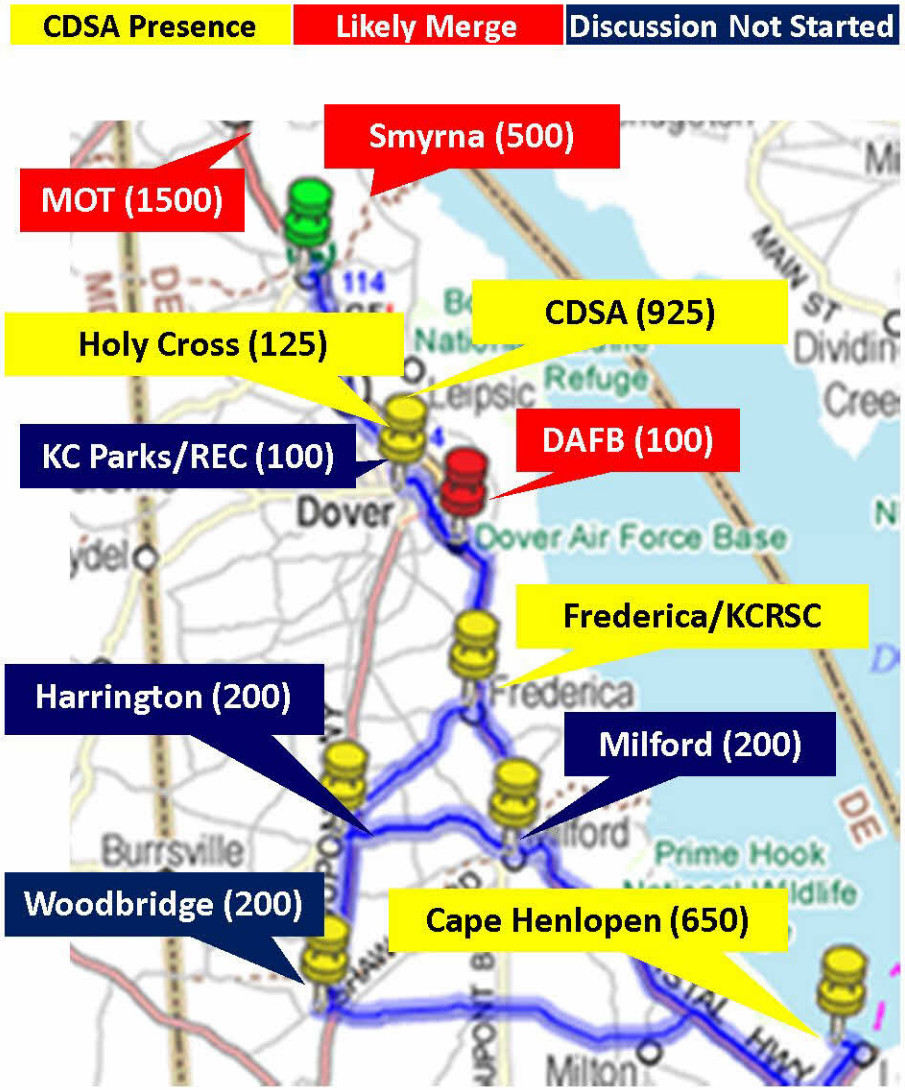
CDSA has entered into an exclusive supplemental training relationship with local soccer legend Joe Brown and USFT Sports for CDSA branded camps to elevate the Kent County soccer experience:

- Instructional/REC Summer Camp (CDSA Park, Dover)
- Travel Team Summer Residual & Commuter Camps (Delaware State University, Dover)

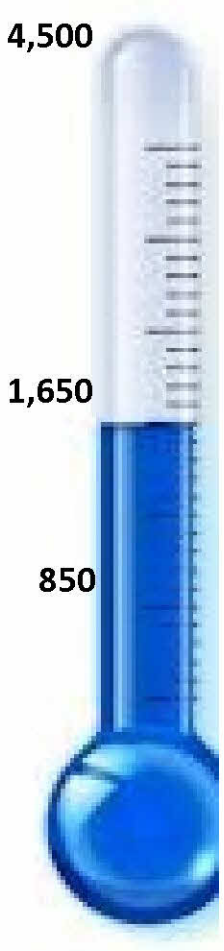
About Joe Brown/USFT Sports:

- Coach Brown and his staff at USFT Sports are dedicated to the sport of soccer in Delaware.
- Coach Brown has over 25 years of coaching experience at most levels in the United States and is the President of USFT Sports.
- Brown coached 15 years in the USL, 11 years with the Carolina Dynamo and four years with the Delaware Wizards.
- Coach Brown spent ten years coaching at the high school level at A.I. DuPont High School in Greenville, Delaware, winning four Blue Hen conference titles and competing in the state playoffs for eight seasons, including four state semi-final appearances.
- He is the current head coach of the Padua Academy.
- Coach Brown holds an "A" license from the United States Soccer Federation and has deep ties to Delaware.

Tomorrow's Affiliate Umbrella…



- New brand "CDSA Soccer Academy" & expanded geography:
  - Middleton (Affiliation)
  - Smyrna
  - Dover
  - Frederica
  - Southern Delaware
- Bring together a better Kent County player experience by consolidating KC soccer clubs under the CDSA umbrella:
  - Export CDSA structured player development to 6 – 8 REC/Travel regional feeder pools in 60 mile radius of KCRSC and 4,500 players
- Feed and grow a CDSA managed travel league partially centralized in Dover/Frederica
- Statewide high school league partially centralized in Dover/Frederica
- Monthly/Qtrly REC 3v3 Tournament Series & Annual Spring/Fall statewide REC tournament



Tying the Affiliation Together

- Goal is to tie the affiliate clubs together, while preserving the heritage of the local town
- Major sponsorship branded on REC alternative jersey from town to town as well as Travel coaching gear and beyond
- Conceptual discussion currently with Premier Physical Therapy
- Agreement expected in the coming months





Back



Reversing League $$ & Associated Spending Back to Delaware



- Delaware Development League (DDL)
- Optionally centralize 30 - 50% of league games in Dover/Frederica as a hub to reduce travel player drive time in half & drawl in teams on the fringe of Pennsylvania & Maryland leagues

Clubs proximity to central DE "hub"….

New Castle County, DE:

- Hockessin Rush (55 mi)
- Kirkwood SC (55 mi)
- Concord SC (60 mi)
- CCA (55 mi)
- DE Union/MOT (35 mi)

Kent County, DE:

- CDSA
- Milford/Woodbridge (10 mi)

Sussex County, DE:

- Nanticoke SC (28 mi)
- Henlopen SC (30 mi)
- River SC (38 mi)

Southern Pennsylvania:

- White Clay SC (65 mi)

Upper Maryland:

- Cecil SC (55 mi)
- Chesapeake SC (50 mi)

Central East Maryland:

- Talbot SC (40 mi)
- FC Fredrick (47 mi)

Southern Maryland:

- Fruitland SC (55 mi)
- Salisbury SC (49 mi)

Southern New Jersey:

- PG-CP-Ped SC (55 mi)

CDSA Travel League Management

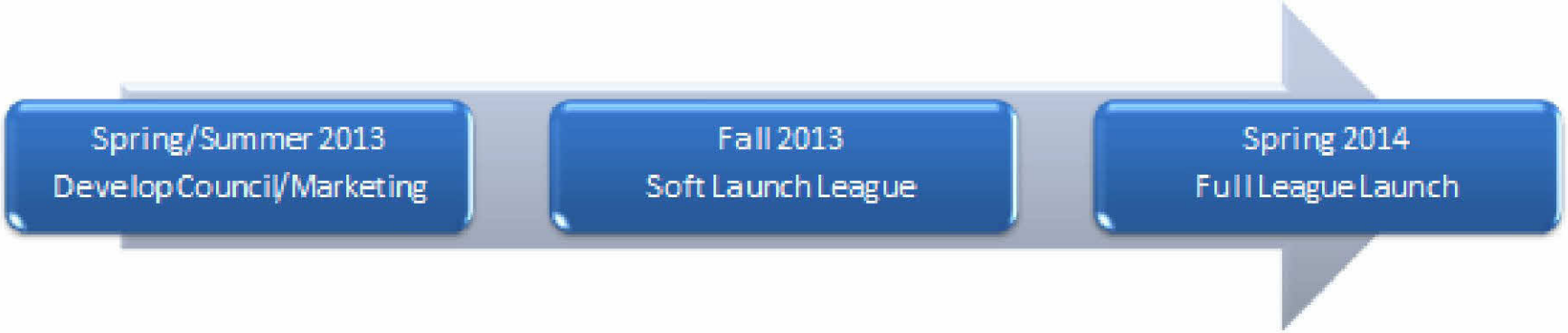
- CDSA driven travel league partially centralized in Dover/Frederica

- Create state/regional DOC leadership council to ensure independent look and feel of league:
  - Leadership council lead by CDSA
  - Set standards for league
  - Drive club commitment to league

Charter Members

League Council/Partners (includes, but not limited to):

- Cross market all clubs tournaments to the league and vice versa to drive out of state teams to Delaware



REC Tournament Series

- Grass roots approach to the foster the service and evolution to the REC Player
- Low cost indoor and outdoor REC player 3v3 leagues and tournaments - year round
- Consistent training tool for referees and job creator



U8 – U11 Weekend Tournament fee, $255

- Book 2 tournaments, pay $240 each Save $30
- Book 3 tournaments, pay $225 each Save $90
- Book 4 tournaments, pay $210 each Save $180

Kick It 3v3

- $25 per player, per event
- Local Tournaments make up 80% of the Kick It 3v3 Soccer Tour
- Ten Regional Championships bring the best of the competition regionally to one event
- Best teams from everywhere come to compete for the Kick It Cup

The End Game…
Soccer Development Academy



PRESS RELEASE
March 1, 2013

For Immediate Release
Contact:
Ryan Tronovitch, rtronovitch@dcunited.com, 607-237-3865
Sarah Lerner, SLerner@dcunited.com, 202-587-5440

D.C. United, Beach FC and Adidas reach regional affiliate agreement

Beach FC becomes the third youth soccer partner of the Black-and-Red

Washington, D.C. (March 1, 2013) - D.C. United and Beach FC - in conjunction with adidas - today announced a regional affiliate agreement, the third of its kind for D.C. United and a youth soccer club. Under the agreement, Beach FC will be one of D.C. United's primary sources in identifying and developing the top youth talent. United will share its coaching resources and will work with Beach FC to follow its training curriculum and system of play. Top players in the Beach FC system, identified by both D.C. United and Beach FC, will have the opportunity to join the D.C. United Academy teams, with a strong priority being placed on the Under-14, Under-16 and Under-18 age groups.

"We are very excited that Beach FC will join us as our third affiliate club," said Sonny Silooy, D.C. United's Director of Youth Development. "Beach FC has a proven track record of cultivating talent for top college programs, Major League Soccer and the U.S. Men's National Team pool, and we look forward to combining resources and expertise to further develop players in the region."

"Beach FC is extremely proud and excited to be invited into an affiliate partnership with DC United," said Beach FC Executive Director Steve Danbusky. "To be able to align with a professional club at the highest level, with a rich tradition both on and off the field, was very appealing to us. The exposure and access that our staff and players will receive will most certainly enhance their development and

- Regional affiliate agreement between Professional MLS team and a VA youth soccer club
- MLS team's primary source in identifying and developing the top youth talent
- Collaborate coaching resources and model training curriculum and system of play
- Opportunity to join MLS Academy teams

- What could Philadelphia Union hold in store for this region?

Status of FY-12 Program Funds Spent - Fiscal Year 7/1/12- 6/30/13

2012 Grant Projects	Project Details	Total Grant	Funds Expended	Unencumbered Balance
Homeownership Assistance Program	Four families have purchased homes	$40,000	$40,000	$0
NCALL Reaearch	Housing Counseling and Foreclosure Prevention	$7,803	$5,000	$2,803
Dover Interfaith Mission to Homeless	Funding for utility and lease cost	$27,500	$10,848	$16,652
Serenity Place	project completed	$30,000	$30,000	$0
MHDC Emergency Home Repairs	Home repairs have been completed on 2 homes	$35,000	$12,292	$22,708
Elizabeth W. Murphey School	project completed	$32,782	$32,782	$0
MHDC Housing Rehabilitation Program	Rehabilitation of owner occupied homes underway	$52,782	$0	$52,782
Total		$225,867	$130,922	$94,945

ATTACHMENT #2
PR&CE Committee Meeting of 04/08/2013

UTILITY COMMITTEE

The Utility Committee Meeting was held on April 8, 2013 at 5:30 p.m. with Chairman Bonar presiding. Members present were Mr. Perza, Mr. Blakeman, and Mr. Snaman. Mrs. Williams was absent. Members of Council present were Mr. Dixon, Mr. Lynn (arrived at 6:09 p.m. and departed at 6:37 p.m.), Mr. Hare, Mr. Hutchison, and Council President Leary. Mayor Carey was also present.

AGENDA ADDITIONS/DELETIONS
By unanimous consent, the agenda was approved as presented.

Presentation by GAI Consultants - City of Dover Electric System Valuation
Mr. Scott Koenig, City Manager, reminded members that there have been discussions regarding the value of the City of Dover Electric System for several months. Last fall, staff worked with Mr. Kirk Betts, the City's power supply attorney, to prepare an RFP for consulting services in conducting an electric system valuation in an effort to determine the value of the assets. He stated that GAI Consultants was selected to perform the electric system valuation services and introduced Mr. Gerald Hartman, Vice-President of GAI.

Mr. Bonar advised members that the City has owned an electric utility for 90 years and that, to everyone's knowledge, a thorough valuation of this type has never been performed.

Mr. Hartman reviewed a Presentation - Electric System Valuation Services Final Report Briefing ***(Attachment #1)***, noting that the study consists of two (2) parts: A) Valuation of Electric Utility System based on Original Cost, Replacement Cost, and Comparable Sales Analyses; and B) Community Impact Analysis. Referring to Part A, he explained that the income approach was not utilized since it was a not-for-profit utility and was not requested in the scope of services. Referring to Part B, he explained that there are two (2) parts: 1) a financial analysis for the City, which was reviewed considering the various revenue requirements for the City, impacts of a typical purchase and sale, and how those transactions occur; and 2) an evaluation of how it impacts the customers by conducting comparative rate evaluations (present and future).

With reference to page 13 of the presentation, Mr. James Long, 323 Columbia Avenue, Dover, stated that two (2) of the top five (5) providers of power through the retail market in Delaware are out-of-state providers authorized by the Public Service Commission. He noted that this is a very competitive market and we are living with an umbrella that may or may not be here in five (5) years.

Responding to Mr. Bonar, Mr. Hartman confirmed that the regulated, investor-owned, public utilities in the State of Delaware do not have independent condemnation powers and would be required to obtain legislative approval, whereas the City of Dover has independent condemnation powers.

Mr. Hartman noted that the net funds available for lawful purposes total $159,600,000 (page 21 of presentation). As an example, Mr. Hartman explained that if the City put the funds into Jumbo Bonds, which is done in these types of transactions, staggered from 6 to 30 years in maturity, the coupons, depending on the investments taken, would produce between 4½% and 5.1%; therefore, at year six (6), the City would have $30M in a working capital fund outside of the net proceeds. He

explained the importance of these funds, noting that since there would be no utility generating income, it would provide any necessary emergency funds. Depending on the credit worthiness selected (AA, Jumbo, or BBB+), the Bonds would provide an estimated $8.5M to $10M per year investment earnings for years six (6) through 30, in addition to the $30M working capital funds. Considering franchise fees for years six (6) through 30, Mr. Hartman indicated that at 5%, assuming the City remains at $90M per year, there would be approximately $4.5M. Therefore, on the low end, the annual revenue relative to this investment situation would equate to $13M per year, over 30 years. In addition, he stated that the City could institute a utility tax.

In conclusion, Mr. Hartman advised members that the City could have a financially sound transaction and that the City should complement its stewards, which would be staff, professionals, and elected members in maintaining a good system. He stated that the City being financially sound in this respect is an indication that the City's contract vendors, staff, and elected officials have made fairly good decisions; therefore, the utility system has been managed fairly well and, as a result, the value is pretty good and it would be sustainable.

Referring to the electric rate comparisons (pages 23-31), Mr. Hartman stated that the sale of the City's electric utility would benefit commercial and large users the most, which could be a factor in attracting economic development. However, he noted that residential customers would receive the least benefit, although they could benefit.

Although members may choose not to sell the system, Mr. Hartman assured them that it would be financially sound. He noted that the power market is constantly evolving, changing, and is not constant; therefore, the long-term projections may have a greater variance over time.

In response to Mr. Perza regarding the projected investment values, Mr. Hartman stated that they were provided at the request of Mr. Betts and explained that it was not a part of the scope by GAI Consultants. He explained that GAI Consultants does not serve as an investment banker or attorney but that the numbers serve only as an indication of potential investment values. Regarding the replacement costs for specific components, Mr. Hartman indicated that those types of details are included in the full report in the packet material. It was his opinion that, based on the type of system, it would not be beneficial to break the utilities up in a sale, explaining that the solar contract is currently not very profitable and the City is making approximately $1M off of generation, which is better to be blended in with the transmission/distribution customer base.

Mr. Perza explained that the reason for his question was that certain individuals in the community will oppose the sale of the City's electric utility system regardless of the situation. Therefore, as the system breaks down and needs to be replaced, he questioned what the replacement costs are for certain components to the system and if the City will be able to absorb those costs moving forward. Responding, Mr. Hartman stated that those details would be provided by conducting a renewable replacement study of the assets, which was not a part of the scope for GAI Consultants, explaining that GAI Consultants was requested to value the assets versus what the CIP would be to maintain assets over time. He suggested that Burns and McDonnell Engineering Company, Inc., who serves as the City's engineer, would need to be contacted for such information.

Mr. Bonar suggested that members review the Burns and McDonnell study that was completed a few years ago and, along with the information provided by GAI Consultants, prior to making any final decision.

Mr. James Long noted that there has been only one (1) General Electric LM6000 installed in the area, which was done by the Delaware Municipal Electric Corporation (DEMEC), and that project cost $35M for a 50 megawatt machine. With regard to putting everything into the power house, the current technical experts he has talked to recommend a divided greenfield approach, particularly given the ability to Black Start. The City's VanSant unit and DEMEC's new GE have a Black Start feature. It is argued that it is better to move these close to the load rather than putting them on a brownfield type of arrangement. In reviewing the report provided by GAI Consultants, Mr. Long relayed concerns, noting that the amount of $96.12 listed for Delaware Electric Cooperative (Co-op) (page 23 of the presentation) is incorrect. He stated that the rate is currently at $121 and has never been as low as $96. In addition, Mr. Long stated that there is an amount for the Co-op for Large Commercial rates; however, they do not have any large commercial customers, nor do they have industrial customers. He stated that the Co-op's average residential bill over a year is $1,551 and the Co-op's average commercial bill is $2,100. He felt that GAI Consultants has created the environment where the electric utilities throughout Delaware have competitive rates; however, the Co-op has no customers. He advised members that there are only three (3) utilities that truly provide service to fairly significant commercial customers: Delmarva Power, City of Dover, and Newark (mainly the University of Delaware). Mr. Long stated that the pricing mechanism provided by GAI Consultants leads him to believe that all companies are competitive.

Responding to Mr. Long, Mr. Hartman stated that although many of the utilities depicted do not have the same load in industrial and commercial customer base, they do have rates and charges that they have promulgated. He concurred that the demand charges based on load are great in the Co-op.

Mr. Blakeman questioned if the calculations take into account the competitive nature of the utility in relation to future development and growth. Responding, Mr. Hartman indicated that if the City were to maintain the utility, businesses could be attracted through economic development. Otherwise, if the City were to sell the utility, those types of situations would need to be included in the purchase and sale agreement. The reason the Co-op would want the City's utility is because it would provide them density, noting that they are a rural type utility.

Mr. Bonar clarified that the study conducted by GAI Consultants does not include a firm recommendation, explaining that it was not the intent of the valuation study. He also indicated that there is no motion on the table to entertain the sale of the City's utility, nor has there been any private discussion regarding the sale of the City's utility. The study is simply a mechanism to provide the City a value of what the City's utility brings to the residents and businesses in the City of Dover to help members of City Council make a decision at some point as to whether they wish to sell the utility or not.

Responding to Mr. Long, Mr. Bonar reiterated that no offer has been made by the Co-op for the purchase of the City's utility, nor has such an offer been sought by the City. With reference to the June 27, 2011 Utility Committee Meeting, Mr. Bonar stated it was an informational presentation provided by the Delaware Electric Cooperative and confirmed that he invited representatives of the Delaware Electric Cooperative.

Mr. Blakeman moved to recommend acceptance of the City of Dover Electric System Valuation as presented by GAI Consultants, seconded by Mr. Snaman and unanimously carried.

TEA/NAES Reports *(December and January)*

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 provide a better understanding of any fluctuations that occur and allows the opportunity to make improvements if deemed necessary.

Mr. Snaman moved to recommend acceptance of the TEA/NAES Monthly Report for December 2012 and January 2013, seconded by Mr. Blakeman and unanimously carried.

UPDATES

Members were provided the following updates:

Garrison Oak Technical Park Project

Mr. Scott Koenig, City Manager, advised members that staff has been working with the Becker Morgan Group on the completion of the subdivision plans for the Garrison Oak Technical Park Project. Becker Morgan Group has made all submissions to agencies such as the Conservation District, DelDOT, and City of Dover Public Works and Planning Departments. Staff is currently working on the final design issues associated with the overall Park. It is expected that the construction plans will be completed and bids let in the next few months for the sanitary sewer system, water tower, and the road and stormwater systems associated with the Park.

Mr. Bonar commended staff for their efforts the last several weeks, noting that there have been weekly conference calls with Calpine (which staff will provide an update on during the latter part of the meeting).

Dover Sun Park

Mr. Scott Koenig, City Manager, reviewed the Electric Revenue Fund FY 13 - White Oak Solar Park Incremental Cost spreadsheet. He noted that the City has paid $124,074 more than it would have paid if bought through hedge or contract purchases through the Energy Authority. Basically, he explained that the City paid a premium of $124,074 for the solar park component of the City's portfolio; however, he reminded members that the renewable component is now a requirement.

Calpine Energy Center

Mr. Scott Koenig, City Manager, reminded members that the Calpine (Garrison) Energy Center is a component of the Garrison Oak Technical Park. He stated that Calpine has issued their full notice to proceed to KVAERNER, which is the contractor that will be conducting the final engineering and design as well as constructing the 309MW power block. As previously mentioned, he stated that there have been weekly conference calls. The Planning and Public Works Departments are working through the final design components of the Garrison Energy Center and have received their necessary approvals from DelDOT because they don't exit out onto a State road. In addition, there have been discussions regarding the issue of the extension of the Eastern Shore gas transmission line from Cheswold to the area. The City is also working on the transmission from the power block back to the City's 230kV tie.

Mr. Koenig relayed appreciation to staff for their hard work and diligence on this project.

Responding to Mr. Hutchison, Mr. Koenig stated that the approval provided by Kent County Levy Court was for access across a piece of Kent County owned land. He stated that discussions with representatives of Kent County will be held soon regarding accessing the Garrison Oak Park and that City staff has a preferred access. He stated that it may be necessary to grant access easements from the City, which will require Council approval. With regards to the gas line, Mr. Koenig stated that he has not had any discussions with the gas company regarding their desires, noting that the majority of the line is outside City limits.

By unanimous consent, the Meeting Adjourned at 6:44 p.m.

David L. Bonar
Chairman

DLB/TM/jg/dd/mk
S:\AGENDAS-MINUTES-PACKETS\Committee-Minutes\2013\04-08-2013 UTILITY.wpd

Attachment
Attachment #1 - Presentation by GAI Consultants - Electric System Valuation Services Final Report Briefing

www.gaiconsultants.com



Electric System Valuation Services
Final Report Briefing

City of Dover, Delaware
April 8, 2013

Presented by:
GAI Consultants, Inc.

gai consultants

ATTACHMENT #1
Utility Committee Meeting of 04/08/2013

GAI Assignment

- Part A: Valuation of Electric Utility – Original Cost, Replacement Cost, and Comparable Sales
- Part B: Community Impact Analysis



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Part A: Valuation of Electric Utility

Original Cost, Replacement Cost, and Comparable Sales

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Original Cost Approach (OCLD)

System Overview

Date	Original Cost	Depreciation	Net Book Value
6/30/2012	$ 179,586,319.33	$ (90,229,441.57)	$ 89,356,877.76
		City Records	
12/31/2012	$ 179,586,319.33	$ (84,339,600.65)	$ 95,246,718.68
	6/30/12 Assets	GAI Depreciation 12/31/12	GAI Opinion as of 12/31/12 for 6/30/12 Assets
		GAI Analysis	



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Fair Market Value

A. Current Market Conditions

B. Knowledgeable Buyer and Seller without compulsion transact the property

C. Includes the elements of:

- Tangible Personal Property (TPP)
  i.e. Gas Turbine Generators, Transmission, etc.
- Tangible Real Property (TRP)
  i.e. Fee Simple Land, etc.
- Intangible Property
  i.e. SOPs, Agreements, Permits, etc.

Original Cost Less Depreciation is Not Fair Market Value

- Land is undervalued
- Historical Cost is not Current Market
- No Intangible Value reflected
- Nonetheless useful for a State Regulated, Investor Owned Utility (IOU)

Replacement Cost

- Replacement Cost is the current cost of the assets, which the market recognizes at this time.
- Replacement Cost has three types of depreciation applied to it.
  1. Physical Depreciation
  2. Functional Depreciation
  3. External Depreciation

Replacement Cost Approach

- How would the market view your assets?
- How would the characteristics of your assets be replaced?
- How would the market configure the assets?

THE ABOVE ANSWERS MINIMIZE THE AMOUNT OF FUNCTIONAL AND EXTERNAL DEPRECIATION

Hartman, ASA Market Replacements

Category		Comment
Land	-	Same, Appraised by G. M. Records
Land Improvements	-	Those needed only
Buildings	-	Those used and/or functional
Transmission	-	Same, double 69 kV loops interconnected
Distribution	-	Same
Substations	-	Same, updated and at market level
Street Lights	-	Same
General Utility	-	Only useful assets - high level of depreciation
Generation	-	Take 2 plant sites, put on one, use current GE LM6000 units, use existing asset physical depreciation

Replacement Cost – Steps Taken

1. Current Costing to TPP Assets
2. Less Physical (only ASL) Depreciation
3. Add Consumables, Inventory & Rolling Stock at Cost
4. Add Depreciated Tools and Equipment
5. Add Depreciated Records and Administrative Items
6. Remove Deficiencies and Deferred Maintenance Obligations
7. Adjust for Functional Depreciation (subtracted)
8. Adjust for External Depreciation (subtracted)
9. Add Intangibles involved with the Going Concern
10. Add Land

Replacement Cost New Less Depreciation (RCNLD) is the Result

Replacement Cost New Less Physical Depreciation (RCNLD)

As of December 31, 2012
(Without Land)

Description	Replacement Cost New	Accumulated Depreciation	Replacement Cost New Less Physical Depreciation
Land Improvements	$ 196,849.02	$ 27,886.94	$ 168,962.08
Buildings	12,713,127.39	5,342,990.68	7,370,136.71
Transmission Lines	57,850,209.00	29,367,390.63	28,482,818.37
Distribution Lines	39,195,766.93	17,826,113.37	21,369,653.56
Generation Assets	231,526,249.65	125,001,440.06	106,524,809.59
Substations	52,203,184.09	18,108,932.04	34,094,252.05
Street Lights	3,052,704.27	1,855,626.93	1,197,077.34
General Utility	32,998,939.38	28,157,651.67	4,841,287.71
Total	**$ 429,737,029.73**	**$ 225,688,032.32**	**$ 204,048,997.41**

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Summary of Adjustments for RCNLD Analysis (Rounded)

1.	Replacement Cost New (RCN)	$	429,737,000
2.	Physical Depreciation (PD)		(225,688,000)
3.	Replacement Cost New Less Physical Depreciation (RCNLPD)	$	204,049,000
4.	Consumables, Inventory, and Rolling Stock @ 2.5%		5,101,000
5.	Equipment and Tools @ 0.5%		1,020,000
6.	Records, Reports, Business Information, SOPs, O&M Manuals @ 1.5%		3,061,000
7.	Deficiencies and Deferred @ 2.25%		(4,591,000)
8.	Functional Depreciation		(6,121,000)
9.	Subtotal	$	202,519,000
10.	External Depreciation		(10,126,000)
11.	Subtotal	$	192,393,000
12.	Going Concern @ 5%		9,620,000
13.	Land		3,632,100
14.	RCNLD	$	205,645,100
15.	RCNLD (Rounded)	$	205,600,000

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Utilities are Special Purpose Properties

- Unique and Customized Customer Base
- Typically Regulated
- A Monopoly/Exclusive Right to Serve
- Condemnation Powers
- Serve a Public Purpose
- National as well as Regional Market

Comparable Sales

- 13 Sales Reviewed
- Vero Beach Similar Situation
- Comparison to Vero Beach (Contract Signed/Pending Sale)

Item	Dover	Vero Beach
Customers	23,307	33,892
	87% Res, only 30% load	82% Residential
Load	710,331 mwh	733,585 mwh
Generation	175 MW Peaking	155 MW Peaking
Service Area	68 square miles	50 square miles
Transmission	47 miles	42 miles
Substations	15	11
Distribution	457 miles -	330 miles -
	189 OH, 268 UG	115 OH, 215 UG
Comment	More Industrial/ Commercial/Transmission	More High User Residential

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Comparable Sales (cont.)

+ Imputed Value	$ 185,400,000
+ Low End	$ 169,800,000
+ High End	$ 207,100,000

Subject to Comparables → Approximately Midpoint ($188.5 million)

Subject to Vero Beach → Quite Similar ($185.4 million)

Reconciliation

+ Cost	$	205,600,000	75%
+ Comparable Sales	$	185,400,000	25%

Opinion of Value (1)

$ 200,600,000

as of December 31, 2012

Note: (1) For Scope of Services on this Assignment



Part B: Community Impact Analysis

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Community Impact Analysis

- Only Financial Impacts in Scope
- Two Major Areas:
  1. City
  2. Customer Rates

City Financial Impacts: Net Proceeds Estimate

Item		Amount
Purchase Price	$	200,600,000
Legal Costs		(1,500,000)
Technical Costs		(400,000)
Transfer Costs		(2,000,000)
Financial/Audit/Accounting/HR		(600,000)
P.V. Transitional Costs		(1,500,000)
Contingency @ 1.0%		(2,000,000)
Total	$	192,600,000

City Financial Impacts: Summary (5-Year)

Item	Amount
Retained Fund Balance	$ 51,440,785
Debt Defeasance	(25,885,025)
General Fund Transfers	(35,613,275)
Intrafund Service Fee Transfers (net)	(15,678,745)
Electric Franchise Fees Credit	16,861,568
Additional Rental Income Revenue Credit	652,457
Additional Tax Revenue Credit	2,319,996
Pension Liability	(12,576,522)
OPEB Liability	(14,506,723)
Total (Present Value)	$ (32,985,484)

Note: Other items may exist, which have not been identified at this time.

Net Funds Available

+ Net Proceeds Estimate –	$	192,600,000
+ Summary City Financial Impacts (5 Year) –	$	(32,985,484)
+ Net Funds Available for Lawful Purposes – (Rounded to 100,000)	$	159,600,000

Long Term Sustainability

1. Investment Earnings
2. Franchise Fees
3. Utility Tax (optional)

Versus

General Fund Requirements

Summary Electric Rate Comparison: Residential

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	750 kWh	1000 kWh	1250 kWh
Dover	$ 103.83	$ 136.78	$ 169.72
Lewes	$ 106.85	$ 137.80	$ 168.76
Newark	$ 108.97	$ 155.36	$ 191.70
Seaford	$ 127.74	$ 159.05	$ 190.35
New Castle	$ 95.13	$ 123.93	$ 152.72
Smyrna	$ 105.63	$ 129.68	$ 153.72
Milford	$ 99.49	$ 131.54	$ 163.58
Middletown	$ 113.26	$ 146.16	$ 179.10
Clayton	$ 111.06	$ 146.20	$ 181.35
Delmarva	$ 115.69	$ 148.14	$ 180.60
Delaware Electric Co-op	$ 76.75	$ 96.12	$ 115.48
AVERAGE	**$ 105.86**	**$ 137.34**	**$ 167.92**

Summary Electric Rate Comparison: Small Commercial – Single Phase

Single Phase	2000 kWh	3000 kWh	4000 kWh
Dover	$ 250.78	$ 373.56	$ 496.35
Lewes	$ 311.67	$ 456.56	$ 601.44
Newark	$ 335.91	$ 494.74	$ 653.57
Seaford (1)	$ 346.80	$ 515.93	$ 600.50
New Castle (1)	$ 253.02	$ 374.45	$ 435.16
Smyrna	$ 269.86	$ 401.40	$ 532.94
Milford	$ 298.53	$ 444.66	$ 590.80
Middletown	$ 319.77	$ 476.65	$ 633.52
Clayton	$ 232.55	$ 344.91	$ 401.09
Delmarva (2)	$ 320.40	$ 461.02	$ 601.64
Delaware Electric Co-op	$ 183.12	$ 264.53	$ 345.93
AVERAGE	**$ 283.85**	**$ 418.95**	**$ 535.72**

(1) Small commercial only goes up to 3500 kWh. Amount shown is for 3500 kWh.

(2) Includes demand charge for 15 kW

Summary Electric Rate Comparison: Small Commercial – Three Phase

Three Phase	2000 kWh	3000 kWh	4000 kWh
Dover	$ 261.20	$ 383.99	$ 506.77
Lewes	$ 322.09	$ 466.98	$ 611.87
Newark	$ 428.17	$ 548.43	$ 668.68
Seaford (1)	$ 851.86	$ 959.88	$ 1,067.90
New Castle (1)	$ 253.02	$ 374.45	$ 435.16
Smyrna	$ 269.86	$ 401.40	$ 532.94
Milford	$ 298.53	$ 444.66	$ 590.80
Middletown	$ 319.77	$ 476.65	$ 633.52
Clayton	$ 232.55	$ 344.91	$ 401.09
Delmarva (2)	$ 339.13	$ 479.75	$ 620.37
Delaware Electric Co-op	$ 183.12	$ 264.53	$ 345.93
AVERAGE	**$ 341.76**	**$ 467.78**	**$ 583.19**

(1) Small commercial only goes up to 3500 kWh. Amount shown is for 3500 kWh.

(2) Includes demand charge for 25 kW

Summary Electric Rate Comparison: Medium Commercial – 30 kW Demand

	Demand of 30 kW		
	5000 kWh	**6000 kWh**	**7000 kWh**
Dover	$ 902.69	$ 981.90	$ 1,061.10
Lewes [1]	$ 756.76	$ 901.64	$ 1,046.53
Newark	$ 809.79	$ 930.05	$ 1,050.31
Seaford	$ 877.47	$ 982.15	$ 1,086.83
New Castle	$ 759.61	$ 863.04	$ 966.48
Smyrna	$ 669.80	$ 741.91	$ 814.03
Milford	$ 701.49	$ 774.65	$ 847.81
Middletown	$ 863.47	$ 967.80	$ 1,072.13
Clayton	$ 780.00	$ 892.36	$ 1,004.72
Delmarva	$ 769.44	$ 829.92	$ 890.41
Delaware Electric Co-op	$ 552.05	$ 603.37	$ 654.69
AVERAGE	**$ 767.51**	**$ 860.80**	**$ 954.09**

(1) Does not have demand charges for medium commercial

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Summary Electric Rate Comparison: Medium Commercial – 250 kW Demand

	Demand of 250 kW		
	5000 kWh	**6000 kWh**	**7000 kWh**
Dover	$ 4,503.49	$ 4,582.69	$ 4,661.90
Lewes [1]	$ 2,271.61	$ 2,350.63	$ 2,429.65
Newark	$ 2,300.57	$ 2,420.83	$ 2,541.09
Seaford	$ 3,040.24	$ 3,144.92	$ 3,249.60
New Castle	$ 2,447.62	$ 2,551.06	$ 2,654.49
Smyrna	$ 2,887.61	$ 2,959.73	$ 3,031.85
Milford	$ 3,109.66	$ 3,182.82	$ 3,255.98
Middletown	$ 1,677.66	$ 1,782.00	$ 1,886.33
Clayton	$ 3,094.15	$ 3,206.50	$ 3,318.86
Delmarva	$ 3,947.54	$ 4,008.02	$ 4,068.50
Delaware Electric Co-op	$ 2,604.73	$ 2,656.05	$ 2,707.37
AVERAGE	**$ 2,898.62**	**$ 2,985.93**	**$ 3,073.24**

(1) Becomes industrial at 50 kW usage.
This is an estimate. Industrial rate changes monthly based on supplier rates.

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Summary Electric Rate Comparison: Medium Commercial – 400 kW Demand

	Demand of 400 kW		
	5000 kWh	**6000 kWh**	**7000 kWh**
Dover	$ 6,948.15	$ 7,027.35	$ 7,106.56
Lewes (1)	$ 3,334.96	$ 3,413.98	$ 3,493.00
Newark	$ 3,317.01	$ 3,437.26	$ 3,557.52
Seaford (2)	$ 4,486.82	$ 4,597.09	$ 4,707.37
New Castle	$ 4,582.66	$ 4,686.10	$ 4,789.53
Smyrna	$ 4,399.76	$ 4,471.87	$ 4,543.99
Milford	$ 4,751.60	$ 4,824.76	$ 4,897.92
Middletown	$ 2,232.80	$ 2,337.13	$ 2,441.46
Clayton	$ 4,671.97	$ 4,784.33	$ 4,896.69
Delmarva	$ 6,114.42	$ 6,174.90	$ 6,235.39
Delaware Electric Co-op	$ 4,004.28	$ 4,055.60	$ 4,106.92
AVERAGE	**$ 4,440.40**	**$ 4,528.22**	**$ 4,616.03**

(1) Becomes industrial at 50 kW usage.
This is an estimate. Industrial rate changes monthly based on supplier rates.

(2) Medium Commercial < 300 kW. Based on Large Commercial Rate.

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Summary Electric Rate Comparison: Large Commercial – 500 kW Demand

	Demand of 500 kW		
	40,000 kWh	**70,000 kWh**	**100,000 kWh**
Dover	$11,367.55	$13,743.76	$16,119.97
Lewes (1)	$ 6,815.36	$ 9,186.01	$11,556.65
Newark	$ 8,214.11	$11,821.87	$15,429.63
Seaford	$ 9,124.90	$11,819.24	$14,513.58
New Castle	$11,641.31	$13,788.90	$15,936.49
Smyrna	$ 7,931.99	$10,095.53	$12,259.07
Milford (2)	$ 8,835.31	$11,342.88	$13,850.45
Middletown	$ 8,884.10	$11,755.08	$14,626.07
Clayton	$ 9,656.40	$13,027.16	$16,397.92
Delmarva (2)	$10,442.15	$12,240.30	$14,038.46
Delaware Electric Co-op	$ 6,733.53	$ 8,266.41	$ 9,803.13
AVERAGE	**$ 9,058.79**	**$11,553.38**	**$14,048.31**

(1) This is an estimate. Industrial rate changes monthly based on supplier rates.

(2) All hours counted at On-Peak rate

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Summary Electric Rate Comparison: Large Commercial – 750 kW Demand

	Demand of 750 kW		
	40,000 kWh	**70,000 kWh**	**100,000 kWh**
Dover	$15,459.36	$17,835.57	$20,211.78
Lewes (1)	$ 8,592.29	$10,962.93	$13,333.58
Newark	$ 9,908.17	$13,515.93	$17,123.69
Seaford	$11,582.59	$14,276.93	$16,971.27
New Castle	$16,019.81	$18,167.40	$20,314.99
Smyrna	$10,452.23	$12,615.77	$14,779.31
Milford (2)	$11,571.88	$14,067.01	$16,569.19
Middletown	$11,360.04	$14,231.02	$17,102.00
Clayton	$12,286.11	$15,656.86	$19,027.62
Delmarva (2)	$14,358.81	$16,156.97	$17,955.12
Delaware Electric Co-op	$ 9,066.12	$10,599.00	$12,135.73
AVERAGE	**$11,877.95**	**$14,371.40**	**$16,865.85**

(1) This is an estimate. Industrial rate changes monthly based on supplier rates.

(2) All hours counted at On-Peak rate

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Summary Electric Rate Comparison: Large Commercial – 1000 kW Demand

	Demand of 1000 kW		
	40,000 kWh	**70,000 kWh**	**100,000 kWh**
Dover	$19,551.17	$21,927.38	$24,303.59
Lewes (1)	$10,364.54	$12,735.18	$15,105.83
Newark	$11,602.23	$15,209.99	$18,817.75
Seaford	$16,548.35	$16,632.94	$16,717.53
New Castle	$20,398.31	$22,545.90	$24,693.49
Smyrna	$12,972.47	$15,136.02	$17,299.56
Milford (2)	$14,308.44	$11,215.77	$11,299.36
Middletown	$13,835.98	$16,706.96	$19,577.94
Clayton	$14,915.81	$18,286.57	$21,657.33
Delmarva (2)	$18,275.48	$20,073.63	$21,871.79
Delaware Electric Co-op	$11,398.72	$12,931.60	$14,468.32
AVERAGE	**$14,924.68**	**$16,672.90**	**$18,710.23**

(1) This is an estimate. Industrial rate changes monthly based on supplier rates.

(2) All hours counted at On-Peak rate

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Conclusions

- A sale of the Electric System is expected to be financially sound.
- Such a sale is expected to benefit commercial and large users the most and could be a factor in attracting economic development.
- Residential customers would receive the least benefit, yet could benefit.
- The Power Market is constantly evolving, changing, and is not constant. Long-term projections may have a greater variance over time.



Questions?

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Prepared for: City Council
Council Meeting: April 22, 2013

CITY OF DOVER
FISCAL YEAR JULY 1, 2012 TO JUNE 30, 2013
REVENUE REPORT
As of March 31, 2013

	GENERAL FUND	FY13 BUDGET	FY13 REVISED BUDGET	MAR YTD REVENUES	75.0% % BUDGET RECEIVED	FY13 PROJ'D	FY14 PROJ'D	COMMENTS	FY12 REVENUES	FY11 REVENUES
1	Property Taxes	$ 10,767,600	$ 10,783,600	$ 10,758,132	99.8%	$ 10,675,800	$ 10,784,300		$ 10,765,741	$ 10,647,362
2	Payment In Lieu of Taxes	281,400	331,400	341,424	103.0%	415,000	387,200	Rec'd State $297K	284,457	257,547
3	Transfer from Electric Fund	8,000,000	8,000,000	8,000,000	100.0%	8,000,000	8,000,000		7,876,288	8,856,000
4	Intrafund Service Receipts Electric	3,224,500	3,224,500	2,330,720	72.3%	3,224,500	3,234,100		3,105,015	3,150,761
5	Transfer Tax	1,370,000	1,370,000	936,021	68.3%	1,370,000	1,315,500	Lg. Recpt in Jan/Feb 13	1,373,208	1,462,154
6	Business Licenses	1,455,000	1,455,000	1,449,296	99.6%	1,455,000	1,460,000		1,470,097	1,467,382
7	Intrafund Service Receipts Water/Wastewater	1,104,600	1,104,600	756,996	68.5%	1,104,600	1,106,000		894,186	892,538
8	Sanitation Fees	2,690,200	2,690,200	1,970,078	73.2%	2,676,500	2,676,500		1,903,623	2,173,433
9	Permits & Other Licenses	1,053,300	1,053,300	903,313	85.8%	1,053,300	1,167,500		1,346,769	949,982
10	Transfer from Municipal Street Aid Fund	527,400	527,400	398,151	75.5%	527,400	527,400		527,042	527,226
11	Fines & Police Revenue	668,000	668,000	363,638	54.4%	668,000	666,000		681,952	698,522
12	Police Extra Duty Fees	494,400	494,400	467,976	94.7%	636,100	650,000	Offset with Extra Duty Exp.	600,310	334,023
13	Court of Chancery Fees	753,800	753,800	675,520	89.6%	807,200	863,200		863,220	766,340
14	Transfer from Water/Wastewater Fund	500,000	500,000	500,000	100.0%	500,000	500,000		424,508	-
15	Transfer from Civil Traffic Penalties Fund	750,000	750,000	158,394	21.1%	350,000	600,000	Thru December 2012	518,638	967,020
16	Library Revenues & County Reciprocal Pymt.	472,100	472,100	337,281	71.4%	472,100	466,600		475,822	444,455
17	Franchise Fees	550,000	550,000	303,128	55.1%	600,000	606,200		568,240	549,353
18	Grants	708,500	708,500	529,920	74.8%	735,600	733,500		1,010,452	963,152
19	Recreation Revenue	130,000	130,000	86,978	66.9%	130,000	133,000		112,480	144,114
20	Other Miscellaneous Receipts	128,500	128,500	181,161	141.0%	199,100	191,000		232,535	312,836
21	Interest Income	75,000	75,000	76,316	101.8%	75,000	75,000		53,175	49,779
	TOTALS	$ 35,704,300	$35,770,300	$ 31,524,443	88.3%	$35,675,200	$ 36,143,000		$ 35,087,758	$ 35,613,979
	Final Budget								**$ 35,016,778**	**$ 35,641,080**

Prepared for: City Council
Council Meeting: April 22, 2013

CITY OF DOVER
FISCAL YEAR JULY 1, 2012 TO JUNE 30, 2013
REVENUE REPORT
As of March 31, 2013

	WATER/WASTEWATER FUND	FY13 BUDGET	FY13 REVISED BUDGET	MAR YTD REVENUES	75.0% % BUDGET RECEIVED	FY13 PROJ'D	FY14 PROJ'D	COMMENTS	FY12 REVENUES	FY11 REVENUES
1	Water Fees	$ 4,730,700	$ 4,730,700	$ 3,477,924	73.5%	$ 4,730,700	$ 4,730,700		$ 4,707,918	$ 4,945,385
2	Wastewater Fees	3,834,600	3,834,600	2,687,022	70.1%	3,642,700	3,642,700		3,722,985	3,694,020
3	Wastewater Adjustment Fees - County Trtmt	3,090,800	3,090,800	2,206,035	71.4%	2,980,400	2,980,300		3,050,127	3,058,656
4	Groundwater Inflow Adjustment	1,257,600	1,257,600	990,287	78.7%	1,324,600	1,324,600		1,290,968	1,171,376
5	Water Impact Fees	350,000	350,000	154,684	44.2%	350,000	357,000		308,700	393,750
6	Wastewater Impact Fees	317,000	317,000	326,136	102.9%	380,000	323,000		277,400	354,825
7	Water Tank Space Leasing	313,500	313,500	181,480	57.9%	313,500	333,800		313,101	300,137
8	Interest Income	25,800	25,800	11,541	44.7%	18,900	23,100		31,889	9,808
9	Other Miscellaneous Revenues	77,000	77,000	61,224	79.5%	81,400	82,000		104,634	83,056
	TOTALS	$ 13,997,000	$13,997,000	$ 10,096,333	72.1%	$13,822,200	$ 13,797,200		$ 13,807,722	$ 14,011,013
	Final Budget								**$ 13,819,800**	**$ 13,707,200**

	ELECTRIC REVENUE FUND	FY13 BUDGET	FY13 REVISED BUDGET	MAR YTD REVENUES	75.0% % BUDGET RECEIVED	FY13 PROJ'D	FY14 PROJ'D	COMMENTS	FY12 REVENUES	FY11 REVENUES
1	Sales to Customers	$ 85,071,400	$ 85,071,400	$ 66,715,523	78.4%	$ 87,519,500	$ 85,926,600		$ 96,483,053	$ 99,859,602
2	Purchased Power Adjustment	-	-	-	0.0%	-	-		(6,083,282)	(2,290,989)
3	Utility Tax	1,595,200	1,595,200	1,096,226	68.7%	1,498,900	1,471,600		1,548,209	1,944,543
4	Transfer from Rate Stabilization Reserve	5,400,000	5,400,000	2,700,000	50.0%	5,400,000	-		1,000,000	-
5	Miscellaneous Revenue	1,204,700	1,204,700	1,113,082	92.4%	1,314,700	1,138,800		1,463,117	1,381,300
6	Interest Income	107,800	107,800	101,239	93.9%	107,800	119,400		95,708	12,662
7	Intrafund Service Fees - Water/Wastewater	130,800	130,800	98,647	75.4%	130,800	98,500		156,204	171,646
	TOTALS	$ 93,509,900	$93,509,900	$ 71,824,717	76.8%	$95,971,700	$ 88,754,900		$ 94,663,009	$ 101,078,764
	Final Budget								**$ 93,958,400**	**$ 99,934,036**

City of Dover

Memorandum

Office of the City Manager
PO Box 475
Dover, DE 19903
Phone: (302) 736-7005
Fax: (302) 736-7002
E-mail: skoenig@dover.de.us

To: Mayor and City Council

From: Scott D. Koenig, P.E.
City Manager

Date: April 17, 2013

Subject: Semi Annual Inspection – Robbins Hose Company

In accordance with Section 46-43 of the City Code, I performed the required semi-annual inspection of the Dover Fire Department on Tuesday, April 16, 2013 with Chief Patrick West. Chief West and I met at Station #1 and discussed a variety of current issues. According to the Chief, the increased fire activity this year has increased the average number of volunteers responding to each incident. The average response has been 18.3 volunteers per incident. The Chief indicated that all engines have passed the required pump tests and are in good working order. Engine #7, a 1997 Pierce, is the oldest vehicle in service. The Chief also indicated that to his knowledge there have been no further issues related to the voice recording system in building.

The Fire Chief's Assistant position will be vacant shortly. The Chief will be submitting a Permission to Recruit form. The Chief is also interested in possibly hiring more part-time EFD certified dispatchers to help fill in for sick/vacation time and to potentially reduce overtime costs. The Robbins Hose Company continues to provide and outstanding level of service to the City of Dover. Please feel free to contact me if you have any questions or concerns.

cc: Fire Chief Patrick West

SDK/yml

M E M O R A N D U M

TO: Mayor and Members of City Council



FROM: Traci A. McDowell, City Clerk

DATE: April 22, 2013

SUBJECT: Election Results - 2013 Municipal Election

In accordance with Title 15 Del.C. §7555 (j), where the number of qualified candidates for an office is equal to or less than the number of seats up for election, the Board of Elections shall declare the candidate or candidates elected. Therefore, since the At-Large, First District, Second District, Third District. and Fourth District positions were unopposed, the following will be sworn into office for four (4) year terms:

AT-LARGE	**-**	**Timothy A. Slavin**
FIRST DISTRICT	**-**	**James L. Hutchison, Sr.**
SECOND DISTRICT	**-**	**William F. Hare**
THIRD DISTRICT	**-**	**Sean M. Lynn**
FOURTH DISTRICT	**-**	**David L. Anderson**

Due to their expected absences during the Annual Meeting scheduled for May 13, 2013, Councilmen Hare and Anderson were administered the oaths of office for this term during the Council meeting of April 8, 2013.

/tm
S:\ELECTIONS - MUNICIPAL\2013 04-16 Election\RESULTS\2013 Election Results for Council Packet.wpd

CITY OF DOVER
PROPOSED ORDINANCE #2013-06 WITH LF&A #1 AND SA #1
(LF&A Amendments Indicated in Yellow Highlight)
(Staff Amendment Indicated in Blue Highlight)

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

That Chapter 2 - Administration, Article II - City Council, Division 2 - Meetings, of the Dover Code be amended by inserting the text indicated in bold, blue, italics and deleting the text indicated in red strikeout as follows:

Sec. 2-51. - Regular meetings.

(a) *When and where held*. Regular meetings of the mayor and city council shall be held on the second and fourth Monday of each month at the time and place designated by the council president.

(b) *Notice*. Notice to the councilmembers of regular meetings shall not be required, except when the regular meetings are to be held at a place other than city hall.

(c) In order to ensure transcription accuracy, enhance accountability and deliver information efficiently to the public, all meetings of the Dover City Council and of any board, commission, task force or committee which is established by the City Charter or ordinance, or by motion or resolution of the city council shall be audio taped and all such recordings shall be maintained in an unedited format. Audio recording shall be required when the necessary equipment is in good working order and knowledgeable staff is available to operate the recordation system.

Sec. 2-52. - Special meetings.

(a) *When and where held*. Special meetings of the mayor and city council shall be called by the mayor or the council president. Designation of the time and place of the special meetings shall be delivered by verbal or written notice to each councilmember at least 24 hours prior to the meetings.

(b) *Waiver of notice*. The notice of the special meeting may be waived by the councilmembers individually.

Sec. 2-53. - Cancellation of meetings; one meeting per month required.

Any meeting of the mayor and city council provided for by this division may be cancelled by unanimous consent of the mayor and councilmembers, except that one meeting per month shall be held as is required by section 9 of the City Charter.

Draft

Sec. 2-54. - Excused absences.

In accordance with Article II, Section 13 of the City of Dover Charter, a council member shall forfeit their office if they fail to attend three consecutive regular meetings of the council without being excused by the council.

(a) Procedure for Excused Absences. Council members shall be required to contact the City Clerk's office no later than 4:00 p.m. of the day of the meeting requesting to be excused from the meeting and stating the reason for such absence. Failure to comply, except in cases of emergency, shall result in an unexcused absence. The Clerk shall inform the Council of the reason for the member's absence. Upon passage of a motion to excuse the absence by a majority of the members present, the absent member shall be considered excused and the Clerk will make an appropriate notation in the minutes. If the motion is not passed, the Clerk will note in the minutes that the absence is unexcused.

(b) Excused Absences. Excused absences shall be limited to those which meet both of the following requirements:

(1) The absent member must have informed the City Clerk's Office of their intended absence prior to the scheduled meeting. Failure to inform prior to the meeting shall result in an unexcused absence, unless extenuating circumstances prevent advance notice, and

(2) The absence is due to one of the following:

(i) A death in the family
(ii) Family or personal illness
(iii) City-related business
(iv) Personal leave (limited to one per fiscal year)
(v) Emergency
(vi) Decision by member's supervisor in employment
(vii) Required military service
(vii) Inclement weather
(viii) Accident
(ix) Scheduled vacations

(c) Suspension of Compensation. For council members who are considered excused, compensation shall be suspended after three consecutive regular council meeting absences. Compensation shall be reinstated when the council member resumes attendance at council meetings and shall be pro-rated based on their return date.

ADOPTED: *

SYNOPSIS

The proposed ordinance would establish a procedure for excusing City Council member absences and provide a list of excusable absences. ***It would also suspend compensation after three consecutive excused absences.***

(SPONSORS: LYNN, DIXON, AND ANDERSON)

Draft

Actions History
April 22, 2013 - Scheduled for Final Reading
April 8, 2013 - First Reading by Council
March 25, 2013 - Introduced at Legislative, Finance, and Administration Committee

Draft