REGULAR COUNCIL MEETING
A G E N D A

FEBRUARY 27, 2012 - 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 CHAPLAIN WALLACE DIXON

PLEDGE OF ALLEGIANCE LED BY COUNCILMAN HARE

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 February 13, 2012**

2. **Certificate of Congratulations - 2011 Dover Post Great Person of the Year: Herb Konowitz**

3. **Public Hearing - Violation of Dangerous Building Ordinance - Property located at 38 South New Street (Owner of Record: House of Pride, Inc.)**

4. **Rescheduling of Public Hearing/Final Reading - Rezoning**
Properties located at 4 Mifflin Road, consisting of 1.25+/- acres, owned by Peter and Bonnie Reidy; 24 Mifflin Road, consisting of 0.55+/- acres, owned by Robert Klewans and Carol Candor; and 1510 Forrest Avenue, consisting of 0.41+/- acres, owned by Doreen E. Lucas. The properties are currently zoned R-8 (One Family Residence Zone) and subject to COZ-1 (Corridor Overlay Zone) and the proposed zoning is C-2A (Limited Central Commercial Zone) and subject to COZ-1 (Corridor Overlay Zone)
(ORDINANCE #2012-04; TAX PARCELS: ED-05-076.09-01-11.00; ED-05-076.09-01-12.00; AND ED-05-076.09-01-08.00; PLANNING REFERENCE Z-12-01; COUNCIL DISTRICT 1) *(The First Reading of Proposed Ordinance #2012-04 Was Accomplished During the Council Meeting of January 23, 2012. This Item Has Been Postponed Due to Inadequate Public Notice. It is Recommended that a Public Hearing Be Rescheduled for April 9, 2012.)*

* **5. Parks, Recreation, and Community Enhancement Committee Report - February 13, 2012**

A. Accounting of Summer Program Revenues

(Committee Recommended Acceptance of the Accounting of Summer Program Revenues as Presented by Staff)

B. Proposed Revisions to Community Development Block Grant (CDBG) Guidelines

(Committee Recommended Approval of the Revised Community Development Block Grant (CDBG) Program Guidelines, as Recommended by Staff)

C. Updates

(Committee Action Not Required)

* **6. Utility Committee Report - February 13, 2012**

A. Garrison Tract Infrastructure Financing

(Committee Recommended the Endorsement of up to $6M of In-Kind Contributions for the Infrastructure Financing for the Garrison Tract)

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

(Committee Recommended Acceptance of the Utility Related CIP Report as Presented)

C. 30-Day Update - Garrison Oak Technical Park Project

(Committee Action Not Required)

* **7. Legislative, Finance, and Administration Committee Report - February 13, 2012**

A. Review and Recommendation - Filling Critical Positions

a-1. Fire Dispatcher

(Committee Recommended Approval of the Request to Recruit for the Fire Dispatcher, with the Condition That the Candidate Selected to Fill the Position must Pass the Same Background Check That Is Required by the Police Department for Their Communication Operators, as Recommended by Staff)

a-2. Electric Department

a-2-i. Electrical Engineer

(Committee Recommended Approval of the Request to Recruit an Electrical Engineer for the Electric Department, as Recommended by Staff)

a-2-ii. Substation Technician (2)

(Committee Recommend Approval of the Request to Recruit for One (1) of the Substation Technicians for the Electric Department, with the Caveat That If the Current Substation Technician Submits His Retirement Application, Staff Could Recruit for the Second Substation Technician)

B. United Networks of America Revised Letter of Agreement

(Committee Recommended That Staff Be Authorized to Sign the Revised Letter of Agreement with United Networks of America to Begin the Health Discount Card Program)

* **7. Legislative, Finance, and Administration Committee Report - February 13, 2012 (Continued)**

C. Staff Recommendations (Tabled by Committee on January 9, 2012)

c-1. Economic Development Office

(Committee Recommended Tabling the Matter to Allow Staff Additional Time to Work with the Downtown Dover Partnership (DDP) on the Development of a Recommendation)

c-2. Community Development Office

(Committee Recommended That Staff Be Authorized to Restructure the Community Development Program and the Current Community Development Manager Position to Allow for this Position to Take on Additional Responsibilities Outside the Community Development Program, as Recommended by Staff)

D. Proposed Ordinance #2012-03 - Related to Senior Citizen Income Exclusions (See Item #12-A)

(Committee Recommended Adoption of Proposed Ordinance #2012-03, as Recommended by Staff)

E. Request of City Manager - Employment Related Benefits/Expenses

(Committee Recommended Approval of the City Manager's Request for a $400 Car Allowance and $100 Special Cell Phone Allowance)

8. Evaluation of Bids - Library Furniture

* **9. Proposed Cancellation of Council and Committee Meetings Falling in the Week of the Fourth Monday of Every Third Month (March, June, September, and December)**

10. Selection of Polling Places for 2012 Regular Municipal Election

* **11. Appointment Recommended by Council President Leary - Parks, Recreation, and Community Enhancement Committee - David L. Bonar *(To Fill the Unexpired Term of William F. Hare - Term to Expire May 14, 2012)***

12. First Reading - Proposed Ordinance #2012-03

The First Reading is offered on the following proposed ordinance. Final action by Council will take place during the Second Reading of the ordinance on March 12, 2012. Copies of all proposed ordinances are available at the entrance of the Council Chambers or can be obtained from the City Clerk's Office.

A. Proposed Ordinance #2012-03 Amending Chapter 102 - Taxation, Article VI - Exemptions; Board of Assessment Appeals, Section 102-183 - Tax Exemption for Senior Citizens

(Legislative, Finance, and Administration Committee)

13. Council Members Announcements

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REGULAR COUNCIL MEETING

The Regular Council Meeting was held on February 13, 2012 at 7:30 p.m. with Council President Leary presiding. Council members present were Mr. Anderson, Mrs. Russell, Dr. McGlumphy, Mr. Lynn, Mr. Bonar, Mr. Hare, and Mr. Hutchison. Mrs. Williams was absent.

Council staff members present were Capt. Getek, Ms. Russell, Mrs. Mitchell, Mrs. Townshend, Fire Chief Fortney, Mr. Koenig, 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.

Mrs. Nancy Lambert, 210 Winterberry Drive, stated that, as a resident of Crossgates, it was her hope that members would take appropriate action to provide a permanent solution to the deteriorated property located at 123 Blue Beach Drive (Item #2 on agenda).

The invocation was given by Chaplain Dixon, followed by the Pledge of Allegiance.

AGENDA ADDITIONS/DELETIONS

Mr. Bonar moved for approval of the agenda as presented, seconded by Mrs. Russell and unanimously carried.

Mr. Hutchison requested that Item #6B - Chief of Police Report, be removed from the consent agenda.

Mr. Hutchison moved for approval of the consent agenda as amended, seconded by Mr. Hare and carried by a unanimous roll call vote (Mrs. Williams absent).

ADOPTION OF MINUTES - REGULAR COUNCIL MEETING OF JANUARY 23, 2012

The Minutes of the Regular Council Meeting of January 23, 2012 were unanimously approved by motion of Mr. Hutchison, seconded by Mr. Hare, and bore the written approval of Mayor Carey.

PUBLIC HEARING - VIOLATION OF THE DANGEROUS BUILDING ORDINANCE - PROPERTY LOCATED AT 22 FAIRWIND PLACE (JACKIE S. POWELL)

A public hearing was duly advertised for this time and place to consider a violation of the Dangerous Building Ordinance for property located at 22 Fairwind Place, owned by Jackie S. Powell.

Mrs. Ann Marie Townshend, Director of Planning and Community Development, noted that the City's budget balance for demolitions was depleting due to the numerous violations of dangerous buildings presented to Council during the current fiscal year. She indicated that it may be necessary to adjust budgetary line items to address demolitions for the remainder of the fiscal year, explaining the importance of bringing such issues forward due to safety concerns. She assured members that this matter has been discussed with both the City Manager and Controller/Treasurer.

Mrs. Townshend advised members that the property being discussed consists of a two (2) story, mid-block townhouse that has been the subject of recent neighbor complaints and concerns regarding potential hoarding. The house was the subject of numerous code enforcement violations since 2005, including tall grass and weeds, overgrowth, and exterior violations. In September 2011, Code Enforcement staff attempted to make contact with the owner of the residence, but was unable. Mrs. Townshend advised members that the owner has not responded to phone calls, visits to the property, or posting of notices at the property. On November 21, 2011, code enforcement staff, with support from the Dover Police Department, entered the property with a search warrant. She stated that it appeared the owner had vacated the property. The home was full of clutter, garbage, debris, and other effects. Staff observed no path of travel through the residence. Restrooms were not accessible, and the area surrounding the restroom was cluttered with urine-filled soda bottles and bags containing fecal matter and used feminine hygiene products. Deterioration of the building was being accelerated by weather and lack of maintenance.

Mrs. Townshend reviewed a presentation and photos depicting the condition of the property ***(Exhibit #1)***. She indicated that staff continues to be unable to make contact with the owner and that the house has been vacated and utilities have been disconnected. As the unit is a mid-block townhouse, staff requested that Council order the property cleaned, not demolished. She advised members that State statute would not permit a lien to be placed for the expenses of interior abatement; therefore, staff recommended that these expenses be recovered through suit.

Staff recommended that City Council: 1) declare this building dangerous; 2) order the property repaired (cleaned) by the owner or equity owner at their own risk; 3) order the Building Inspector to cause the repair (cleaning) of the structure if not completed by the owner by March 13, 2012; and 4) order the City Manager, with the assistance of the City Solicitor, to cause the cost of repairs to be recovered in a suit at law against the owner.

In response to Mr. Anderson, City Solicitor Rodriguez indicated the possibility of a lien being placed against the property or other similar means for collecting the debt if the City was successful 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. Hare moved that the structure located at 22 Fairwind Place be declared a dangerous building and subject to repairs, as recommended by staff. The motion was seconded by Mr. Bonar and carried by a unanimous roll call vote (Mrs. Williams absent).

VIOLATION OF DANGEROUS BUILDING ORDINANCE - PROPERTY LOCATED AT 123 BLUE BEACH DRIVE (DEBORAH D. STATLER) (EMERGENCY CASE)

In accordance with Article XI - Dangerous Buildings, Sec. 22-388 - Emergency cases, of the Dover Code, in cases where it reasonably appears that there is an immediate danger to the life or safety of any person, unless a dangerous building is immediately repaired, vacated and closed, or demolished, the building inspector shall report such facts to the council, which may cause the immediate repair, vacation, or demolition of such dangerous building.

Council President Leary advised members that Mr. Lynn had indicated a conflict of interest; therefore, he excused himself from the presentation and deliberations regarding this matter.

Mrs. Ann Marie Townshend, Director of Planning and Community Development, provided a presentation including a chronological history and photos on the condition of the property located at 123 Blue Beach Drive, owned by Deborah D. Statler ***(Exhibit #2)***. She noted that the property consists of a one (1) story, single-family dwelling that has been the subject of numerous code enforcement violation cases and neighbor complaints over the past 14 years. Since 1998, there have been 35 code enforcement cases regarding various property code violations, including tall grass and weeds, junk and debris, unregistered vehicle, exterior violations, and interior insanitary conditions.

Staff recommended that City Council: 1) declare this building and all accessory structures including the pool dangerous; 2) order the property immediately repaired or demolished 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 by February 23, 2012; 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.

Responding to Mr. Hare, Mrs. Townshend stated that a total of $5,400 is owed in code enforcement fines for this property and that the City has been unable to recover these costs to date.

Referring to the completion date of February 23, 2012, Mr. Anderson relayed concern that the City was not providing ample time for the property owner to make the necessary repairs. Responding, Mrs. Townshend stated that the City has been working with the property owner for several years and that compliance has been marginal and short lived. She stated that consideration should also be given to the effects that the deterioration of the property has on surrounding neighbors and their quality of life.

There being no objections and at the request of Dr. McGlumphy, Cpl. Jeffrey Davis of the Dover Police Department advised members that when the City accessed the property by warrant, the owner was not present; however, there were extensive telephone conversations prior to the visit which were very confrontational and the homeowner indicated that she did not feel that there were any problems with the property.

Council President Leary declared the public hearing open.

Council President Leary noted the receipt of correspondence received regarding this matter ***(Exhibit #3)***.

Mr. Eugene Ruane, 122 Shadow Court, (former City Council Member) advised members that his residence is located around the corner from the subject property. He stated that during the 10 years he served as a member of City Council, this property was the one that generated the most complaints. He felt that it was time to completely resolve the matter and disagreed with the idea of extending the

time to allow the property owner to make necessary repairs. He advised members that the neighbors should not be subjected to the rodent problems and other deplorable issues involved with this property. He noted that the City has been working with the property owners for 14 years and that action must be taken immediately. He noted that, in addition to the code violation fines, the City has incurred substantial administrative expenses and legal fees related to this property. On behalf of the residents in the neighborhood, he urged members to take the appropriate action and approve staff's recommendation.

Ms. Sandra Kinkus, 365 Fiddler's Green, reminded members of the safety issues involved with this property and felt that the City had provided ample time for the property owner to take action. She questioned how the City could continue to allow a health hazard such as this and urged members to take immediate action by the February 23, 2012 deadline. At the request of Ms. Kinkus, 10 people who were in attendance indicated that they were in favor of staff's recommendation.

Mr. Jeff Coe, 130 Shadow Court, stated that he has resided directly behind the subject property since 1998. When he first moved in, the swimming pool was very well kept; however, over the last 12 years, the property, including the swimming pool, has gone into disrepair. He advised members that the swimming pool is his main concern and that it has prevented him from allowing his son (who is seven (7) years old) to play in the back yard due to an excessive mosquito problem, which he felt is mainly caused by the unkept swimming pool. Mr. Coe stated that the swimming pool is an eyesore and a safety hazard and requested that City Council take whatever means necessary to correct these concerns.

Ms. Andrea Hicks, 271 India Drive, Smyrna, stated that she helped to clean the home many years ago. In defense of the property owner, Ms. Hicks stated that she spoke to her in early November 2011 regarding the possibility of cleaning the property again. She advised members that the property owner has a contract to have the property extensively cleaned once Servpro has completed work at the site. She relayed willingness to assist the property owner in any way possible.

Mr. Kyle Greeny (resides in Vermont) stated that he takes care of property immediately adjacent to the subject property and suggested that a deadline date of February 23, 2012 is too soon. He also indicated that he offered to assist the property owner in making any necessary repairs (doors). In regard to cleaning the property, he advised members that he has not observed any rodent problems and was aware that there has been deliberate vandalism to the backyard and swimming pool. He noted that a fence in the rear of the property separates the back yard from adjacent neighbors; therefore, he did not feel that there would be a safety issue involving the swimming pool.

Ms. Deborah Statler, 123 Blue Beach Drive, advised members that the issues involving her property began when someone deliberately violated the pool twice after it was closed for the winter by taking water bags and throwing them in the pool. She stated that on January 1, 2012, while she was working in the back yard to take corrective action on the swimming pool, someone entered her home, stole her credit card number, and proceeded to dump objects throughout her home. Ms. Statler indicated that in December 2011, her hot water heater broke and flooded the basement and she has been taking items from the basement and storing them upstairs to prevent further damage. Since she was attempting to save as many items as possible and working by herself, she explained that she

grabbed items and just put them anywhere upstairs as quickly as possible, giving no consideration to organization. Prior to this time, she assured members that the home was somewhat decent. Then, Ms. Statler stated, a sewer backup occurred in her basement, during which time a complaint was made to animal control regarding her cats. It was her feeling that her property and cats became an issue when she submitted a complaint regarding a neighbor's dog (which was kept outside from 5:30 a.m. to 11:00 p.m. and barked constantly). She indicated that the vandalism to her property began when she submitted a second complaint regarding the neighbor's dog, and this resulted in the cutting of hoses to an outside propane grill, which occurred eight (8) times. Ms. Statler stated that approximately two (2) years ago, this neighbor's son and his friends were in her yard, trespassing and throwing concrete blocks at and in the swimming pool, which damaged the pool's concrete coupling. She stated that this neighbor filed a complaint on the son's friends regarding this issue and subsequently discovered his own son's involvement. She indicated that this neighbor has filed numerous false complaints, resulting in the dismissal of many citations in a court of law. She explained that she has taken measures to improve the relationship with this neighbor but has not been successful and that his neighbor continues to molest her property.

Ms. Statler stated that, according to her insurance company, Servpro will completely clean the basement. Unfortunately, the upstairs was not covered by the insurance company; however, she stated that she has been making arrangements with Servpro and two (2) others to clean the remainder of the house. She stated that she has a private contract with Servpro to assist with work on the upstairs and provided members with a letter to this effect ***(Exhibit #4)*** as well as a copy of the contract for the work being performed in the basement ***(Exhibit #5)***. She assured members that she has contacted someone to perform deep cleaning, which will include carpets, once the upstairs is cleared and someone else to repair the doors (both front and back) that were damaged by the City gaining entry.

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

Responding to Mr. Bonar, Council President Leary noted that the contract with Servpro is dated February 3, 2012 (letter dated February 13, 2012). Mr. Bonar relayed his dismay at the length of time the City has allowed the conditions of this property to deteriorate. He stated that he would not take into consideration any comments blaming neighbors for the problems since they are clearly issues of neglect.

Mr. Bonar moved to declare the property located at 123 Blue Beach Drive a dangerous building and subject to demolition, as recommended by staff. The motion was seconded by Mr. Hutchison.

Mr. Hare indicated his concern regarding the safety issues involving the swimming pool and felt that Council had the responsibility to take immediate action in this regard.

Dr. McGlumphy noted that the issues involving the property have been ongoing since 1998 and that members should delay no further.

Mr. Anderson relayed concern with the precedent being set by the City and requested that a more realistic timeframe be provided to the property owner to have the necessary repairs and cleanup completed.

On a call for the question by Mr. Hare, the motion to declare the property located at 123 Blue Beach Drive a dangerous building and subject to demolition, as recommended by staff, was carried by a unanimous roll call vote (Mrs. Williams and Mr. Lynn absent).

Mr. Bonar advised members that this was not the only residence with significant problems in the City, noting that there are entire blocks with similar problems. He requested that City staff put residents on notice that the City is in the process of cleaning up the City from crime and making it a better place to live. Residents should find a means to maintain their properties; otherwise, the City will take appropriate action.

There being no objections, Council President Leary declared a short recess.

Meeting recessed at 8:29 p.m. and reconvened at 8:32 p.m.

UTILITY COMMITTEE REPORT - JANUARY 23, 2012

The Utility Committee met on January 23, 2012 with Chairman Bonar presiding.

Request for Alley Abandonment (Unimproved) - 16 Sackarackin Avenue - Alexis Bailey

Members were presented with a request from Ms. Alexis Bailey regarding the abandonment of the unimproved paper alley adjacent to her home located at 16 Sackarackin Avenue. Mr. Scott Koenig, City Manager, advised members that since the submission of this request, Ms. Bailey has requested that this matter be deferred to allow her the opportunity to obtain consensus from her neighbors. Staff suggested that no further action be taken by the Committee at this time and that the matter be presented to the Committee for their consideration at a later date.

The Committee took no action on this matter.

Reconsideration - Cost of Service Study

Mr. Bonar reminded members that during their meeting of September 26, 2011, the Committee recommended approval of a Request for Proposals (RFP) for a Cost of Service Study to determine the valuation of the entire City of Dover electric system and all appendices, to include generation, distribution, personnel costs, etc. As a result of recent changes in personnel and organizational structure, Mr. Bonar and Mr. Hare felt that the scope of the RFP should be further discussed.

Referring to the recent "Governor's State of the State Address" and the City's electric utility, Mr. Hare felt that the City should determine if there is a desire to be in the business of operating an electric utility or if it should be sold. Although he agreed that the recent purchase price offered for the City's electric utility was too low, he felt that an offer in the area of $200M, with some type of loan agreement, would be something the City should consider. Mr. Hare suggested the possibility of a 50-year, interest-bearing loan that would provide the City $8M, which would be added to the franchise of $1.4M, and property tax income of $400,000. The City would then be required to pay

for electricity, estimated at $600,000 per year, resulting in a $9.2M income for the City. Mr. Hare noted that in the last 10 years, the City has averaged a $5.8M transfer from the Electric Fund to the General Fund and in the last five (5) years, the average transfer was $7.3M; therefore, the proposal would provide the City with approximately $2M in additional income.

Mr. Hare reminded members that the City has not generated its own electricity in well over ten (10) years and that the City pays another company to run the City's electric plants and pays others to purchase electricity for the City. According to the City's former Electric Director, the City would need to spend $150M to $175M to update facilities to stay in the electric business. It was his feeling that if the City chooses not to sell the electric utility, the City should run the plants, buy its own electricity, etc., rather than paying other companies to perform these functions. Mr. Hare suggested that members of City Council determine if they wish to remain in the electric utility business and, if so, the City should assume this responsibility 100%.

Mr. Hare felt that the City's electric rates could not be competitive at the current time, considering the manner in which operations are being run. He noted the importance of being able to offer competitive rates to residential and business customers and not deter businesses from coming to Dover. He did not feel that it was necessary to spend $300,000 for a study and suggested that there are other companies that would conduct such a study at a cost of $80,000 to $100,000.

Mrs. Donna Mitchell, Controller/Treasurer, reviewed a proposal provided by Burns & McDonnell to perform an Updated Electric Cost-of-Service and Rate Design Study for the City of Dover. She reminded members that Burns & McDonnell is the City's current engineer for the Annual Engineering Report and they have completed the City's electric rate study in the past. Mrs. Mitchell explained that the proposal will allow for a cost of service study to "true-up" the electric rates for the lower power supply cost. She advised members that, if approved, this study would be completed by April 2012 at a cost of $28,500. Staff recommended approval of the proposal submitted by Burns & McDonnell for a Cost-of-Service and Rate Design Study for FY 2012.

In response to Mr. Blakeman's concerns regarding the rate quote of $161 per hour (the previous rate was $104 per hour), Mrs. Mitchell stated that this was only a 3% increase compared to the last study conducted. Mrs. Williams requested that staff question why more hours would be needed to conduct the study. Mrs. Mitchell assured members that she would question the increase in hours and hourly rate and provide this information to members when the Committee's recommendation is presented to City Council for approval. *(City Clerk's Office Note: Mrs. Mitchell provided the following information related to the increase in the rate quote: The 2008 rate study estimate was $25,000 for approximately 190 hours. This is an hourly rate of $131.58. The current 2012 rate study estimate is $28,500 for approximately 176 hours. This is an hourly rate of $161.93. If the hourly rate of $131.58 is adjusted for the four years difference in labor costs to reflect normal increases it would be approximately $150 per hour. Additionally, the individuals performing the services have had promotions which adds a little to the hourly rate. It is beneficial to involve the same individuals in the analysis as much as possible to utilize the knowledge gained on the previous work thereby completing the study more efficiently and minimizing the cost increase as much as possible.)*

Responding to Mr. Lynn, Mrs. Mitchell confirmed that the proposal is not predicated on selling the electric utility but would provide staff the means to prepare next year's budget should rates need to be adjusted based on the current cost of service.

Referring to the concerns regarding the hourly rate, Mr. Scott Koenig, City Manager, suggested that members recommend approval with the inclusion of a clause stating that the amount authorized is "not to exceed $28,500," explaining that the information to be provided by the study would be necessary to prepare the next budget.

The Committee recommended approval of the proposal submitted by Burns & McDonnell to perform an Updated Electric Cost-of-Service and Rate Design Study for FY 2012 at a cost not to exceed $28,500.

Mr. Bonar moved for approval of the Committee's recommendation, seconded by Mr. Hutchison.

Council President Leary acknowledged receipt of correspondence from Mr. Bob Hartman (***Exhibit #6)*** regarding this matter**.**

As a result of much discussion, Mr. Hare suggested that an amendment be made to the motion to allow for an RFP for a study to be performed on the City's entire electric utility. Responding, Mr. Bonar indicated his feeling that such directive should be a separate issue and stated that he was prepared to make an additional motion at the conclusion of the pending motion.

On a call for the question, the motion to approve the Committee's recommendation for approval of the proposal submitted by Burns & McDonnell to perform an Updated Electric Cost-of-Service and Rate Design Study for FY 2012 at a cost not to exceed $28,500 was carried by a roll call vote of six (6) yes, two (2) no (Mr. Lynn and Mr. Hare), and one (1) absent (Mrs. Williams).

Mr. Bonar moved that the City of Dover proceed with an RFP to assess the value of the City of Dover Electric Department, its real property and assets to include generating facilities, distribution system, maintenance operations, and all other appurtenances, not to exceed a sum of $150,000 with such funds coming from the Electric Reserve Fund. The motion was seconded by Mr. Hare.

Mr. Lynn explained his opposition to the previous motion and requested that the motions be combined so that an RFP is requested for only one (1) complete study.

Council President Leary explained that since the Committee had forwarded a recommendation, Council should act on it and then consider any further action separately. Concurring, Mr. Bonar explained that there were two (2) separate studies being discussed, the first relating to the Committee's recommendation to obtain a study regarding setting rates and establishing a rate structure and the second regarding to a proposed evaluation of the entire electric utility system.

On a call for the question, the motion authorizing staff to proceed with a Request for Proposals (RFP) to assess the value of the City of Dover Electric Department, its real property and assets

to include generating facilities, distribution system, maintenance operations, and all other appurtenances, not to exceed a sum of $150,000, with such funds coming from the Electric Reserve Fund, was carried by a unanimous roll call vote (Mrs. Williams absent).

TEA/NAES Monthly Report *(October and November)*

The TEA/NAES Monthly Reports for October and November 2011 were provided to members to enable them to monitor electric sales and revenues received, which would provide a better understanding of any fluctuations that occur and allow the opportunity to make improvements if deemed necessary.

The Committee recommended acceptance of the TEA/NAES Monthly Reports for October and November as presented.

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

Update - Calpine Corporation Project (Garrison Oak Technical Park)

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

> "Good Evening Members of the Utility Committee. I would like to provide a brief update on the status of the Calpine Corporation Project to be located on the Garrison Oak Technical Park property. As we have indicated previously, Calpine Corporation is proposing to construct a 309 megawatt, energy efficient, merchant power production facility at this location. The proposed facility will be built in phases. As we speak, staff from the Calpine Corporation is conducting their internal due diligence responsibilities and financial analysis of the project. There are a number of discussions that are occurring, including a potential Power Purchase Agreement with the City of Dover, potential city ownership of a gas pipeline, potential grant applications for state funds for infrastructure, as well as a number of other development related discussions. It is important that members of the Committee, Council, and the public understand the complexity of this project and the potential positive impact of the project on the Kent County region. Power supply plays a critical role in the economic development of our region. In addition, these types of projects require "outside of the box" thinking to deliver. As project momentum converts a number of these discussions into reality, it will be important for the Kent County region to continue supporting its new corporate partners. I appreciate the time to provide a brief overview of the status of the project."

The Committee took no action on this matter.

Update - National Pollution Discharge Elimination System (NPDES) Municipal Separate Storm Sewer Systems (MS4) Permit

With regard to the National Pollution Discharge Elimination System (NPDES) Municipal Separate Storm Sewer Systems (MS4) Permit, Mrs. Ann Marie Townshend, Director of Planning and Community Development, reminded members that the City has been issued a notice of violation by the Department of Natural Resources and Environmental Control (DNREC) and that the deadline to respond and complete all items identified in the notice of violation was December 31, 2011, with a report due to DNREC on January 13, 2012. She advised members that the City submitted this report on January 12, 2012.

Mrs. Townshend stated that the City was required to provide a stormwater management plan identifying the items that the City plans to complete over the next (3) years (the time anticipated to obtain a new permit). She noted that a draft plan was presented to DNREC; however, she was unsure how DNREC would respond. She also noted that there may be budgetary implications since some of the work will require contractual assistance (estimated at a cost of $25,000 to $50,000).

The Committee took no action on this matter.

In response to Mr. Blakeman regarding addressing the concerns raised by Mr. Hare during the discussion of "Reconsideration - Cost of Service Study," Mr. Bonar indicated that those concerns would be considered during the Council President's Agenda Meeting to determine how the issue will be addressed.

Mr. Bonar moved for acceptance of the Utility Committee Report, seconded by Mr. Hare and unanimously carried.

LEGISLATIVE, FINANCE, AND ADMINISTRATION COMMITTEE REPORT - JANUARY 23, 2012

The Legislative, Finance, and Administration Committee met on January 23, 2012 with Chairman McGlumphy presiding.

Proposed Resolution #2012-02 - Requesting the General Assembly to Amend Article IV - Financial Affairs, Section 50 - Debt Limit, of the City of Dover Charter

Members reviewed Proposed Resolution #2012-02 that would request the General Assembly to amend Article IV - Financial Affairs, Section 50 - Debt Limit, of the City of Dover Charter. Mrs. Donna Mitchell, Controller/Treasurer, explained that the proposed amendment would expand and clarify the purposes for debt issuance without a referendum vote by inserting specific uses of general obligation debt which would be secured by the full faith and credit of the City. She noted that there would still be a referendum requirement when the debt issuance would exceed one-fourth of one percent of the taxable assessed value of real property.

The Committee moved to recommend approval of Proposed Resolution #2012-02, requesting the General Assembly to Amend Article IV - Financial Affairs, Section 50 - Debt Limit, of the City of Dover Charter. *(Due to time constraints, it was noted that this matter was considered by City Council during their Regular Meeting held later in the evening.*)

Proposed Ordinance #2012-03 - Related to Senior Citizen Income Exclusions *(Committee Referred This Item Back to Staff on November 14, 2011)*

During their meeting of November 14, 2011, the Committee considered excluding military pension as income to the Senior Citizen Property Tax Abatement at the request of a resident, Mr. Michael Smith. After much discussion, the Committee referred the matter back to staff for their review and recommendation within 90 days.

Members reviewed Proposed Ordinance #2012-03, which would amend Chapter 102 - Taxation, Article VI - Exemptions; Board of Assessment Appeals, Section 102-183 - Tax Exemption for Senior Citizens by replacing the language "federal civil service retirement" with "Civil Service Retirement System (CSRS)" and changing the computation of the property owner's entitlement for the deduction from a dollar amount to a percentage of the Social Security maximum benefit.

Ms. Cheryl Russell, Tax Assessor, advised members that the Senior Citizen Tax Abatement, Subsection (b) - Qualifications, Paragraph (3) Exclusions from income, currently consists of: 1) Social Security benefits; 2) railroad pensions; and 3) federal civil service retirement (150% of current Social Security limit). She stated that the federal civil service retirement was added a few years ago because it was similar to Social Security (as is the railroad pension). Those retirees who are under the "old" CSRS plan did not contribute to Social Security and do not receive this benefit from that employment; therefore, she stated that this category was added to the income exclusions for the City of Dover Senior Citizen Tax Reduction Program. As a result of a review of the proposed ordinance by the City Solicitor, Mrs. Russell stated that the amounts were eliminated to reflect only 150% (lines 25 through 29).

Ms. Russell indicated that the City was recently made aware that participants in the "new" Federal Employees Retirement System (FERS) plan for Civil Service retirement do contribute to Social Security and receive both Social Security and pension from this employment; therefore, this particular plan should not be added to the exclusions for the City of Dover Senior Citizen Tax Reduction Program. The intent to add Civil Service retirement weighed heavily on the fact that the CSRS retirees do not receive a Social Security benefit. She assured members that the proposed amendment to the ordinance specifies that the third exclusion from income be limited to CSRS retirees only.

Ms. Russell stated that staff did not recommend that a military pension category be added to Section (b) Exclusions to income, because members of this retirement plan also contribute to Social Security. This would allow military retirees the ability to exclude Social Security and military pension from their adjusted gross income (similar to the FERS plan). Ms. Russell indicated that the revenue impact of adding military pension to the exclusion from income qualification could not be determined. She stated that the Census Bureau does not differentiate military pensions and was not able to provide assistance.

Ms. Russell reminded members that another idea which was previously discussed was to put a basic cap on the income limit with no exclusions. After reviewing this idea, she stated that the only "pro" to this approach would be elimination of the need to determine exclusions for different plans. The "cons" that staff anticipated were: 1) complication of the application process including the

requirement for more documentation for seniors with Social Security income only (195 applicants); 2) discontinuation of abatement for seniors turning 65 when they begin to draw Social Security benefits; and 3) inconsistency with County income qualifications.

Ms. Russell advised members that staff reviewed the possibility of adding income directly related to disability to the exclusion from income qualification. Kent County offers this deduction from the Adjusted Gross Income; however, Kent County has an income limit qualification on their disability reduction, similar to their senior citizen reduction. She indicated that once the property owner is 65 years of age, Kent County requires them to apply for a Senior Citizen reduction and they no longer qualify for the disability reduction. Kent County did not explain the reasoning behind the deduction of the income related to disability. As a result, staff could only assume that this relates to the transfer of reduction from Disability to senior citizen at the age of 65. The revenue impact of adding Income Related to Disability could not be determined. Since Kent County transfers the property owner to the Senior Citizen Reduction Program, they do not have information regarding the number of property owners that qualify or are considered disabled within the City of Dover limits.

Ms. Russell stated that currently, the City of Dover does not have age or income limitations for the disability reduction. The only requirement is that individuals must be 100% disabled, as determined by the Social Security Administration (SSA), and must provide an award letter from the SSA each year upon application. She stated that staff did not recommend deducting income directly related to disability at this time.

Staff recommended amending Section 102-183 (b)(3) of the Dover Code to update the language to specify Civil Service Retirement System (CSRS) as the type of Civil Service Retirement to be excluded and also to strike out the dollar amount for the maximum amount allowed for the deduction from income.

Responding to Mr. Shevock, Ms. Russell indicated that the proposed amendment would not result in a change to the tax revenue since none of the seniors who have applied in the past were participants in the newer system (FERS plan).

Mr. Hare stated that he was aware of individuals who have military pensions that are not large and who also collect a minimal amount of Social Security, noting that these individuals would not be eligible. It was his feeling that specifying a single income level would be more simple to apply. Clarifying, Ms. Russell stated that the qualifying income level is $17,396 for a single individual; therefore, someone collecting a military pension in the amount of $14,000 and Social Security would qualify for the exemption. The specified income level for married individuals is $23,000.

Responding to Mr. Michael Smith, 208 Saxondale Lane, Mr. Anderson explained that the proposed amendment would put everyone on an equal level because the CSRS that expired in 1986 was basically a substitute for Social Security (these participants did not pay into Social Security). Under the new federal system (FERS), individuals are required to pay into Social Security and, as a result, will receive Social Security benefits, which are exempt in accordance with the Dover Code. He stated that it would not be fair to exempt Social Security income but not the CSRS since it is an equivalent to Social Security.

Mr. Anderson felt that further discussion may take place in the future in regard to the consideration of military pensions and the possibility of a "blanket" exemption, as suggested by Mr. Hare.

Mr. Hare reiterated that the purpose of the exemption is to help low-income individuals and noted that there are some military pensioners that would qualify and others that clearly would not qualify.

Mr. Smith suggested the possibility of referring to the exemption as a "low-income tax abatement," rather than referring to it as a tax exemption for senior citizens, and allowing anyone with less than $35,000 income to qualify.

Concurring, Mr. Hare suggested amending the proposed ordinance to reflect the exemption for "low-income taxes for citizens above age 60" and stated he would prefer a flat income level amount.

Mr. Bonar stated his concurrence and suggested that the matter be tabled to allow staff to clarify the language to reflect "low income tax abatement program for individuals over 60 years of age."

The Committee recommended that the matter be referred back to staff for clarification of the language as discussed.

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

Minority Recruitment Committee Recommendations

Members were reminded that the Minority Recruitment Committee (MRC) was commissioned by the former City Manager to develop recommendations to improve minority hiring for the City of Dover. The Committee held a series of meetings in 2011 and concluded their work in August 2011. Members reviewed a report that reflected the MRC deliberations and recommendations.

Staff recommended acceptance of the report and requested that the recommendations be referred to staff for implementation at the appropriate time.

Dr. Bobby Jones, Chair of the MRC, explained that the creation of the Committee was the result of questions and concerns that arose regarding minority recruitment for the City of Dover. She advised members that the Committee had much discussion regarding attracting employees to the City and that employee morale was also a concern. She felt that the Committee developed some very salient points regarding morale. Dr. Jones reviewed the MRC's recommendations.

In response to Mr. Anderson, Dr. Jones stated that although the Human Resources Director addressed the Committee, there was no mention of the City's Affirmative Action Program.

Responding to Mr. Anderson, Mr. Scott Koenig, City Manager, reminded members that the City is under a hiring freeze and recruitment is not staff's highest concern at this time; however, staff has grave concerns with employee morale. He stated that the City has hard-working employees who should be recognized for the work they accomplish. Mr. Koenig noted that often work performed is not recognized as much as what does not get accomplished. He requested the opportunity to review the recommendations and provide the Committee with a recommendation within 60 days.

Mr. Lynn suggested that the Mayor be included in the review of the recommendations for consideration of the Police Department. Dr. Jones stated that the Police Department was represented on the MRC and that the Department has developed a plan for the recruitment of minority police officers.

Understanding that the City is under a hiring freeze, Dr. Jones requested that staff develop a strategic plan to address the recruitment of minorities and develop goals and objectives regarding this issue.

The Committee recommended that the Minority Recruitment Committee (MRC) Report be referred to staff for a report back to the Committee within 60 days.

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

By consent agenda, Mr. Hutchison moved for acceptance of the Legislative, Finance, and Administration Committee Report, seconded by Mr. Hare and carried by a unanimous roll call vote (Mrs. Williams absent).

SAFETY ADVISORY AND TRANSPORTATION COMMITTEE REPORT - JANUARY 25, 2012

The Safety Advisory and Transportation Committee met on January 25, 2012 with Chairman Hutchison presiding.

Discussion - Establishing City Emergency Operations Center

Members reviewed correspondence from Mr. Dave Truax, 35 Upland Avenue, who serves as the City's Fire Marshal, relaying his concerns regarding the City's lack of emergency preparedness awareness (outside of emergency services and emergency management personnel) and the need for an operational Emergency Operations Center (EOC) in the City.

Mr. Scott Koenig, City Manager, stated that the City's emergency management function has progressed through various departments throughout the years, beginning as a part of the Grounds Department, then the Police Department, and ultimately an Emergency Management Coordinator position was created in the Public Services Department. As a part of the Emergency Management Plan developed for the City, the City Hall Conference Room was designated to serve as an Emergency Operations/Information Center. He reminded members that this Center was utilized as such during a recent hurricane and during snowstorms and met the needs for these types of emergencies.

Mr. Koenig explained that the City has a basic Emergency Management Plan which has been certified as meeting minimum requirements by the Delaware Emergency Management Agency (DEMA). He advised members that emergency operations functions are currently distributed among a number of staff members, including the City Manager, the Public Information Officer, the Fire Marshal, a representative of the Police Department, etc. He indicated that he would like to maintain an open position for an emergency management planner. It was his understanding that during the recent Police Department accreditation process, a previous Emergency Operations Center (EOC) located at the Police Department was reestablished. Members were provided a photo of the Center and a diagram depicting the seating arrangements.

Mr. Koenig questioned if the intent of the discussion was to determine if members wished to designate the Police Department versus City Hall as the EOC for the City of Dover.

Responding to Mr. Hutchison, Mr. Koenig confirmed that there are no backup generators currently serving City Hall and that if power was lost during an emergency situation, it would be necessary to utilize the facility at the Police Department to conduct emergency operations. He noted that backup power is available at the Administration Building for the Electric Department.

Mr. Truax explained the necessity for the City to have an Emergency Operations "mindset," beginning with members of Council, and for each department to have a better understanding of their responsibilities. In addition, he relayed the importance of an EOC.

Mr. Koenig suggested a review of the parameters of the two (2) rooms proposed for use as an EOC. He recalled there being a $2,400 activation fee for the phone lines at the Police Department EOC and noted that this was one of the reasons City Hall was selected to serve as the EOC during the recent snowstorms and hurricane.

Responding, Police Captain Stump stated that he was not aware of such fees and indicated that the phone lines were recently activated.

Mr. Hutchison suggested that this issue be referred back to staff for the development of policies and procedures. Concurring, Mr. Lynn requested that staff develop recommendations for the Committee's review to forward to City Council for approval.

Mr. Truax requested that consideration be given to the installation of a generator at City Hall, regardless of its use as an EOC, due to the need for electric service at City Hall during an emergency.

Mr. Hutchison requested that staff determine the costs involved for each of the rooms to become fully used as an EOC.

Captain Mark Hall, attending on behalf of Fire Chief Fortney, noted that ambulance services for the City are provided by PrimeCare; therefore, he suggested that staff request the participation of a representative of PrimeCare in the development of their recommendations.

Responding to Mr. Davis, Mayor Carey indicated that Dover High School currently serves as the City's emergency shelter and has been used as such in the past.

Mr. Laing, Community Relations Officer and Public Relations Liaison, Delaware Department of Transportation (DelDOT), suggested that space be allocated in the City's EOC for the City's Public Information Officer.

The Committee recommended referral back to staff for a report to the Committee at the next meeting.

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

Update - Dover High School Construction

Mrs. Ann Marie Townshend, Director of Planning and Community Development, provided an update on the construction of the new Dover High School. She advised members that, in December, the City issued a foundation only permit for the building. The City continues to work with the Delaware Department of Transportation (DelDOT), Kent Conservation District, and Capital School District on completing the site development plans. She noted that building construction drawings were recently submitted and the building permit application has been completed. She anticipated that the building permit would be issued by the first week in March 2012 for the remainder of the main structure, noting that the stadium and other buildings will require separate permits.

Mrs. Townshend reminded members that City staff attends monthly coordination meetings with representatives of DelDOT and the consultants for the Capital School District to ensure that the project stays on track, since there are many site and location issues. She stated that, during the last coordination meeting, there was discussion regarding the east entrance (which lines up with Heatherfield East) which had been planned as a signalized intersection with a pedestrian crossing; however, the most recent submission did not show it as a signalized intersection. She explained that installation of signals typically requires a warrant analysis which documents traffic volume and is accomplished through DelDOT and she suggested that the Capital School District begin working with DelDOT on this issue. However, she noted that there are additional political and safety issues involved, explaining that there are multiple housing communities directly across the street from the school. She suggested that the City go on record in support of the signalization of the intersection at the east entrance and a pedestrian crossing, even if the traffic volume does not meet warrants since there is no other way to enable children to cross the street to access the school safely.

After much discussion, Mr. Gary Laing, Community Relations Officer and Public Relations Liaison, DelDOT, suggested that the City submit a letter to Secretary Bhatt and that Mr. Laing be copied so that he may have the opportunity to interject himself to work with the City in this regard. Responding, Mr. Hutchison suggested that such a letter be drafted and signed by the Mayor and City Manager.

Mrs. Townshend offered to draft a letter in support of the signalization of the intersection at the east entrance of the new Dover High School and the inclusion of a pedestrian crossing. Due to Mr. Laing's suggestion that this letter be submitted as expeditiously as possible, Mr. Koenig indicated that the letter would be sent by staff if there were no objections.

The Committee recommended that staff be authorized to send a letter to Secretary Bhatt relaying support of the signalization of the east entrance intersection, with pedestrian crossing, for the new Dover High School.

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

Briefing on Delaware Department of Transportation (DelDOT) Projects - *Gary Laing*

Mr. Gary Laing, Community Relations Officer and Public Relations Liaison, Delaware Department of Transportation (DelDOT), provided members a briefing on DelDOT Projects, as follows:

West Dover Connector

Mr. Laing stated that DelDOT is currently in the midst of a 30-day public comment and review period (which will end on February 2, 2012) related to the environmental assessment of the West Dover Connector. If there are public comments, a period of time will be provided for response. In late February to mid-March, DelDOT plans to issue the final version of the environmental assessment. Mr. Laing stressed the need for a finding of "no significant impact" in order to proceed with the project. He indicated that DelDOT will then need to address the issue of a preferred alternative for termination of the Connector at Route 13, south of Rodney Village, and acquisition of 15 properties along the route.

Mr. Laing advised members that several years ago, there were picketers with signs that read "don't take my home" in front of DelDOT's workshop and at working group meetings associated with this project; however, more recently DelDOT has received phone calls from these individuals who are now eager to sell. He explained that DelDOT's planning process has made it difficult for affected homeowners to market their homes. Mr. Laing assured members that DelDOT cannot offer a homeowner an amount less than the assessed value of their property, can assist a homeowner in finding a new home with a similar value, and can provide assistance with moving expenses in cases of hardship.

Mr. Laing stated that the specifics regarding the location and design of the preferred route will be finalized and presented to the public in April 2012. He advised members of the tentative schedule DelDOT has established moving forward, as follows: 1) July 2012 - semi-final right-of-way acquisitions to be completed by November 2012 (if there are no objections and eminent domain condemnation procedures are not necessary); and 2) Summer of 2014 - begin construction.

South Governors Avenue Improvements

Mr. Laing stated that the improvements to the South Governors Avenue roadway are substantially complete. He indicated that DelDOT has had a recent issue regarding a signal at the intersection of South Governors Avenue and South Street, noting that the original plan included such a signal. Since federal funds were utilized for the project, when DelDOT was ready to have the signals turned on, the Federal Highway Administration (FHA) indicated that the intersection did not meet the warrants for a signal and a new study was required. DelDOT completed the new study in late fall/early winter of 2011 and it was determined that the intersection meets warrants at only certain times of day. He advised members that there are safety concerns, noting that there is an employee parking area located across the street.

Most recently, Mr. Laing stated that DelDOT's Director of Traffic Operations sent a letter to the FHA indicating that DelDOT planned to post signs indicating that the signals would become operational on January 27, 2012 and was awaiting a response.

Water Street Railroad Crossover
Mr. Laing stated that the Water Street Railroad Crossover is not a project that will come to fruition anytime in the near future due to the involvement of the railroad.

Wyoming Mill Road Project
Mr. Laing advised members that only the paving of the roadway was required for the completion of the Wyoming Mill Road Project and it is hoped that this will begin in early spring when the asphalt plants reopen.

Mrs. Ann Marie Townshend, Director of Planning and Community Development, suggested that, in the future, a briefing on the Route 8/Hazlettville Road Connector (formerly identified as North/South Road between Route 8 and Hazlettville Road on the West Side of the Capital School District Property and the Village of Cannon Mills) be provided to the Committee.

Briefing on Dover/Kent County Metropolitan Planning Organization (MPO) Projects - *Rich Vetter*
Due to the absence of Mr. Richard Vetter, Executive Director of the Dover/Kent County Metropolitan Planning Organization, there was no briefing on Dover/Kent County Metropolitan Planning Organization (MPO) projects.

By consent agenda, Mr. Hutchison moved for acceptance of the Safety Advisory and Transportation Committee Report, seconded by Mr. Hare and carried by a unanimous roll call vote (Mrs. Williams absent).

MONTHLY REPORTS - DECEMBER 2011
By motion of Mr. Hutchison, seconded by Mr. Hare, the following monthly reports were accepted by consent agenda:

Budget Report
Chief of Police Report
City Assessor's Report
City Manager's Report
City Planner
Dover Fire Department
Capital Investment Plan (CIP)

Referring to the Chief of Police Report, Mr. Hutchison expressed his congratulations to the men and women of the Dover Police Department for the outstanding work that they continue to perform, including apprehensions and arrests, most recently related to the shooting incident on Cecil Street and numerous armed robberies.

Mr. Hare moved to accept the Chief of Police Report for December 2011, seconded by Mr. Bonar and unanimously carried.

ANNUAL REPORTS - DOVER HUMAN RELATIONS COMMISSION AND PLANNING AND COMMUNITY DEVELOPMENT
By consent agenda, Mr. Hutchison moved for acceptance of the Annual Reports of the Dover Human Relations Commission and Planning and Community Development, seconded by Mr. Hare and carried by a unanimous roll call vote (Mrs. Williams absent).

EVALUATION OF BIDS - MCKEE RUN UNIT 3 AIR HEATER REPAIRS

Mr. Vince Scire, Plant Manager, advised members that the major part of the McKee Run Unit 3 Boiler Air Heater Capital Improvement Project (CIP) scope involves the replacement of major air heater components including casing internal components and structural members which were identified during a planned unit inspection in October 2010. The proposed contract would addresses these components. The refurbishment should extend the useful life of the involved equipment by at least another fifteen (15) years.

Mr. Scire indicated that a Request for Proposal (RFP) was drafted to include a total price for supervision, labor, and tools to complete the replacement of the center section of the air heater support structure and replacement of all internal air heater seals, including hot end sector plates. The proposals received were evaluated using the following criteria: cost, experience (specific to air heater work), references, resources, safety record, exceptions to specifications, and bid submittal content. Members reviewed a summary of the evaluation scores which indicated that the highest evaluated contractor was also the lowest proposal. He advised members that other components/services would be awarded in order to complete the project; however, at this time, staff was confident this project would be under budget.

Staff recommended awarding the contract to TEI Construction Services for a total contract award of $206,131.

Responding to Dr. McGlumphy, Mr. Scire stated that no Delaware firms submitted proposals and that he was not aware of a Delaware firm with the expertise necessary to conduct the type of work required.

In response to Mr. Hare, Mr. Scire stated that any delay in the contract work could create reliability issues involving the Unit, explaining that the particular components of the air heater are such that they have corroded and eroded so badly that if it were to continue, the Unit may not work. He advised members that this project was advanced due to conditions found during their inspection. He stated that this same work was previously accomplished in 1991 and at that time, #6 fuel oil, which is highly corrosive, was burned. Since then, #2 fuel oil has been used, which is less corrosive and has less sulfur, allowing the Unit to last a little longer. He stated that typically these repairs are necessary every 15-20 years.

Mr. Bonar moved for approval of staff's recommendation to award the contract for McKee Run Unit 3 Air Heater repairs to TEI Construction Services for a total contract award of $206,131, seconded by Mr. Hutchison and unanimously carried (Mrs. Williams absent).

EVALUATION OF BIDS - MCKEE RUN UNIT 3 TURBINE REPAIRS AND TRANSFER OF FUNDS BETWEEN CAPITAL IMPROVEMENT PROJECTS (CIPs)

Members reviewed information regarding bids for consideration for the McKee Run Unit 3 Turbine Repairs as well as a request to transfer funds between Capital Improvement Projects (CIP). Mr. Vince Scire, Plant Manager, explained that the request for approval is twofold: 1) to approve the transfer of funds from two Electric Generation CIPs (that are complete and under budget) to a third Electric Generation CIP (EG1212) which is underfunded; and 2) to approve funding for contract work to be done under the third CIP (EG1212).

Mr. Scire advised members that CIP Project EG1114 was approved for FY2012 budget in the amount of $36,207 and that the total project commitments to date total $20,000. This project is 100% complete with no additional expenditures anticipated. The primary reason for the favorable variance was due to utilizing internal resources rather than external resources for a portion of the installation activities. In addition, he stated that CIP Project EG1213 was approved for the FY2012 budget in the amount of $113,000 and that the total project commitments to date total $47,682. He stated that this project is also 100% complete and that the reduced project cost is due to revised work scope which resulted from recent equipment condition evaluation.

Referring to CIP Project EG1212, Mr. Scire reminded members that this project was approved for the FY2012 budget in the amount of $348,000 and that the total commitments to date total $61,648. He explained that this project will be significantly underfunded based on current project forecasts that include recently obtained actual bid prices for the installation portion of the work scope. The current forecast to complete the work was estimated at $418,713. The increase in project cost is due to the installation costs that are greater than originally estimated and an expanded repair scope. He stated that the project could not move forward without an increase in funding and that the risk of reduced equipment reliability would increase if this project is delayed.

Mr. Scire indicated that the request is for a transfer in the amount of $16,000 from EG1114 and $60,000 from EG1213 to EG1212, which would result in the following:

EG1114: $36,207 - $16,000 = $20,207.
EG1213: $113,000 - $60,000 = $53,000.
EG1212: $348,000 + 76,000 = $424,000

Mr. Scire assured members that requested transfer would not affect the overall combined anticipated costs for all three (3) projects.

Mr. Scire explained that the major part of the McKee Run Unit 3 Turbine Inspection CIP scope is the supply of all supervision, technical services, labor, tools and equipment necessary to perform an inspection on the Unit 3 turbine components, including all steam control valves and overspeed devices. This work is required to maintain the integrity of the equipment and is based on both operating hours and duration between inspections. The proposed contract addresses these components. The refurbishment should extend the useful life of the involved equipment by at least another ten (10) years.

Mr. Scire stated that the Request for Proposals (RFP) was drafted to include a total price for supervision, labor, and tools to complete the disassembly, inspection, and reassembly of critical safety components of the turbine. The proposals were evaluated using the following criteria: cost, experience (specific to turbine work), references, resources, safety record, exceptions to specifications, and bid submittal content. Members reviewed a summary of the evaluation scores which indicated that the highest evaluated contractor was also the low proposal.

Staff recommended approval of the transfer of funding as presented and awarding the contract to the low bidder, NAES Turbine Services, for a total contract award of $225,175.

Mr. Bonar moved for approval of staff's recommendation, seconded by Mr. Lynn.

Responding to Dr. McGlumphy, Mr. Scire stated that there would be no conflict of interest involved since the City has had would be an "arms length" understanding with NAES Turbine Services. He did not anticipate that the contract would produce jobs for City residents since NAES has traveling employees who work on projects such as this.

On a call for the question, the motion to approve staff's recommendation was carried by a unanimous roll call vote (Mrs. Williams absent).

REAPPOINTMENTS RECOMMENDED BY COUNCIL PRESIDENT LEARY - HUMAN RELATIONS COMMISSION - AARON YATSKEVICK - THREE (3) YEAR TERM TO EXPIRE FEBRUARY 2015

Council President Leary requested the reappointment of Mr. Aaron Yatskevich to the Human Relations Commission for a three (3) year term to expire February 2015.

By consent agenda, Mr. Hutchison moved for approval of the reappointment of Mr. Aaron Yatskevich to the Human Relations Commission, as recommended by Council President Leary, seconded by Mr. Hare and carried by a unanimous roll call vote (Mrs. Williams absent).

FINAL READING - PROPOSED ORDINANCE

The First Reading of the following proposed ordinance was accomplished during the Council Meeting of January 23, 2012.

Ordinance #2012-01 Amending Chapter 74 - Parks and Recreation - Silver Lake Boating Regulations

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

Mr. Hare moved for adoption of Staff Amendment #1 to Proposed Ordinance #2012-01, seconded by Mr. Bonar, and carried by a unanimous roll call vote (Mrs. Williams absent).

Mr. Hare moved for adoption of Ordinance #2012-01, as amended, seconded by Mr. Bonar. By a unanimous roll call vote (Mrs. Williams absent), Council adopted Ordinance #2012-01, as follows:

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

That Chapter 74 - Parks and Recreation, Article I - In General, be amended by renumbering Section 74-51. Same-Fine as 74-52 and inserting a new Section 74-51 - Vessel Operation, to read as follows:

Sec. 74-51. - Vessel Operation.

The operator of any non-permitted motorboat operated on Silver Lake shall be subject to a fine as provided for in Appendix F - Fees and Fines.

BE IT FURTHER ORDAINED:

That Chapter 74 - Parks and Recreation, Article III - Silver Lake Area, Section 74-122 - Boating, be amended to read as follows:

Sec. 74-122. - Boating.

Vessels and boating at Silver Lake shall be governed by the following provisions, which are subject to fines as provided for in Appendix F - Fees and Fines:

(1) *Permit required*. Before any person shall operate any vessel upon Silver Lake, he shall obtain a permit for each vessel from the customer service department. The vessel shall be registered in the name of the owner with the customer service department at the time of the application for a permit. Thereafter, the owner shall be responsible for the operation of the vessel on Silver Lake and shall be responsible for compliance with the terms of this chapter, whether or not the owner is the operator of the vessel.

(2) *Permit fee*. For each permit issued pursuant to subsection (2) of this section, the customer service department shall collect an annual fee as specified by the city council.

(3) *Motorboats*. It shall be unlawful for any person to operate a motorboat in excess of 18 feet in length or 115 horsepower, based on factory specifications as related to the vessel outboard certification (OBC) rating. Older vessels or home-built vessels shall be related, as near as possible, in accordance with similar vessels with factory horsepower recommendations.

(4) Personal Watercraft (PWC). It shall be unlawful for any person to operate PWC or other similar devices upon Silver Lake. Personal watercraft are defined as motorboats less than 16 feet in length that are powered by jet pumps, not propellers, where the persons stand, kneel, or sit on, rather than inside the vessel. PWCs are operated by one person, and often have seating space for others. Some models have seating for up to four riders (including the operator).

(5) Airboat. It shall be unlawful for any person to operate an airboat or other similar devices upon Silver Lake. An airboat, also known as a fanboat, is a flat-bottomed vessel (jon boat) propelled in a forward direction by an aircraft-type propeller and powered by either an internal combustion or electric engine.

(6) Hovercraft. It shall be unlawful for any person to operate a hovercraft or other similar devices upon Silver Lake. A hovercraft (air-cushion vehicle, ACV) is a craft capable of traveling over surfaces while supported by a cushion of slow moving, high-pressure air which is ejected against the surface below and contained within a "skirt."

(7) *Display of permit number*. Every vessel operated upon Silver Lake shall clearly display the permit required in subsection (2) of this section on the right side of the vessel stern and on the right side of the trailer near the tongue. Permits must be clearly visible at all times.

(8) *Direction of vessels*. As a general rule, and whenever practical, all vessels traveling around Silver Lake shall proceed in a counterclockwise direction.

(9) *Overtaking, passing or meeting another vessel*. The U.S. Coast Guard Inland Rules of the Road regarding the overtaking, passing or meeting of vessels shall apply to vessels upon Silver Lake.

(10) *Passing under Silver Lake Bridge*. In passing under the Silver Lake Bridge, all vessels shall use the arch to the right and no vessel at any time shall use the center arch. Speeds under the bridge and within 75 feet of the bridge shall be at a no wake speed (four miles per hour).

(11) *Operating distance from shore or bridge*. No power vessel shall operate less than 75 feet from any shoreline, swimming area, pier or dock, except when launching and landing, nor shall any power vessel operate closer than 75 feet to the Silver Lake Bridge, except when that vessel is intending to pass under the bridge, nor shall any power vessel operate closer than 50 feet to any other power or nonpower vessel.

(12) *Vessel racing*. Vessel racing is prohibited upon Silver Lake.

(13) *Operating vessel in swimming area*. At no time shall any vessel be operated within any designated swimming area.

(14) *Motorboat mufflers*. All vessels which are mechanically propelled shall at all times maintain, as part of its equipment, a standard manufacturer's muffler for the type of engine used.

(15) *Vessels operated after sundown*. All nonpower vessels operating after sundown shall be equipped with lights satisfying the U.S. Coast Guard Requirements on Inland Rules, and shall keep those lights in constant operation as long as the vessel is being operated, and shall not operate at a speed in excess of four miles per hour. The operation of power vessels on Silver Lake shall be permitted from sunrise to sunset. Between sunrise and 10:00 a.m. (local time), power vessels shall be operated at a no wake speed (four miles per hour).

(16) *Lowering, placing and removing* vessels with vehicle. No person, other than the motor vehicle operator, shall occupy any motor vehicle being used for the purpose of lowering, placing or removing any vessel at the ramps provided for this purpose at the Silver Lake site. The only vehicle accessible vessel ramp facility is located next to the dam and accessed from the Kings Highway park entrance.

(17) *Garbage, litter and other waste*. Garbage, litter, or other waste shall not be dropped or thrown from vessels, or from shore into park waters, but shall be disposed of on shore, at designated locations, in the prescribed manner.

(18) *Kayak, Canoe and other small craft launching.* Kayaks, canoes and other small watercraft that can be launched without the assistance of a motor vehicle, may utilize the identified small craft launching area adjacent to the swimming beach accessed by the Washington St.

park entrance. Craft may not be left in the launch area for any duration longer than necessary to access the lake.

(19) *Beaching*. Beaching of vessels in other than designated areas is prohibited, except in an emergency or Parks and Recreation Department Director approved special events.

(20) *Horseplay*. Any horseplay in vessels or changing from one vessel to another while on the water is strictly prohibited.

(21) *Storms*. In all storm conditions, vessels must return to the docks.

(22) *Accidents and injuries*. All accidents or injuries shall be reported to the police.

(23) *Limiting or expanding vessel operations*. The director of parks and recreation and the parks, recreation, and community enhancement committee shall have the authority to limit or expand vessel operation in certain areas of the lake to facilitate operation of nonpower watercraft or special events.

BE IT FURTHER ORDAINED:

That Chapter 74 - Parks and Recreation, Article III - Silver Lake Area, Section 74-123 - Water skiing, be amended to read as follows:

Sec. 74-123. - Water skiing.

(a) *Where prohibited*. No person shall engage in water skiing within 75 feet of any shoreline or within 75 feet of any designated swimming area.

(b) *Prohibited devices*. The use of ski ramps, parachutes and other similar devices that are designed to propel the rider, passenger or participant into the air shall be prohibited on Silver Lake.

(c) *Number of skiers*. Vessels shall pull no more than two skiers on weekdays, and no more than one skier on weekends and holidays.

(d) *Observer*. When a vessel is engaged in pulling a skier, a person at least 12 years of age, other than the vessel operator, shall be in the vessel to observe the skier and to notify the driver of the if the skier should at any time be injured or in need of assistance.

(e) *Boat operator*. No person under the age of 16 years shall operate a vessel towing a skier or any device.

(f) *Flotation*. No person shall water ski upon Silver Lake unless he is wearing a life jacket or some other ample form of flotation gear that is approved for the activity by the United States Coast Guard.

(g) *Bridge*. No person shall water ski under Silver Lake Bridge.

BE IT FURTHER ORDAINED:

That Appendix F - Fees and Fines, be amended by inserting the text indicated in bold, blue, italics, as follows:

Chapter 74 - Parks and Recreation, Article I - In General		
Fines not paid within 14 days of the day the fine was issued, including the day the fine was issued, shall be automatically doubled in amount.		
Sec. 74-51	Operating any non-permitted motorboat on Silver Lake	not to exceed $200.00, and not less than $100.00
Sec. 74-52	Same - Fine	not to exceed $100.00, and not less than $10.00.

ADOPTED: FEBRUARY 13, 2012

COUNCIL MEMBERS ANNOUNCEMENTS

Council President Leary thanked Mr. Sudler, Chairman of the Dover Human Relations Commission, for providing him the opportunity to meet with him and stated he hoped to build better synergy between the Commission and City Council.

Mr. Bonar recognized Dr. Kim Warfield (who was in attendance) and advised members that a community meeting was held at White Oak Park this past weekend to discuss issues relating to diversity in Dover with approximately 60-75 people in attendance, including a number of community leaders throughout the State. He thanked Dr. Warfield for her work in helping to organize that meeting and looked forward to similar community meetings in the future.

Mr. Anderson congratulated several members of the community who are working on intractable problems such as homelessness. He felt that such problems could be dealt with as a City. In addition, he relayed congratulations to People's Place for the placement of 50 homeless veterans in the past two (2) years.

Mr. Hare moved for adjourn into executive session to discuss legal matters, seconded by Mr. Bonar and unanimously carried.

Meeting Adjourned at 9:03 P.M.

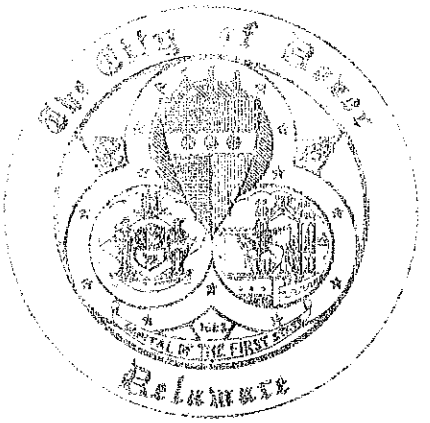
TRACI A. McDOWELL
CITY CLERK

All orders, ordinances, and resolutions adopted by City Council during their Regular Meeting of February 13, 2012, are hereby approved.

CARLETON E. CAREY, SR.
MAYOR

/TM/jg
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Exhibits Attached to Original Minutes and File Copy
Exhibit #1 - Presentation - Violation of Dangerous Building Ordinance - 22 Fairwind Place
Exhibit #2 - Presentation - Violation of Dangerous Building Ordinance - 123 Blue Beach Drive
Exhibit #3 - Correspondence - Violation of Dangerous Building Ordinance - 123 Blue Beach Drive
Exhibit #4 - Letter from ServPro Dated February 13, 2012 - 123 Blue Beach Drive
Exhibit #5 - Contract Between ServPro and Deborah Statler Dated February 3, 2012 - 123 Blue Beach Drive
Exhibit #6 - Correspondence from Mr. Bob Hartman Dated February 13, 2012 Related to the City's Electric Department



CERTIFICATE OF CONGRATULATIONS

The Mayor and Council of the City of Dover
take great pleasure in honoring

Mr. Herb Konowitz

for being chosen as the winner of the prestigious
2011 Dover Post Great Person of the Year Award
which is awarded to individuals
who have made a difference in the lives of others.

We are pleased to recognize Mr. Konowitz for his past service and continued dedication to the local community.

With gratitude and best wishes for the future.

February 27, 2012

Thomas J. Leary	*Carleton E. Carey, Sr.*
Council President	*Mayor*

ACTION FORM

PROCEEDING: City Council
DEPARTMENT OF ORIGIN: Planning & Inspections **DATE SUBMITTED**: February 17, 2012
PREPARED BY: Ann Marie Townshend, AICP, Director of Planning and Community Development
SUBJECT: 38 S. New 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 # 12-63
RELATED PROJECT: N/A
APPROVALS: Scott D. Koenig, P.E., City Manager; Donna Mitchell, City Controller/Treasurer
EXHIBITS: PowerPoint Presentation and File Photos to be presented at the Council meeting.
EXPENDITURE REQUIRED: Preliminary estimate is $10,000-15,000. **AMOUNT BUDGETED**: $100,000 Budgeted for all demolitions Citywide in the FY-2012 Budget; $18,184.41 remains in line item. **FUNDING SOURCE (Dept./Page in CIP & Budget)**: 110-1600-534-30-33 – Page 155 in the FY 2012 Operating Budget.
TIMETABLE: As soon as possible.
RECOMMENDED ACTION: 1. Declare this building and any accessory buildings on this property dangerous. 2. Order the property repaired or demolished by **March 27, 2012** 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 House of Pride, Inc. The property consists of a two-story wood frame dwelling. It is a single-family dwelling that had been divided into two apartments, which is a non-conforming use according to the *Zoning Ordinance*. Most recently, the house had received Conditional Use approval by the House of Pride for use as a transitional home associated with their recovery and transitional housing program. On January 8, 2012, the property was severely damaged by fire and was subsequently condemned on January 9, 2012.

There have been e-mail exchanges between the City Planner and House of Pride attorney, Sandra Dean, regarding repair of the structure. Under the provisions of the City's Clean Hands Ordinance (Dover Code, Chapter 1, Section 1-13 – Denial of permits or approvals for failure to comply with requirements for payment, actions, or filings), the City cannot issue a building permit to reconstruct damaged portions of the structure until all outstanding payments due to the City are paid in full. Currently, there are unpaid demolition charges for 35 N. New Street ($12,977.50) and 106 S. New Street ($21,902.75). To date, these charges have not been paid, and no application has been filed to make the repairs.

PARKS, RECREATION, AND COMMUNITY ENHANCEMENT COMMITTEE

The Parks, Recreation, and Community Enhancement Committee Meeting was held on February 13, 2012, at 12:00 noon, with Chairwoman Russell presiding. Members present were Mr. Anderson (arrived at 12:08 p.m.), Mrs. Horsey, and Mr. Lewis. Mr. Hare was absent.

AGENDA ADDITIONS/DELETIONS

By unanimous consent, the agenda was approved as presented.

Accounting of Summer Program Revenues

Members reviewed the Substance Abuse Program Revenue and Expense Report for Fiscal Year 2011. Mrs. Sherwanda Rachal-Speaks, Recreation Specialist, noted that the purpose of the grants received is to provide services to 100 at-risk youth who are identified as having economic and/or academic disadvantages. She also provided an overview of the purpose and function of the various programs funded through the grants. Mrs. Rachal-Speaks also noted that a Youth Connections Parent/Student Handbook is provided to all parents of participants in the after-school program.

Responding to Mr. Lewis, Mrs. Rachal-Speaks indicated that Youth Connections started with a grant from the State through the Delaware Prevention Network and has been in existence for 17 years. The after-school program is a licensed program that is overseen by teachers and workers who must meet specified criteria for providing care to young children, including completion of classes, background checks, and 18 hours of training each year.

Mrs. Russell suggested that Mrs. Rachal-Speaks meet with Police Chief Hosfelt to assist in the development of a program being instituted by the Police Department for the youth in the downtown area.

Mr. Lewis moved to recommend acceptance of the Accounting of Summer Program Revenues as presented by staff, seconded by Mrs. Horsey and unanimously carried.

Proposed Amendments to Community Development Block Grant (CDBG) Guidelines

Members were reminded that during their meeting of January 9, 2012, the Parks, Recreation and Community Enhancement Committee recommended that Council approve a change to the Community Development Block Grant (CDBG) subgrant procedure to have applicants apply for multi-year funding that would coincide with the length of the Community Development Consolidated Plan. City Council approved the Committee's recommendation on January 23, 2012.

During the January 9, 2012 Committee meeting, it was noted that if the change to the procedure was approved, staff would prepare an amendment to the Consolidated Plan with the upcoming round of funding allocation and the program guidelines would be revised and brought to the Committee for their review. As a result, staff presented proposed revisions to the CDBG Program Guidelines which would integrate the multi-year subgrant process.

Mrs. Tracey Harvey, Community Development Manager, reviewed the proposed revised CDBG Program Guidelines and noted that substantive changes were highlighted. She explained that, according to the revised guidelines, subrecipients (non-City entities) would apply for eligibility for funding on multi-year cycles and would provide the information necessary to evaluate the proposal according to the criteria in this application. City projects and programs that are eligible for funding would be specified in the Consolidated Plan and would not be required to submit a formal application. Both non-City and City applicants would be required to submit an annual funding request with a budget and program description. The revised guidelines would also allow the Director of Planning and Community Development to bring additional potential subgrantees forward to the Committee for consideration of funding during the Consolidated Plan year if special circumstances arise.

Staff recommended approval of the revised CDBG Program Guidelines, as presented.

In response to Mrs. Russell, Mrs. Ann Marie Townshend, Director of Planning and Community Development, assured members that each funding request, including any request of the City, would be ranked by the Committee during the review process.

Responding to Mr. Anderson's concerns regarding accountability, Mrs. Townshend indicated that funding requests are reviewed each year and members are provided monthly updates; therefore, if a subgrantee does not perform as expected, the Committee can reconsider their grant funding. Elaborating, Mrs. Harvey advised members that the City also has contracts with the subrecipients; therefore, if it is found that a subrecipient is not performing well, the City has the right to terminate the contract.

Mr. Lewis moved to recommend approval of the revised Community Development Block Grant (CDBG) Program Guidelines, as recommended by staff, seconded by Mrs. Horsey and unanimously carried.

UPDATES

The following updates were provided to members

Planning and Funding for New Library

Ms. Marjorie Cyr, Library Director, advised members that construction of the new Dover Public Library is approximately 50% complete and the metal roof should be installed next week. Staff is finalizing the shelving and furniture listing for the building. She indicated that construction is on target for completion of the building in June or July, with a ribbon cutting to occur in September 2012.

Ms. Cyr stated that the Capital Campaign has received two (2) $100,000 donations, one of which is a challenge pledge, and that the Campaign is approximately one-third of the way toward meeting the goal. She informed members that the other donation was from a local Dover family who was very specific that they did not want their gift to go toward meeting the challenge pledge in order to encourage the community to continue to contribute toward the challenge.

Ms. Cyr advised members that Memorial Brick Pavers are still for sale (at a cost of $125 each) and will be placed at the Loockerman Street entrance to the library. She also advised members that a fund raising concert is scheduled for March 3, 2012 at the Wesley Chapel.

In response to Mrs. Russell, Ms. Cyr indicated that two (2) tours of the new Library facility were conducted for City Council members and that Kent County Levy Court members were provided a tour earlier in the day. She stated that the tours are very important, particularly for potential donors, and if members knew of interested parties, she requested that they contact her to make tour arrangements.

Responding to Mr. Anderson, Ms. Cyr stated that any donation received, with the exception of the brick paver sales, would be counted toward the challenge pledge.

Ms. Cyr advised members that the Events Committee is planning a Ball to take place around the time of the ribbon cutting. The Committee is working with the Governor's Office to schedule the ribbon cutting event for September 20, 2012. She stated that it is hoped that the Ball would become an annual event to help support the Library and that this year's theme will be "Dancing with Da Vinci."

CDBG Program

Mrs. Tracey Harvey, Community Development Manager, reported on the Status of FY 2011 CDBG Projects as of January 2012. She noted that 5:00 p.m. today is the deadline for the CDBG Applications for multi-year projects.

It was noted that the report provided to members indicates an Unencumbered Balance of $0 for Connections Community Support, which should be $5,000 and that the $5,000 listed as Funds Expended should be $0. *(Clerk's Office Note: The Status of FY 2011CDBG Projects Report was revised following the meeting and is included as* ***Attachment #1.****)*

Responding to Mrs. Russell, Mrs. Harvey confirmed that the RC&D facility has moved to Milford; however, continues to provide services to City of Dover residents. In regard to the Street Program, Mrs. Harvey indicated that it is anticipated that the project will begin in the Summer of 2012. Mrs. Ann Marie Townshend explained that a water line replacement is scheduled to occur on New Street next summer and that the paving cannot begin until the water main work has been completed.

Housing and Recovery Act of 2008 Funds (Neighborhood Stabilization Fund)

Mrs. Tracey Harvey, Community Development Manager, reviewed the Update on the Housing and Recovery Act of 2008 Funds (Neighborhood Stabilization Program).

Dover Youth Advisory Committee

Mrs. Russell advised members that during the Regular Council Meeting of January 9, 2012, Council approved reappointments to the Dover Youth Advisory Committee. She stated that the members attended a recent Delaware League of Local Governments Meeting, where they were presented with

certificates in recognition that this group is the only municipal youth committee in the State of Delaware. She noted that the Boys and Girls Club is attempting to create a youth committee to serve as an advisory board.

Responding to Mr. Lewis, Mrs. Russell stated that there are nine (9) members who serve on the Youth Advisory Committee.

Mr. Lewis moved for adjournment, seconded by Mrs. Horsey and unanimously carried.

Meeting Adjourned at 12:33 P.M.

Sophia R. Russell
Chairwoman

SRR/JS/jg/dd/tm
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Attachment to Original and File Copy
Attachment #1 - Revised Report - Status of FY2011 CDBG Projects as of January 2012

UTILITY COMMITTEE

The Utility Committee Meeting was held on February 13, 2012 at 5:00 p.m. with Chairman Bonar presiding. Members present were Mr. Lynn and Mr. Blakeman. Mrs. Williams and Mr. Snaman were absent. Members of Council present were Mr. Anderson, Mr. Hare (arrived at 5:20 p.m.), Mr. Hutchison, and Council President Leary (departed at 5:21 p.m.). Mayor Carey was also present.

AGENDA ADDITIONS/DELETIONS

By unanimous consent, the agenda was approved as presented.

Garrison Tract Infrastructure Financing

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

> *"Calpine is a leading independent power producer of reliable electricity to a wide range of customers and communities. Founded in 1984, Calpine is capable of delivering approximately 28,000 megawatts of clean efficient power generation, in 20 U.S. states and Canada, with 91 operating power plants and two under construction. Calpine's fleet of natural gas-fired plants is among the youngest and cleanest in the country. The average plant age is about 12 years old, and the fleet emits fewer greenhouse gases per megawatt hour generated than any other independent power producer in the United States. Following its acquisition of Conectiv Energy in 2010, which added 19 new plants in the Eastern PJM region, Calpine's portfolio now has significant scale in three major power markets: Texas, California and the Mid-Atlantic. With a modern, diverse and flexible fleet of state-of-the-art plants, Calpine is poised to benefit from price and volume improvements in all three areas as the country's economic recovery strengthens.*
>
> *Calpine is proposing to construct a 309-megawatt, energy efficient, merchant power production facility (known as the Garrison Energy Center (GEC)) on a roughly 37-acre site located at the Garrison Oak Technical Park just east of Rt. 1 off of White Oak Road. Their site development application has been submitted to the City and their project will be considered by the City's Planning Commission in March 2012. The proposed site is industrially zoned although currently undeveloped. The City and Calpine are parties to an Option to Lease agreement which would permit Calpine to lease the land for a 30-year term with four (4) five-year options. Calpine has now received the results of the PJM System Impact Study. The results of the study have identified various electrical infrastructure upgrades that will be required to inject the power into the PJM grid. The necessary upgrades to the power transmission system in the Pennsylvania area may also require an additional investment on Calpine's behalf. Pending approval by their board of directors and favorable market conditions, Calpine expects to be in a position to obtain building permits and start site construction to allow for a June 2015 commercial operation date. Both DEDO (Delaware Economic Development Office) and DNREC (Department of Natural Resources and Environmental Control) are supportive of the project based on the REMI* [Regional Economic Models, Inc.] *study which concluded that the GEC will provide a significant Gross Domestic Product (GDP) increase, jobs creation, and lower wholesale energy costs for Delawareans.*

Specifically, the REMI study indicates the proposed project will create 200-250 (peak) construction jobs and a GDP increase of $25 million during construction of the facility. 15 direct jobs and 67 indirect jobs and a GDP increase of $126 million during operations of the facility will also be achieved. 121 indirect jobs and a GDP increase of $96 million will be brought about by the lower wholesale energy prices Delaware will realize once the GEC is added to the regional power generation mix. According to the analysis done by an independent energy consulting firm, during the first six (6) years of operation, the GEC will:

1) *Decrease Delaware wholesale energy costs by at least $95 million.*

2) *Reduce residential customer bills by up to $1-1.25/month provided transmission and distribution charges are held constant.*

The infrastructure build-out at the Garrison Oak Technical Park will enable Delaware and the City of Dover to draw other industrial tenants, thus further expanding economic and job opportunity beyond this specific project.

Based upon the projected utility demands and property improvements, the expected revenues associated with the project have been estimated as follows:

City Water Revenue	*$1.6 million per year*
City Sewer Revenue	*$258,600 per year*
Land Lease Income	*$28,000 per year plus an annual escalator*
Property Taxes	*$150,000 (City & County Combined)*
Back Up Electric Power	*$250,000*
TOTAL:	*$2,286,600*

As we previously indicated, the City of Dover has encouraged Calpine to apply for a Delaware New Jobs Infrastructure Fund grant, which the City agreed to sign on as its public sponsor. During Calpine's discussions with the State of Delaware, representatives from State government indicated that the City of Dover must have "skin in the game" for this project to come to fruition. There are several infrastructure investments outside of the site plan boundaries that Calpine has requested third-party funding for. These investments include approximately 6 miles of a new large diameter natural gas pipeline, as well as water, sanitary sewer, storm sewer, and road improvements for a portion of the Garrison Oak Technical Park. The estimated cost of these infrastructure investments is $12 million.

My purpose for coming before the Utility Committee tonight is to request your support for funding of these infrastructure improvements up to a target amount of $6 million dollars. The City intends to work with the State of Delaware and other entities to fund the balance of the infrastructure investments. In addition, we hope to reduce the economic outlay from the City of Dover as more detailed estimates are

forged. The GEC provides a unique opportunity to lower wholesale energy costs on the supply side of the energy equation since this is an energy efficient unit. This efficiency will increase the operating value of this asset. Thank You."

Responding to Mr. Blakeman, Mr. Koenig indicated that the $6M would pay for infrastructure which is associated with the extension of a gas lateral from north of Cheswold to the Garrison Farm and GEC, as well as extending water, sewer, and road infrastructure on the Garrison property. He noted that a total of $12M of off-site infrastructure improvements is associated with water, sewer, road, and gas line construction specifically being requested and it is hoped that the remaining $6M will be obtained from the State of Delaware through grant monies.

Mr. Koenig explained that the request is to offer a commitment of $6M. If this is approved by City Council, staff will distribute a letter to Calpine, which would be included in a package that Calpine is assembling for their Board and used in negotiations with the PJM grid. He stated that the commitment letter is the next step for the City and would not commit the City to pay $6M if the project does not move forward.

In response to Mr. Blakeman, Mr. Koenig stated that the City may not actually provide $6M to Calpine; however, the City of Dover may contract for the $6M to build the infrastructure. The $6M investment would occur only if Calpine pulls a building permit and begins construction of the project. Mr. Koenig explained his understanding that the City of Dover would own all of the infrastructure constructed using the $12M, including the gas pipelines, water, sewer, and roads.

Mr. Bonar clarified that the request is for the City to provide an authorization to commit up to $6M in contributions toward the project and that payment of the funds would not be guaranteed if the project does not move forward. Concurring, Mr. Koenig indicated that if the project does not move forward, the City would not be obligated to build any of the infrastructure.

Responding to Mr. Anderson, Mr. Koenig confirmed that the perceived lack of infrastructure has been delaying the development of the Garrison Tract. He advised members that preliminary designs for infrastructure have been prepared for a field located on the Garrison Tract; however, there are no roads or water for a majority of the park. The water system was expanded from the Wild Meadows Subdivision to the location of the LS Power facility in preparation of the Garrison Center. Mr. Koenig noted that a lot could not be offered for sale there since there is no infrastructure for a finished lot. He confirmed that the Calpine project could potentially provide opportunity for other projects for the Garrison Farm and the proposed infrastructure would open 65% of the project for development once completed.

Mr. Anderson questioned if fees would be involved for the gas that passes through the gas lines. Responding, Mr. Koenig stated that there have not been formal discussions with Eastern Shore Natural Gas or Chesapeake Utilities in this regard; however, it is possible the City of Dover could potentially own the gas lines and then establish an agreement for operation and maintenance with either Eastern Shore Natural Gas or Chesapeake Utilities. The City could potentially receive revenue in the future, as additional gas is delivered or additional taps are made off the line.

Mr. Lynn relayed concerns regarding the Calpine project in general and questioned if there have been any conversations with any representatives of Wild Meadows regarding their feelings about such a

project being in close proximity. Mr. Koenig stated that it has been his experience that the residents of Wild Meadows have been very vocal in the past regarding any potential problems and that to date, he was not aware of any concerns. He was aware that a "field trip" has been planned in the near future to visit another facility similar to the proposed project.

Mr. Lynn advised members that, as he requested, Calpine has reached out to the residents of the Wild Meadows Subdivision to make sure they are kept abreast of all developments. It was his opinion that Calpine has shown exemplary corporate citizenship in this regard. His concern was that the residents of Wild Meadows have not rendered their opinions regarding their support of this project. His fear was that the residents would be opposed to the construction of a plant directly behind them and, as a result, he spoke to the City's Economic Development Director, Mr. Bill Neaton, to determine the possibility of moving the Calpine site to another location on the Garrison Tract (further from Wild Meadows). Responding, Mr. Koenig stated that this project has been in discussion for approximately two (2) years and feared that it may be too late to consider moving the location, particularly since the location has been discussed with DNREC as well as the State Planning Office. He also noted that the site plan application has been filed with the City.

Mr. Blakeman moved to recommend the endorsement of up to $6M of in-kind contributions for the infrastructure financing for the Garrison Tract, seconded by Mr. Bonar and carried, with Mr. Lynn voting no.

Review of Utility Related Capital Investment Plan (CIP) ***(Electric and Water/Wastewater)***
Members were provided a Project Tracking Report, as of December 31, 2011, for the Utility (Electric and Water/Wastewater) Related Capital Investment Plan (CIP).

Responding to Mr. Bonar, Mr. Scott Koenig, City Manager, indicated that the paving of Hazel Road should be completed in March 2012. He reminded members that a water line replacement was completed on Hazel Road and that the last street program issued included Hazel Road; therefore, curb and sidewalk repairs should be occurring. He stated that once asphalt plants open again in the Spring, the street will be paved and completed.

In response to Mr. Anderson regarding the Inflow/Infiltration project, Mr. Koenig stated that although he did not have the outlay of the scale (prioritization of areas), he assured members that staff has been working diligently to maintain the schedule. He noted that the reports provided were from December and that actual construction progress may be further than what was indicated in the report.

In response to Mr. Blakeman regarding the repairs on Unit #3, Mr. Koenig indicated that both preventative and long-term maintenance were being conducted on Unit #3 at the same time.

Mr. Blakeman moved to recommend acceptance of the Utility Related CIP Report as presented, seconded by Mr. Lynn and unanimously carried.

30-Day Update - Garrison Oak Technical Park Project

Mr. Bonar referred to the first agenda item discussed by members (Garrison Tract Infrastructure Financing) and noted that it would serve as the 30-day update.

By unanimous consent, the meeting adjourned at 5:27 P.M.

David L. Bonar
Chairman

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LEGISLATIVE, FINANCE, AND ADMINISTRATION COMMITTEE

The Legislative, Finance, and Administration Committee meeting was held on February 13, 2012 at 5:32 p.m. with Councilman Hare presiding in the absence of Chairman McGlumphy. Members present were Mr. Anderson and Mr. Shevock. Dr. Jones was absent. Members of Council present were Mr. Bonar (departed at 6:46 p.m.), Mr. Hutchison (departed at 6:46 p.m.), Mr. Lynn (departed at 6:46 p.m.), Mrs. Russell (arrived at 5:58 p.m.), and Council President Leary (departed at 5:39 p.m.; returned at 6:50 p.m.). Mayor Carey was also present (departed at 5:56 p.m.).

AGENDA ADDITIONS/DELETIONS

Mr. Shevock moved for approval of the agenda, as presented, seconded by Mr. Anderson and unanimously carried.

Review and Recommendation - Filling Critical Positions

During their Regular Meeting of January 23, 2012, City Council approved an amendment to the process for filling critical positions, which was approved by City Council on August 22, 2011, to specify that if a position becomes vacant that will affect public or employee safety or cause financial harm to the City, Permission to Recruit, Hiring Justification Outline, and Wage and Benefit Information for Employee Hiring and Transfers forms shall be submitted to the Legislative, Finance, and Administrative Committee, and that such requests would be forwarded to the City Manager and Controller/Treasurer for their review and recommendation prior to the Committee's consideration.

Fire Dispatcher

Mr. Scott Koenig, City Manager, reviewed Fire Chief Jack Fortney's request to fill one (1) vacant Fire Dispatcher position. The current vacancy was the result of the transfer/promotion of Mr. Matt Carey from a Fire Dispatcher in the Fire Department to a Communication Operator in the Police Department. The Fire Dispatcher position has been vacant since November 1, 2011, which has increased the level of stress on current staff and has the potential to degrade service if the position remains unfilled.

In reviewing the Fire Chief's hiring justification outline, Mr. Koenig stated his support of the request; however, he recommended approval with the condition that the candidate selected must pass the same background check that is required by the Police Department for Communication Operators. He reminded members that his long-term objective for both Police and Fire Department dispatch operations is to have a consolidated facility that would eventually integrate emergency dispatch functions. Mr. Koenig felt that the requirement of a background check would help lay the foundation for that transition.

Mr. Koenig noted that the total cost of annual wages and benefits for the position was estimated at $51,224.

Responding to Mr. Anderson, Fire Chief Fortney indicated that there were five (5) full-time dispatcher positions and one (1) part-time position in the Fire Department and that four (4) full-time positions and one (1) part-time position are currently filled.

Mr. Anderson moved to recommend approval of the request to recruit for the Fire Dispatcher, with the condition that the candidate selected to fill the position must pass the same background check that is required by the Police Department for their Communication Operators, as recommended by staff. The motion was seconded by Mr. Shevock and unanimously carried.

Electric Department

Mr. Scott Koenig, City Manager, reviewed a request from Mr. Jeremy Johnson, Interim Electric Director, to fill three (3) vacant or soon to be vacant positions within the Electric Department. He advised members that there are a total of six (6) vacant positions within this department currently. An additional vacancy is expected on or about April 1, 2012, due to an expected retirement. Due to the considerable number of vacancies in the current fiscal year, funds are available to fill the requested positions. In addition, Mr. Koenig stated that adequate funds should be available in the FY 2013 budget since he did not anticipate filling several of the vacant positions. He noted that the Departmental Budget and Support Supervisor position will be removed from the FY 2013 budget altogether.

Mr. Koenig advised members that these positions were also identified by the former Public Utilities Director, Mr. Ron Lunt, as being critical to the function of the City's electric utility. Based upon the reviews by Mr. Johnson and Mr. Lunt, he concluded that these positions are critical and must be filled. He noted that the request would upgrade the open position of Substation Relay Foreman to an Electrical Engineering position and that the estimated budget impact of this upgrade is $18,409; however, this change would significantly expand the City's engineering capability.

Staff recommended that the Substation Relay Foreman vacancy be filled by an Electrical Engineer, which would increase efficiency because the Substation Relay Foreman's responsibilities would be satisfied and some engineering duties could be absorbed. Additionally, staff recommended hiring two (2) Substation Technicians at the entry-level grade. This would replace the vacant Substation Technician II and prepare the department for the retirement of the other Substation Technician.

In response to Mr. Anderson, Mr. Johnson stated that the Substation Department provides safety to City employees and the general public and plays a vital role in restoring power during outages. Additional functions of this department include substation maintenance, completion of capital projects, and support of the Electric Department's daily operation. He stated that the minimum staffing level of the Substation Department is five (5) employees and that the Department is currently operating with three (3), with a Substation Technician expected to retire in April 2012.

As an example of the effect on the public's safety, Mr. Johnson explained that if a vehicle was to hit an electric pole, causing power lines to go down, and the Substation Department did not function properly and remove power from the system, those lines would remain energized and could cause danger to the public.

Mr. Hare reminded members that City Council has been considering the possibility of selling the City's utility and questioned if the proposed action should be taken at this time, since Council is waiting for responses to the Request for Proposals (RFP) for a Cost of Service Study and would be making a decision in this regard. Responding, Mr. Johnson explained that the request would address the City's immediate need to continue to provide safe and reliable electric service.

Concurring, Mr. Bonar felt that whether the City decides to maintain the electric system is a separate issue to be considered once a study of the entire system has been completed. In the interim, the City has the responsibility to maintain the safety and reliability of the system. In his opinion, the requested positions were critical for providing for the reliability, adequacy, and safety of the system and he urged members to support the request.

Mr. Anderson moved to recommend approval of the request to recruit an Electrical Engineer for the Electric Department, as recommended by staff. The motion was seconded by Mr. Shevock and unanimously carried.

In regard to the anticipated retirement of a Substation Technician, Mr. Hare questioned if the employee had submitted his retirement application. Responding, Mr. Johnson stated that, although he was unsure if the paperwork had been completed, the employee had met with the Human Resources Department and indicated his intention to retire in April 2012.

Mr. Hare suggested the possibility of delaying the filling of the second position until the current employee retires. Responding, Mr. Koenig explained the length of time involved in the hiring process for such a position and suggested that if members had reservations regarding hiring two (2) Substation Technician positions at this time, they could recommend filling one (1) at this time, with the stipulation that the second position would be filled upon the retirement of the Substation Technician that is anticipated in April 2012.

Mr. Shevock moved to recommend approval of the request to recruit for one (1) of the Substation Technicians for the Electric Department, with the caveat that if the current Substation Technician submits his retirement application, staff could recruit for the second Substation Technician. The motion was seconded by Mr. Anderson and unanimously carried.

United Networks of America Revised Letter of Agreement *(Committee Tabled on December 12, 2011 Until Such Time That Some Type of Accounting Assurance is Provided to the City)*

During their meeting of December 12, 2011, members considered a Letter of Agreement with United Networks of America and tabled the matter until such time that some type of accounting assurance is provided to the City.

By unanimous consent, the matter was removed from the table.

Mr. Scott Koenig, City Manager, reviewed a revised Letter of Agreement which addressed the concerns relayed by members during their December 12, 2011 meeting.

Staff recommended that staff be authorized to sign the revised Letter of Agreement with United Networks of America to begin the Health Discount Card Program.

In response to Mr. Shevock, Mr. Koenig assured members that there would be no expenses for the City of Dover as a result of this program. Elaborating, Mr. Anderson indicated that the program itself provides several thousand copies of the material (brochures, cards, etc.) free of charge; however, if the City wished to promote the program beyond what is provided, those costs would be borne by the City.

Mr. Anderson moved to recommend that staff be authorized to sign the revised Letter of Agreement with United Networks of America to begin the Health Discount Card Program *(Attachment #1)*, seconded by Mr. Shevock and unanimously carried.

Staff Recommendations - Economic Development Office *(Tabled by Committee on January 9, 2012)*

During their meeting of January 9, 2012, Mr. Scott Koenig, City Manager, reviewed a memorandum outlining a recommendation for restructuring the City's Economic Development Office and the Downtown Dover Partnership (DDP). Members tabled the matter to allow the DDP Board to submit a response.

By unanimous consent, the matter was removed from the table.

Mr. Koenig reminded members of Recommendations #1-6 from the memorandum dated January 5, 2011. He stated that executive sessions were held to discuss qualifications and other personnel matters and the recommendations were also discussed with several members of the DDP and the DDP Board. Mr. Koenig noted that the DDP Board requested several amendments to staff's recommendation. It was the Board's opinion that the current Business Improvement District (BID) tax allocation would not be sufficient to cover the cost of the operation of the DDP; therefore, they requested that this tax be increased in the FY 2013 budget to provide a total transfer of $100,000. Mr. Koenig indicated that if the recommendation is implemented, the DDP would use its own funds and hire an Executive Director to manage the mission of the DDP. The DDP also felt that there would be a continued need for accounting and administrative support from the City of Dover in the near term (one (1) to three (3) years) for DDP Board and Committee Meetings.

Mr. Koenig stated that the IUE Union objected to Recommendation #5, stating that it would be a violation of their contract. He noted that this matter had not been reviewed by the City's labor attorney. Mr. Koenig felt that associated managerial rights provided in the contract would supercede the IUE's position on this matter.

In regard to concerns of a potential conflict of interest if the Economic Development Office was located in the Planning Department, Mr. Koenig stated that it could be argued that such a conflict could exist with any department. He indicated that the rationale for relocating the Economic

Development Office to the Planning Department is that first contact typically occurs in that office, explaining that most individuals do not contact the City Manager's Office for this type of information. He felt confident that moving the Economic Development Office to the Planning Department would not create a direct conflict of interest.

Mr. Koenig reminded members that the purpose of his recommendations was to discuss with City Council ways to address budget gaps and maintain levels of service. He relayed his support for the desire of the DDP to hire their own Executive Director, who would concentrate solely on the projects and mission of the DDP. He noted that the original recommendation included an effective date of February 1, 2012, which has passed.

In response to Mr. Anderson, Mr. Koenig stated that the DDP's Board made a valid point regarding the need for additional funding and support beyond June 30, 2012; however, he felt that their request and his recommendation should be negotiated in this regard.

Mr. Koenig indicated that his recommendations would provide a savings in the amount of $100,000 in employee costs for FY 2013 and a reduction in administrative expenses. He noted that the BID tax transfer allocation is currently $51,000; therefore, an additional $49,000 would be necessary to fill the DDP's request of $100,000 for the next fiscal year. This would result in only a $51,000 savings for FY 2013.

Mr. Anderson referred to a conversation he had with Ms. Georgeanna Windley (email previously provided to members) who indicated that she thought the program should be tweaked; however, she felt this would be counterproductive without a thorough assessment.

Responding to Mr. Lynn, Mr. Koenig stated his belief that staff could not produce documentation that would outline revenues that the Economic Development Office or Economic Development Manager position produce which exceed the costs.

Mr. Lynn encouraged members not to recommend placing the Office under the Planning Department, explaining his feeling that it is imperative that the integrity of Planning Department opinions regarding site plans, subdivisions, conditional use, and rezonings be protected from accusations of bias from an opposing public. He felt that the economic development professional would surely cultivate projects that would go before the Planning Commission, Board of Adjustment, and City Council. If the economic development professional were placed under the Planning Director, their independence on any matter would be compromised and every decision that is opposed would be open to litigation. Mr. Lynn also felt that this restructuring would diminish the status of the economic development professional, who should have complete access to the City Manager and the Mayor without having to go through the Planning Director, and that this office should have its own letterhead, website, etc.

Mr. Hare reminded members that prior to 2008, the Mayor and City Manager performed the City's economic development function in association with Kent County, and that this approach had proven successful for many years. He did not support the expenditure of funds for a separate economic development office and suggested that if it is maintained, since half of the responsibilities would be eliminated, it should consist of only a part-time employee (25 hours per week).

Disagreeing, Mr. Anderson reminded members that, prior to 2008, the City's downtown area began to weaken, and there was an increase in crime and a flight in businesses and jobs. It was his opinion that since the City acquired its own Economic Development Office, there has been slow improvement in the downtown area and the City has received millions of dollars in investments which will begin to take effect in March, including the North Street Project, Collegian site, revitalization of the old C-Moore's building, the Downtown charrette plan, etc.

Mr. Koenig reiterated that staff's recommendation is based on comments that were made by members of Council and the DDP. One major concern was that the City's workforce expanded in 2008 and a revenue stream was not developed to fund the Economic Development Office. He explained that when next year's budget is prepared, staff will be required to add a funding source for this Office and one of the reasons the recommendation was developed was due to this gap in the City's budget. Mr. Koenig concurred with the importance of economic development for the City and explained that the question is how this need ranks in priority as the budget is developed. He stated no objection to members rejecting staff's recommendation or tabling the matter to have staff respond to questions; however, he did not feel that providing answers to the questions would move the matter forward.

Mr. Anderson moved to recommend tabling the matter to allow staff additional time to work with the Downtown Dover Partnership (DDP) on the development of a recommendation. The motion was seconded by Mr. Shevock and unanimously carried.

Staff Recommendations - Community Development Office ***(Tabled by Committee on January 9, 2012)***
During their meeting of January 9, 2012, Mrs. Ann Marie Townshend, Director of Planning and Community Development, reviewed a recommendation to restructure the Community Development Program and the current Community Development Manager position to allow the incumbent of this position to take on additional responsibilities outside the Community Development Program. Members tabled action to allow further discussion, possibly in executive session.

By unanimous consent, the matter was removed from the table.

Mrs. Townshend reminded members of the recommendation and noted that a discussion of personnel matters related to this issue was held in executive session.

Mr. Hare stated that, after discussing this matter with other jurisdictions involved with the Community Development Block Grant (CDBG) Program, he felt that the work does not require a 40-hour week. Although he had no objections to assigning the current Community Development Manager as a Planner I, he did object to providing the employee a salary at the top of the pay scale for a Planner I since the employee does not currently qualify for the position of Planner I.
Responding, Mrs. Townshend stated that staff is working to address budgetary issues while maintaining a level of service. She stated that this employee's current salary is higher than the pay scale for a Planner I and staff's recommendation was for the Community Development Manager to retain her current salary in an attempt to be fair to the employee.

It was Mrs. Russell's feeling that it would be unfair to punish an employee who may prove to be as valuable in the new position as she has in her current position, where she provided years of service to the City.

In response to Mr. Hare, Mrs. Townshend clarified that the current Community Development Manager is not experienced in many of the primary duties of a Planner I; however, that is not an indication that the employee is not qualified. It was her opinion that the employee is qualified to serve as a Planner and, although she will need training, this is necessary even for individuals with a planning background. She noted that the recommendation is to merge the vacant Planner and CDBG positions and that the previous Planner (who earned approximately $40,000 per year) did not have a CDBG background. She explained the importance of properly managing the CDBG program and keeping it in line with Federal requirements.

Mr. Anderson moved to recommend that staff be authorized to restructure the Community Development Program and the current Community Development Manager position to allow for this position to take on additional responsibilities outside the Community Development Program, as recommended by staff. The motion was seconded by Mr. Shevock and carried, with Mr. Hare voting no.

Proposed Ordinance #2012-03 - Related to Senior Citizen Income Exclusions *(Referred Back to Staff on January 23, 2012)*

During their meeting of January 23, 2012, members considered Proposed Ordinance #2012-03, which would amend Chapter 102 - Taxation, Article VI - Exemptions; Board of Assessment Appeals, Section 102-183 - Tax Exemption for Senior Citizens by replacing the language "federal civil service retirement" with "Civil Service Retirement System (CSRS)" and changing the computation of the property owner's entitlement for the deduction from a dollar amount to a percentage of the Social Security maximum benefit. After much discussion, the Committee referred the matter back to staff for clarification of the language.

Ms. Cheryl Russell, City Assessor, stated that staff considered amending the language of the proposed ordinance title to specify that the senior citizen abatement was for low-income senior citizens, which was referred to the City Solicitor for review. She advised members that the City Solicitor recommended not changing the title of the ordinance. She explained that the authority for this exemption comes from 22 Del C §1001, "Exemptions from Municipal Taxation on Real Property For Persons 65 Years of Age or Older."

Staff recommended adoption of Proposed Ordinance #2012-03 amending Section 102-183 (b)(3) to update the language to specify Civil Service Retirement System (CSRS) as the type of Civil Service Retirement to be excluded and also to strike out the dollar amount for the maximum amount allowed for the deduction from income. Staff also recommended changing the wording in Line 48 for clarification (eliminating "Appeals from").

Mr. Anderson moved to recommend adoption of Proposed Ordinance #2012-03, as recommended by staff. The motion was seconded by Mr. Shevock and unanimously carried.

Request of City Manager - Employment Related Benefits/Expenses

Members reviewed a request from Mr. Scott Koenig, City Manager, to consider approval of a $400 car allowance rather than the use of a City vehicle and a $100 special cell phone allowance rather than the use of a City cell phone. He provided members with support documentation for each of the requests.

Mr. Anderson moved to recommend approval of the City Manager's request for a $400 car allowance and $100 special cell phone allowance, seconded by Mr. Shevock and unanimously carried.

By unanimous consent, the meeting adjourned at 7:00 p.m.

William F. Hare
Acting Chairman

WFH/TM/jg/js/dd
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Attachment
Attachment #1 - Revised Letter of Agreement with United Networks of America

2011 LETTER OF AGREEMENT

UNITED NETWORKS OF AMERICA
UNA Rx CARD DIVISION

UNA Health Discount Card Program Agreement

THIS LETTER OF AGREEMENT, to be effective _____, is between UNITED NETWORKS OF AMERICA, INC. with corporate headquarters at 3636 Sherwood Forest, Sherwood Tower 440, Baton Rouge, LA 70816 (hereinafter referred to as **"United Networks of America"** and City Of Dover with headquarters at 15 Loockerman Plaza, Dover, De, 19901 (hereinafter referred to as **"SPONSOR"**).

WITNESSETH

WHEREAS, SPONSOR wishes to provide a free discount prescription drug card to members and is willing to let United Networks of America be the exclusive provider for these benefits,

WHEREAS, United Networks of America has developed a discount prescription drug program and will provide SPONSOR with access to this program,

United Networks of America agrees to provide SPONSOR with a free discount drug card program at no cost. SPONSOR is responsible for any expenses related to promoting the program. However, SPONSOR is not obligated to promote the program. SPONSOR must abide by all state laws and be properly licensed in each state they conduct business in; failure to do so may result in immediate cancellation of agreement.

This exclusive agreement shall remain in full force and effect, unless otherwise terminated, for a term of two (2) years. The term of this agreement shall be automatically renewed for successive additional two (2) year terms unless written notice to the contrary is given by either party to the other not less than sixty (60) days prior to the end of the then current two (2) year term. *Ninety (90) days prior to the end of the contract United Networks of America will send a letter to the City Manager of the City of Dover with notice that the cancellation time frame is approaching.* Either party may terminate this agreement, without cause, by providing a thirty (30) day written notice. SPONSOR will not utilize any other vendor for these services throughout the term of this agreement and during the two (2) month run-out period after termination of this contract.

United Networks of America has developed "LOWEST PRICE" logic to guarantee that members get the best available price on UNA Rx Card prescriptions (members pay the lower of a discount off Average Wholesale Price-AWP, discount off MAC Pricing, or Pharmacy Promotional/Retail price).

Seal of United Networks of America

Rebate/Transaction Fees:

United Networks of America shall pay to SPONSOR a portion of the Rebate/Transaction fees collected on prescriptions processed through the UNA RX CARD program. In accordance with the schedule outlined below. The Rebate/Transaction fee only applies to prescriptions that are adjudicated at the negotiated rates. Prescriptions that adjudicate at the Retail-U&C (Usual and Customary) price DO NOT qualify for Rebate/Transaction payments. United Networks of America is under no obligation to pay Rebate/Transaction fees to SPONSOR if for any reason these funds are not made available to United Networks of America by pharmacy/drug companies. Transaction fees will be paid within 60 days of the end of each calendar month, *and documentation allowing the SPONSOR to verify the accuracy of the paid transaction fees will accompany the payment.* SPONSOR understands that the payment will only be made on scripts that are processed at a discount and only if transaction fees/rebates are paid by pharmacy/drug companies and received by United Networks of America. Prescriptions processed at U&C do not qualify for reimbursement.

I suggest that documentation allowing the City to verify the accuracy should accompany the payment. City should be referred to as SPONSOR.

Transactions Fees Payable to SPONSOR

$ 0.50 PER PAID SCRIPT

Included Program Features	
On the Fly Enrollment	**Included**
Provider Network Management	**Included**
Material Review	**Included**
Pharmacy / Member Help Desk	**Included**
Member Services (Toll-Free)	**Included**
Value Added Benefits Programs (subject to change)	
Vision Program	**Included**
Nutritional Supplement Program	**Included**
Help Lines	**Included**
Pro-Smile Teeth Whitening Program	**Included**

Member Co-Payments – United Networks of America Network Pharmacies

If a brand name drug is dispensed:	100% of calculated co-pay amount
If a generic drug is dispensed:	100% of calculated co-pay amount

SPONSOR REQUIREMENTS:
SPONSOR must have all program materials pre-approved by United Networks of America prior to printing/ distributing. No one is allowed to contact or visit pharmacies without prior written approval from United Networks of America. Failure to meet either of these requirements will result in immediate termination of agreement.

In Witness Whereof, the parties here have to execute this agreement as of the date first above written.

SPONSOR	**United Networks of America, Inc.**
_____ _	_____
Name	Francesco Ciccone
Title	EVP
Date: _____	Date: _____

Seal of United Networks of America

ACTION FORM

PROCEEDING: Council
DEPARTMENT OF ORIGIN: Parks, Recreation & Library **DATE SUBMITTED**: 2/17/2012
PREPARED BY: Margery K. Cyr
SUBJECT: Purchase Of Shelving For New Library
REFERENCE: New Library
RELATED PROJECT: N/A
REVIEWED BY: City Manager and Controller
EXHIBITS: Library Shelving Specifications
EXPENDITURE REQUIRED: **$292,738** **AMOUNT BUDGETED: $703,000** **FUNDING SOURCE (Dept./Page in CIP & Budget)**: Parks, Recreation & Library CIP page 15
TIMETABLE: Order in March and installed in June – July 2012.
RECOMMENDED ACTION: Staff recommends City Council approval of the purchase of the shelving, end panels, and countertops in the amount of $292,738.

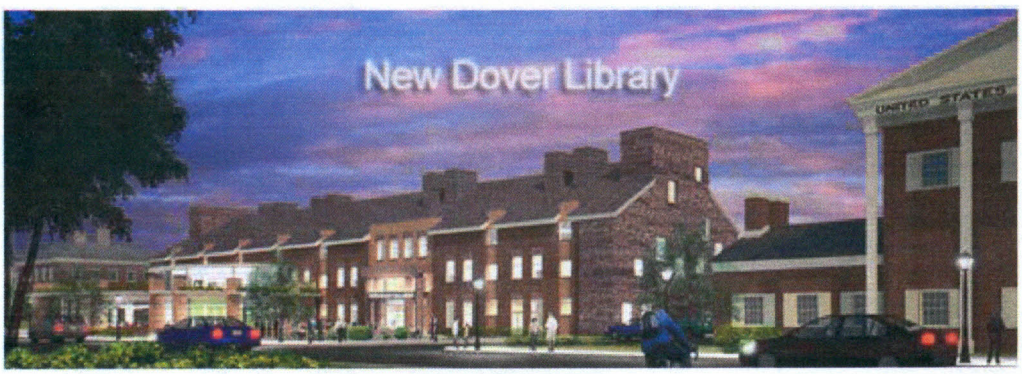
BACKGROUND AND ANALYSIS

Ground was broken on the new Dover Public Library in April 2011. The Library is at 50% construction and on time for a June 2012 construction completion date. There is a lead time on the order and delivery necessary so that shelving may be installed by EDiS to meet the construction schedule and deadlines.

Staff has reviewed and recommends approval from Diversified Storage Solutions through state contract, which is per the cooperative purchasing policy (Section 3.5) in place in the City of Dover.

The balance of the furniture is being reviewed by staff and will be brought forward to the council in March.

Dover Public Library



Library Shelving Specifications

Diversified Storage Solutions Inc

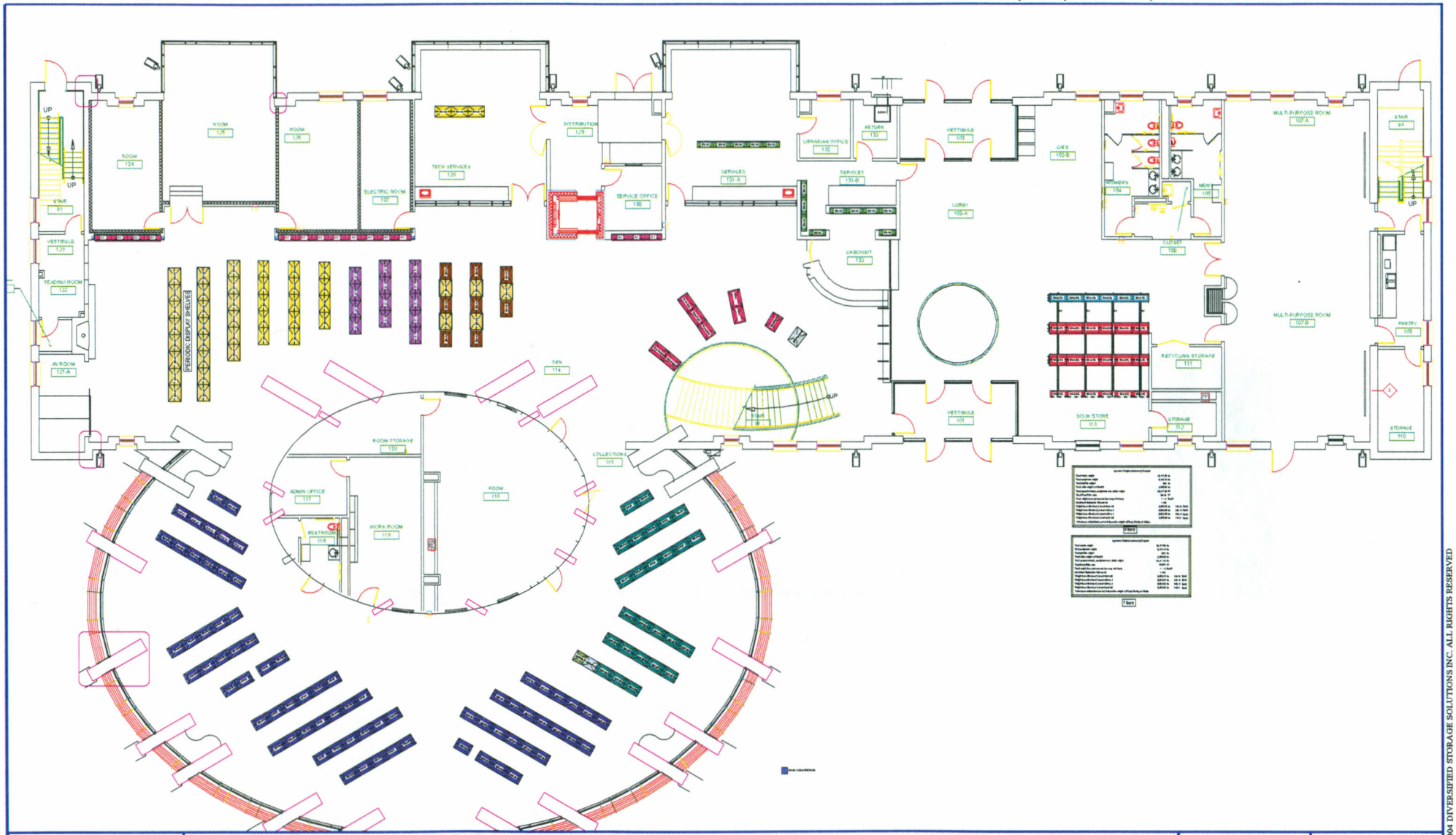
Spacesaver

Dover Public Library

Price per current drawing and elevation

		Delaware State Contract Discount 42.3% off list Price
Area	**SSC List Price**	**Sell to Dover Public Library**
1st Floor Shelving	$227,321.85	$131,164.71
2nd Floor Shelving	$172,025.08	$99,258.47
3rd Floor Shelving	$27,409.28	$15,815.15
Total Shelving Cost*		**$246,238.33**
End Panel and Counter Top Adder		$46,498.89
*Rail for mobile system already purchased and installed.		

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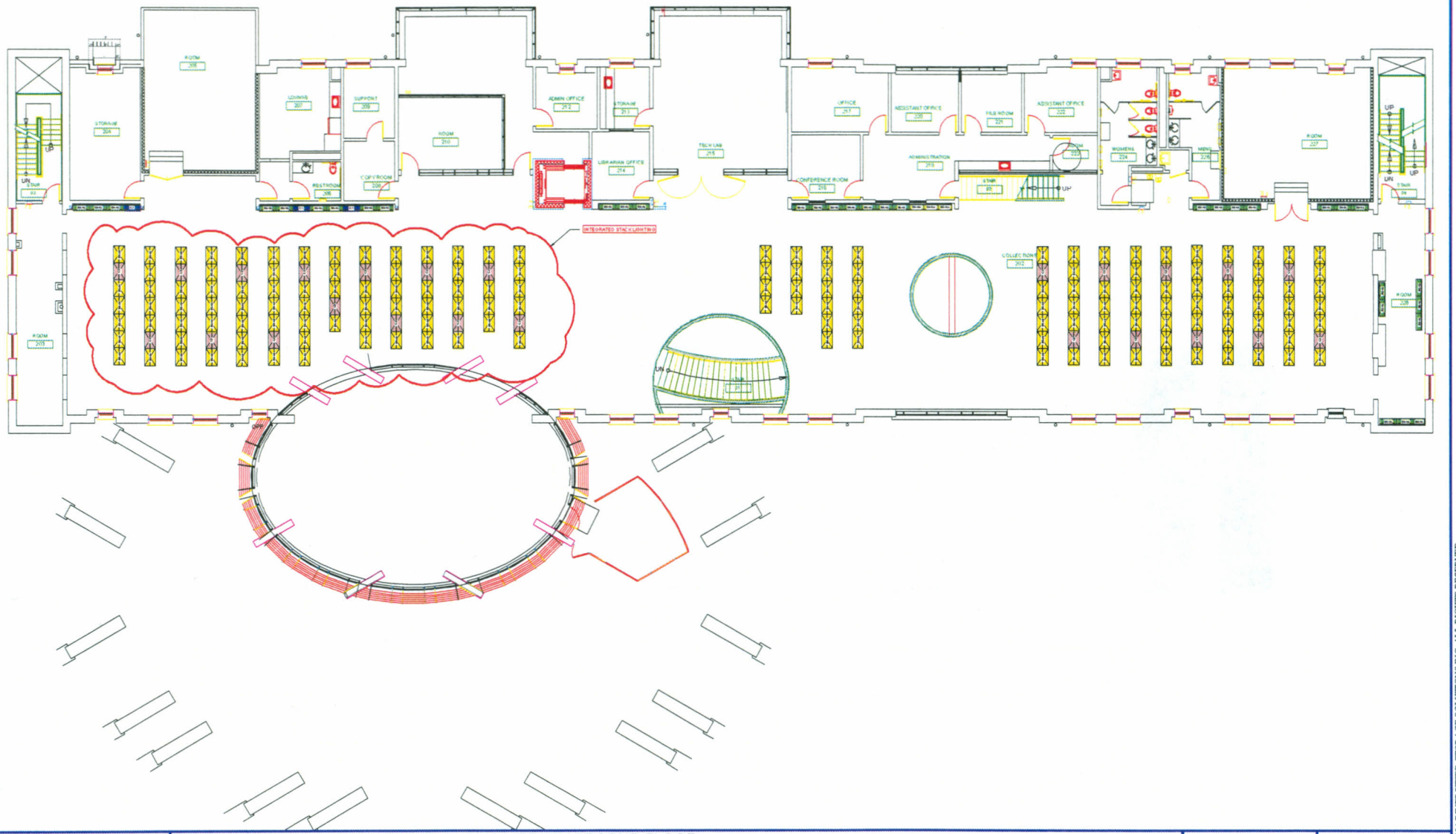
Diversified Storage Solutions Inc.	Project Name: HOLZMAN-MOSS - DOVER PUBLIC LIBRARY FIRST FLOOR			Project #: 20082-01-R4	APPROVAL This drawing Approved By:
	Salesperson: Curtis Hoff	Scale 1/16" = 1'	Drawn by: ARI	Total Actual LFI: 74268 LFI	
				Date Printed: 02/14/2012	Dated

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1st Floor

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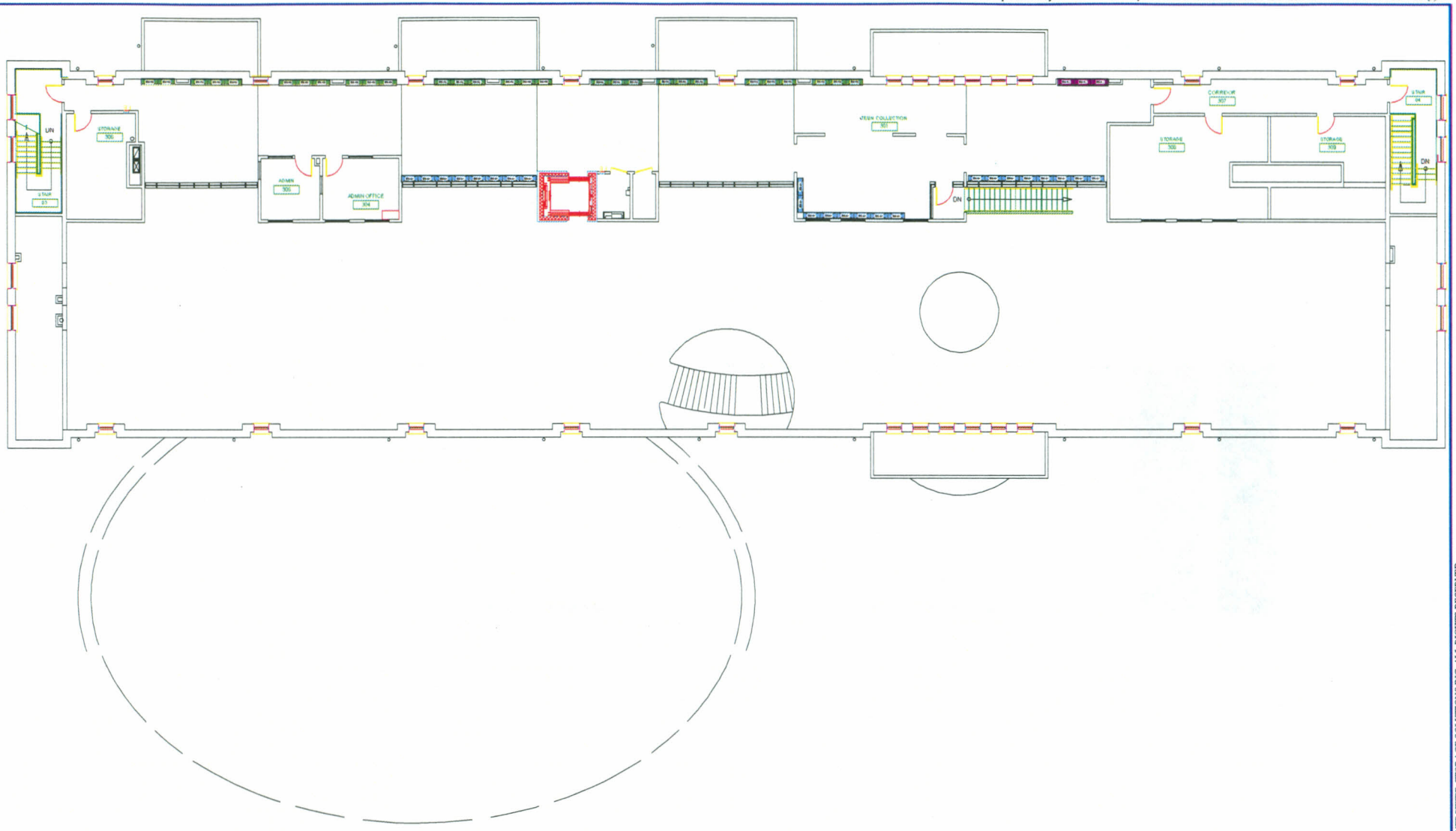
Diversified Storage Solutions Inc.	Project Name: HOLZMAN-MOSS - DOVER PUBLIC LIBRARY SECOND FLOOR		Project #: 20082-02-R2	APPROVAL This drawing Approved By:
	Salesperson: Curtis Hoff	Scale 1/16" = 1'	Drawn by: ARI	Total Actual LFI: 87516 LFI
				Date Printed: 02/14/2012
				Dated

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2nd Floor

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Diversified Storage Solutions Inc.

Project Name: HOLZMAN-MOSS - DOVER PUBLIC LIBRARY THIRD FLOOR				Project #: 20082-03-R3	APPROVAL This drawing Approved By:
Salesperson: Curtis Hoff	Scale 1/16" = 1'		Drawn by: ARI	Total Actual LFI: 9504 LFI	
				Date Printed: 02/14/2012	Dated

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3rd Floor

ACTION FORM

PROCEEDING: City Council	**MEETING DATE: 02-27-2012**
DEPARTMENT OF ORIGIN: City Council	
PREPARED BY: Traci A. McDowell, City Clerk, on behalf of Council President Leary	

SUBJECT: Cancellation of Council and Committee Meetings	**DATE SUBMITTED**: **02-22-2012**
RELATED PROJECT: N/A	
APPROVALS: N/A	
EXHIBITS: N/A	
EXPENDITURE REQUIRED: $ N/A	**AMOUNT BUDGETED**: $ N/A
FUNDING SOURCE (Dept./Page in CIP & Budget): N/A	
TIMETABLE: N/A	

RECOMMENDED ACTION:	Cancellation of Utility Committee, Legislative, Finance, and Administration Committee, and City Council meetings falling in the week of the fourth Monday of every third month (March, June, September, and December) and moving the Safety Advisory and Transportation Committee meetings falling in every third month to the week of the second Monday of that same month.

BACKGROUND AND ANALYSIS

Due to short staffing related to the hiring freeze and the current budgetary constraints that the City is facing, some members of Council have suggested holding fewer City Council and Committee meetings. Many of the recent meetings have had short agendas and it is felt that those items could be combined into one meeting, thereby providing additional time for day-to-day operations for those departments that are short-staffed.

Council President Leary recommends cancelling the Utility Committee, Legislative, Finance, and Administration Committee, and City Council meetings falling in the week of the fourth Monday of every third month (March, June, September, and December) and, at the request of Chairman Hutchison, moving the Safety Advisory and Transportation Committee meetings falling in every third month to the week of the second Monday of that same month. Should the need arise, Special Meetings may be called.

FIRST READING

CITY OF DOVER PROPOSED ORDINANCE #2012-03

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

That Chapter 102 - Taxation, Article VI - Exemptions; Board of Assessment Appeals, Section 102-183 - Tax Exemption for Senior Citizens, be amended by inserting the text indicated in bold, blue, italics and deleting the text indicated in red strikeout as follows:

Sec. 102-183. - Tax exemption for senior citizens.

(a) *Authority*. This section is adopted to implement 22 Del. C. § 1001 et seq., granting exemptions from municipal taxation on real property for persons 65 years of age or over. Compliance must be made with such chapter 10 and this section in order to qualify for such exemption.

(b) *Qualifications*. The exemption shall be for real property owners 60 years of age or over. If qualified, their real property shall be exempt from municipal taxation to the extent of the first $50,000.00 of assessed valuation. This exemption shall be subject to the following:

(1) *Owner resides alone*. If the income of a property owner who resides alone exceeds the sum of $15,851.00 (2008) for the income tax year immediately preceding the date of making an application for the exemption, then the exemption shall not be granted. The maximum income limit stated in the preceding sentence shall increase each year by the same percentage as the cost of living adjustment granted to recipients of Social Security retirement benefits.

(2) *Spouses reside together*. If the income of a property owner and spouse who reside together exceeds the sum of $22,192.00 (2008) for the income tax year immediately preceding the date of making an application for the exemption, then the exemption shall not be granted. The maximum income limit stated in the preceding sentence shall increase each year by the same percentage as the cost of living adjustment granted to recipients of Social Security retirement benefits.

(3) *Exclusion from income.* In computing income of the property owner in order to determine entitlement for the deduction, ***Civil Service Retirement System (CSRS) benefits up to 150 percent of the Social Security maximum benefit,*** Social Security benefits~~;~~ ***and*** railroad pensions ~~**and federal civil service retirement (not to exceed the sum of $35,190.00 (2010)—150 percent of the Social Security maximum benefit. The civil service retirement income exclusion shall be based each year on the maximum Social Security benefit at 150 percent),**~~ shall not be considered as income.

(4) *Location, use of property*. The real property must be located within the limits of the city and must be used exclusively for residential purposes.

(5) *Residence*. The real property must be the legal residence of, and be occupied in whole or in part by, the property owner.

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(6) *Owner of record*. The property owner must be the owner of record of said real property as of December 31 of the calendar year immediately preceding the date of making application for the exemption.

(7) *Time when age attained*. The property owner must have attained the age of 60 years by March 1 of the year in which the exemption application is filed.

(8) *Filing applications*. Applications for exemption shall be filed in accordance with regulations adopted by the city council and for cause shown. The city assessor may accept and act upon applications received after any established application filing date.

(9) *Refund.* The city assessor is empowered to refund taxes paid by a qualified applicant who is entitled to an exemption and successfully files for the same.

(10) *Evidence*. The city assessor's office shall be authorized to require any applicant to submit evidence substantiating income reported for receipt of the exemption. The city assessor may deny applications where requested income verification is not submitted by the applicant.

(11) *Denial; appeals*. ~~Appeals from d~~ *D*enial of exemptions by the city assessor and any other complaints regarding the exemption process may be appealed by the taxpayer directly to the board of assessment appeals **.** The board of assessment appeals shall have the power to affirm, overrule or remand the decision of the city assessor.

(12) *Interest; retroactive exemptions*. Qualified senior citizens who fail to exercise their property tax exemption shall not be entitled to any interest payments on said exemption amount; nor shall unexercised property tax exemptions be retroactive beyond the current tax year.

(13) *Penalties*. Penalties assessed to delinquent property tax accounts that are eligible for a senior citizen exemption that has not been exercised shall not be excused.

(14) *Council review*. City council will review these numbers at the conclusion of each reassessment.

ADOPTED: *

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SYNOPSIS

This amendment replaces the language "federal civil service retirement" with "Civil Service Retirement System (CSRS)" and changes the computation of the property owner's entitlement for the deduction from a dollar amount to a percentage of the Social Security maximum benefit.

Actions History

February 27, 2012 - Scheduled for First Reading by City Council
February 13, 2012 - LF&A Committee Recommended Adoption
January 23, 2012 - Referred Back to Staff by the Legislative, Finance, and Administration Committee

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