REGULAR COUNCIL MEETING

The Regular Council Meeting was held on September 26, 2011 at 7:30 p.m. with Council President Leary presiding. Council members present were Mr. Anderson, Dr. McGlumphy, Mr. Lynn, Mr. Bonar, Mrs. Williams, Mr. Hare, and Mr. Hutchison. Mrs. Russell was absent.

Council staff members present were Police Chief Hosfelt, Ms. Russell, Mrs. Mitchell, Mrs. Melson-Williams, 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.

There was no one present wishing to speak during the Open Forum.

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

AGENDA ADDITIONS/DELETIONS

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

Mr. Hare moved for approval of the consent agenda as presented, seconded by Dr. McGlumphy and carried by a unanimous roll call vote (Mrs. Russell absent).

ADOPTION OF MINUTES - REGULAR COUNCIL MEETING OF SEPTEMBER 12, 2011

The Minutes of the Regular Council Meeting of September 12, 2011 were unanimously approved by motion of Mr. Hare, seconded by Dr. McGlumphy and bore the written approval of Mayor Carey.

PRESENTATION - CERTIFICATE OF APPRECIATION - CHICK-FIL-A

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

WHEREAS, there are times in our community when people go over and beyond for the well-being of others; and

WHEREAS, in 1946 the founder of Chick-fil-A's decision was as much practical as spiritual, believing that all franchised Chick-fil-A operators and restaurant employees should have an opportunity to rest, spend time with family and friends, and worship if they choose to do so, as a result they closed their restaurant doors every Sunday; and

WHEREAS, owner of the local Chick-fil-A, Mrs. Mary Johnson reached out to the City of Dover wanting to show her appreciation and respect to all of those whose workload was anticipated to vastly increase due to the impending storm from Hurricane Irene and who would have to leave the comforts of their homes to make sure our community stayed safe; and

WHEREAS, understanding that many places may not be available for emergency staff to eat, Mrs. Johnson opened her restaurant on Sunday August 26th, 2011 making and distributing hundreds of chicken sandwiches to emergency personnel on a day that is traditionally marked as a day of rest in the history of Chick-fil-A; and

WHEREAS, it is with kind regards and many thanks that we are here today to recognize you.

NOW, THEREFORE, I, CARLETON E. CAREY, SR., MAYOR OF THE CITY OF DOVER, DELAWARE do hereby award this Certificate of Appreciation on this 26th day of September two thousand eleven to Mary Johnson & Dover Chick-fil-A.

Mayor Carey presented the Certificate to Mrs. Mary Johnson, Owner of Chick-Fil-A in Dover, and relayed appreciation for her assistance to the community and dedication.

Mrs. Johnson thanked members for the recognition and introduced Ms. Cheryl Webb, Manager of Chick-Fil-A in Dover, who had assisted in distributing sandwiches.

PRESENTATION - FRIENDS OF THE DOVER LIBRARY

Mr. N.C. Vasuki, President of the Friends of the Dover Public Library, noted that the construction of the new library has begun and that the Friends of the Dover Public Library have committed $210,000 toward construction. He presented a $10,000 contribution to Ms. Gwen Elliot, Vice-President of the Library Foundation, and noted that with this contribution, the Friends of the Dover Public Library have contributed a total of $116,000 to the Dover Library Foundation, which is the agency that is managing the funding for the new library. Mr. Vasuki stated that this action represents the importance of community organizations consisting of volunteers who give of themselves without seeking compensation or recognition. He stated his hope that City Council appreciated the work that has been provided by the Friends of the Dover Public Library over the years.

On behalf of the Dover Library Foundation, Ms. Elliot relayed appreciation to the Friends of the Dover Public Library, who have worked hard with sales and other events to assist in making the new library a reality.

Mr. Vasuki encouraged all to become members of the Friends of the Dover Public Library, at a cost of $10 per year, and noted that all monies received would go toward the new library. He invited all to participate in fundraising events scheduled for October.

Mayor Carey relayed appreciation for the donation and the contributions provided by the Friends of the Dover Public Library and for helping to make the City a prosperous place for the citizens.

Ms. Margery Cyr, Library Director, expressed her gratitude to the members of the Friends of the Dover Public Library for their unending support and for their advocacy of the Dover Public Library. She also announced that the current Capital Campaign allows for anyone to participate in supporting the new library and that the Memorial Brick Campaign has officially been launched.

PROCLAMATION - PROSTATE CANCER AWARENESS MONTH

The City Clerk read the following Proclamation into the record:

WHEREAS, across the nation, prostate cancer is the most commonly diagnosed cancer in men and is a major health concern; and

WHEREAS, more than 217,000 new cases and about 32,000 deaths are attributed to prostate cancer each year in the United States; and

WHEREAS, four out of five cases are diagnosed in men over 65 but less than 1% in men under 50, and at any age prostate cancer devastates families through loss of income, partnership and support; and

WHEREAS, prostate cancer in its early stages can be cured and fortunately about 85% of American men with prostate cancer are diagnosed in the early stages,

WHEREAS, research suggests that men could reduce their risk of prostate cancer mortality if they followed recommended prostate cancer screening guidelines, including examination by a health care provider and increased awareness and use of early detection practices.

NOW, THEREFORE, I, CARLETON E. CAREY, SR., MAYOR OF THE CITY OF DOVER, do hereby proclaim September 2011 as PROSTATE CANCER AWARENESS MONTH in the City of Dover and urge all men in our community and throughout the country to become aware of their own risks of prostate cancer, talk to their health care providers about prostate cancer and, whenever appropriate, get screened for the disease.

UTILITY COMMITTEE REPORT - SEPTEMBER 12, 2011

The Utility Committee met on September 12, 2011 with Chairman Bonar presiding.

Presentation - Power Plant Revenues

Mrs. Donna Mitchell, Controller/Treasurer, noted that members were provided information during the budget hearings regarding Power Plant revenues. She stated that she felt that it would be beneficial for members to discuss the revenue that is earned by the Power Plant.

Mr. Ron Lunt, Public Utilities Director, reviewed the Electric General Assets - Net Revenues and the Electric Revenue budget. He also provided and reviewed the City of Dover Summer Generation Report and explained the factors that comprise the Pennsylvania, Jersey, Maryland Interconnection, LLC (PJM) revenue. Mr. Lunt noted that, in total operations, $7.3M capacity credits are received through the Reliability Pricing Model (RPM) auction. He stated that this is the payment received on a monthly basis for availability, regardless of operating time. He explained that figures were included for net generation (profit when the generation runs) as well as payment received for having the plants available to generate power.

Responding to Mr. Blakeman, Mr. Lunt indicated that the plant is run as scheduled by PJM and confirmed that every KW generated goes to PJM. He noted that the capacity bill, in the amount of $8.5M, is listed as an expense and a capacity credit in the amount of $7.3M results in the bill exceeding the credit. Mr. Lunt explained that PJM is paid a capacity charge for the shortfall. He explained that there are 175 megawatts of available capacity and the City's obligation is approximately 200 megawatts; therefore, the City receives a credit for 175 megawatts and is billed for 200 megawatts, resulting in a net payment for 25 megawatts, at a cost in excess of $1M. He stated that the capacity consists of system load plus reserves and that the load percentage is approximately 15% to 16%.

In response to Mr. Bonar, Mr. Lunt indicated that Units 1 and 2 were built in 1962 and significant deterioration has been found in the buckets, which are part of the steam intake into the turbine. The only means to make repairs would be to remove the covers, which would cost a minimum of $500,000. He stated that the condition of the generators is unknown and The Energy Authority (TEA) and North American Energy Services (NAES) have been requested to determine the true longevity of these units. Mr. Lunt stated his concerns about the safe operation of Units 1 and 2 and felt that the City would be fortunate if these units continue to function for an additional five (5) years. He suggested attempting to replace Unit 1 and Unit 2 capacity at a different level through Power Purchase Agreement (PPA) and planning for their elimination. Mr. Lunt explained the current difficulty of bidding these units into the auction and noted that if they experienced a catastrophic failure, it would be necessary for the City to buy replacement capacity on the open market.

Mr. Hutchison questioned the cost of replacing capacity for Units 1 and 2. Responding, Mr. Lunt estimated a cost of $42,000 a megawatt year (34 megawatts x $42,000). If bid into the auction and the units were destroyed and could not operate, the City would be required to buy replacement capacity, which would be at the spot market value (whatever the market will bear). With regard to buying generation versus rebuilding, Mr. Lunt stated that from a portfolio management standpoint, the City would benefit from diversifying its portfolio, which would require buying other generator assets. Mr. Hutchison requested further review of this issue.

At the request of Mrs. Williams, Mr. Lunt stated that if the City were to get "out of the generation business," there would be an immediate requirement to pay $8.5M without any offset and noted that, based on the net revenues from the electric generation assets, the City is currently making money. In addition, he stated that the City would lose control of pricing and would also lose the profit which is being created by the plants every year. He assured members that the plants are providing a very strong, financially feasible electric operation.

Mrs. Williams indicated that citizens have conveyed to her their appreciation for the dependable electric service provided by the City of Dover. Mr. Lunt relayed appreciation to the Utility Committee and City Council for their support in building a first-rate infrastructure and noted that the City's outage rate is extremely low.

There was no further action taken by City Council.

By consent agenda, Mr. Hare moved for acceptance of the Utility Committee Report, seconded by Dr. McGlumphy and carried by a unanimous roll call vote (Mrs. Russell absent).

LEGISLATIVE, FINANCE, AND ADMINISTRATION COMMITTEE REPORT - SEPTEMBER 12, 2011

The Legislative, Finance, and Administration Committee met on September 12, 2011 with Chairman McGlumphy presiding.

Law Enforcement Training for Fire Marshal

City Clerk's Office Note: Due to time constraints, the Law Enforcement Training for Fire Marshal was presented to Council for consideration during their Regular Meeting of September 12, 2011.

Proposed Resolution No. 2011-11 - Request to General Assembly to Amend the City of Dover Charter - Length of Terms for Mayor and Council

At the request of Councilman Hutchison, the City Clerk prepared Proposed Resolution No. 2011-11 requesting the Delaware General Assembly to amend the City of Dover Charter to increase the term lengths for the Mayor and Council from two (2) years to four (4) years. Chairman McGlumphy noted that this matter was deferred by the Committee during their meeting of August 22, 2011 due to time constraints.

Mr. Robin Christiansen (previous member of City Council and former Council President for the City of Dover) stated that members should determine if the City should continue with the current hybrid populace type of government or move to a strong Mayor-Council form of government. Before considering the terms for the Mayor and Council, he suggested that members appoint a committee to study the Charter and consider the possibility of changing the City's form of government. Mr. Christiansen stated that if the Mayor is provided more responsibility, the Mayor's term should be extended to (4) years. He suggested that Council review the current responsibilities of the Mayor while the City is looking for a City Manager. Mr. Christiansen felt that the previous and current Mayors who were present (Mayor Carey, Mr. Hutchison, and Mrs. Williams) could attest to the fact that the Mayor's job is "great" but has little authority.

It was Mr. Christiansen's opinion that the Mayor should continue as head of the Police Department; however, all department heads should report to the Mayor on a day-to-day basis, since the Mayor is one (1) of two (2) officials elected at-large and serves as the City's advocate. For those concerned about the City Manager's position, he noted that every City that has a strong Mayor has a professional manager, but not necessarily a City Manager. He felt that City Council has the responsibility to its citizens to consider this matter before changing the terms for the Mayor and/or Council. He suggested that responsibility be shared, with Council functioning as a legislative, appropriative body and the Mayor serving as the Chief Executive Officer of the City, who formulates the budget for presentation to Council and justifies costs and expenditures to the citizens.

Mr. Christiansen encouraged members to address these issues and appoint another "blue ribbon" commission to study the City's form of government and provide this commission a time frame to present a recommendation regarding the responsibilities of the Mayor. In addition, he suggested that Council terms remain at two (2) years, explaining that lengthening the terms for Council would make

it difficult for those wishing to run for office and difficult for residents to remove members who may not be performing as desired.

Mr. Hare stated that, although he concurred with the statements made regarding a Strong Mayor form of government for the City and that the matter should be further reviewed, he supported lengthening the terms of office for both the Mayor and Council.

Mr. Shevock requested that members be provided with the results of the previous "blue ribbon" commissions and their recommendations, stating that there was no need to appoint another committee if such a study had already been completed.

Mr. Hutchison explained that the proposal to extend the terms of office for the Mayor and Council would provide the Mayor and Council a better opportunity to build a team to work with City departments. He noted that the cost for a City election is approximately $10,000 per year and that in four (4) years, the City would realize a $40,000 savings, decrease the amount of responsibility and demand on the City Clerk's Office for conducting the elections, and enhance the working relationship between members of Council and the Mayor.

Council President Leary advised members that he previously served on a Charter Review Committee whose members discussed extending the terms of office for Mayor and Council and instituting a recall provision for those occasions when the voters felt that a mistake was made in the election of a member. He stated that during this review, there was some interface between the Consent Decree and the Charter on some of these issues. Mr. Leary suggested that consideration of this matter be delayed until the results were received regarding the City redistricting, which is currently in progress, and whether these results were affected by the Consent Decree. In addition, he felt that it was easier for City Council candidates to commit to a two (2) year term versus a four (4) year term, particularly for those in the work force, and that the pool of potential candidates might be limited if the term were lengthened. He suggested that consideration of term limits be a separate discussion from the review of the Charter.

Mr. Christiansen noted that when he served as Council President, he, along with members of Council, attempted to appoint committee members who might be interested in serving on City Council to provide them an opportunity to familiarize themselves with issues involving the City. He felt that some of these members became involved by attending meetings, reviewing information, and becoming civic activists. This helped them make the decision as to whether or not they wished to serve and assisted them in preparing for the job.

The Committee recommended tabling this matter pending additional review of actions taken by previous Charter Review Committees.

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

Proposed Ordinance #2011-15 - Appendix A - Subdivisions - Regarding Homeowners' Associations *(Tabled by Committee on June 27, 2011)*

During their meeting of June 27, 2011, members considered proposed Ordinance #2011-15, amending Appendix A - Subdivisions, regarding homeowners' association (HOA) responsibilities. Mrs. Ann Marie Townshend, Director of Planning and Community Development, reminded members that the Proposed Ordinance was developed as a result of a report provided to the Utility Committee regarding defunct subdivisions, some of which remain uncompleted. She assured members that the proposed amendment addresses the Committee's concerns regarding stormwater management and passive open space not being maintained.

Mrs. Townshend explained that the Proposed Ordinance #2011-15 would amend the subdivision regulations to require that HOAs be formed with mandatory membership, and that these associations assume and continue maintenance responsibilities for common open space. Under the Proposed Ordinance, if the City needs to perform maintenance of these common areas due to code violations not addressed by the HOA, the City would bill the property owners of the lots within the subdivision to recover the cost and place these charges on the tax bill of the property owners. Since there were several concerns and questions by the Committee, the proposal was tabled and staff was directed to meet with the individual members of Council who have concerns and that the matter be brought back to the Committee during their next meeting.

The Committee removed the matter from the table.

Mrs. Townshend advised members that staff met with Councilman Anderson, who expressed concerns about mandatory membership in an HOA and requested that the ordinance be amended to include protection of First Amendment rights of property owners. After consultation with City Solicitor Rodriguez, staff recommended that the requested amendment not be included in Proposed Ordinance #2011-15 due to concerns regarding the legality of such an amendment, as well as the amendment being well beyond the scope of the ordinance. Staff also met with Councilman Lynn, who shared concerns and questions during the Committee's discussion of the proposal.

Mrs. Townshend referred to the memo dated January 3, 2011 from Mr. Scott Koenig, Public Services Manager, that was presented to the Utility Committee, Minutes from the Utility Committee Meeting of January 24, 2011, and Article 5, Section 10. 4 - Management and Maintenance of Common Open Space and Recreational Areas of the Zoning Ordinance. She suggested that members consider the following information:

1) HOAs are already mandatory for residential developments with private open space under the State Sediment and Stormwater Regulations and the City of Dover Zoning Ordinance;

2) The Proposed Ordinance would allow the City to recover costs incurred by failure of HOAs to maintain private open space. It would ensure that residents in communities with active HOAs that pro-actively maintain private open space would not be penalized by the City absorbing the costs of those who fail to meet their obligations; and

3) Failure to develop a mechanism for the City to recover costs for maintaining private open space that HOAs fail to maintain will cause an unsustainable increase in operations costs to the City. Mrs. Townshend noted that members were provided a list of residential developments that would be subject to the requirements of the Proposed Ordinance.

Staff recommended adoption of Proposed Ordinance #2011-15.

Mrs. Townshend stated that staff developed Proposed Amendment #1 to Ordinance #2011-15 in response to Mr. Anderson's request. City Solicitor Rodriguez indicated his objection to the inclusion of the Proposed Amendment, explaining that owners should already be aware of this right, particularly if they have obtained legal counsel.

Responding to Mr. Anderson, City Solicitor Rodriguez stated that, although Proposed Amendment #1 would be legal, he felt that it would not add anything to the Proposed Ordinance and that it would detract from the enforcement of the ordinance. He stated his approval of Proposed Ordinance #2011-15 as presented by staff and that he does not support Proposed Amendment #1.

In response to Dr. Jones regarding fairness to those homeowners who have paid their dues, Mrs. Townshend suggested that staff could develop a mechanism where, at the request of the HOA, the City could collect association fees from the property owners and distribute them to the HOA. Dr. Jones was in favor of this approach and also noted that there may be occasions when new homeowners may not be aware of HOA requirements.

Responding to Mr. Bonar, City Solicitor Rodriguez indicated that he was not aware of any case law in which the mandatory membership requirement had been contested. He also reminded members that a potential purchaser is made aware of membership requirements prior to purchasing a property.

Mr. Lester Blakeman, 209 Thelmas Way, stated that he has lived in Cranberry Run since 1998 and that this development has an HOA that has not functioned well. He noted that although the HOA has taken care of grass cutting, more and more residents are dropping out of the association. Mr. Blakeman stated that he has not received a bill for association dues for two (2) years. He explained his fear of receiving a large bill for these expenses and that he would prefer that the City handle the matter through his tax bill. Mr. Blakeman added that it has been his experience that HOAs creates conflict among neighbors regarding what can or cannot be done to their property.

Mr. Scott Koenig, Interim City Manager, advised members that Proposed Ordinance #2011-15 is the first of a series of recommendations related to unfinished developments or other development-related issues. He requested that the Proposed Ordinance be adopted and assured members that staff would bring forward additional related issues for discussion, such as stormwater and open space utility. He explained that the Proposed Ordinance is an attempt to have private open space maintained so that residents can be proud of the communities in which they live.

Mr. Anderson noted that the City Solicitor has verified that the adoption of proposed Amendment #1 would be legal and felt that the City has a fundamental responsibility to ensure that citizens are not subject to interference while living their lives and that they retain the right to conduct activities such as holding Bible studies in their homes, posting political signs in their yards, etc.

The Committee recommended adoption of Proposed Ordinance #2011-15.

By consent agenda, Mr. Hare moved for approval of the Committee's recommendation, seconded by Dr. McGlumphy and carried by a unanimous roll call vote (Mrs. Russell absent). *(The First Reading of Proposed Ordinance #2011-15 will take place during the latter part of the meeting.)*

Evaluation of Bids - Municipal Street Sweeper

Staff solicited and received bids for the replacement of a street sweeper (Vehicle #357), as follows:

Company	Location	Model	Bid Amount	Delivery
Mid-Atlantic Waste Systems	Easton, MD	Tymco Model 600	$164,700.00	60-90 days
Atlantic Machinery, Inc.	Silver Springs, MD	Schwarze A7000	$159,273.00	150-210 days

Mr. Scott Koenig, Interim City Manager, stated that staff has reviewed both bid packages and the machine offered by Mid-Atlantic Waste Systems met 100% of the bid requirements. The machine offered by Atlantic Machinery, Inc. had some minor specification non-compliance issues, due in part to the body style and design. He stated that the Schwarze A7000 machine had several major non-compliance issues, including lack of a belly broom and an auxiliary hydraulic system.

Mr. Koenig advised members that, in 2006, the City opted to purchase the Schwarze A7000 Sweeper, the same unit offered under the current bid package by Atlantic Machinery, Inc. Immediately after taking possession of this unit, there were operational problems. No technical support was offered by the vendor, representatives were not available to discuss the problems, and having warranty work completed proved troublesome. He stated that when parts were needed for repair, there was a 10-14 day waiting period for delivery.

Mr. Koenig indicated that the TYMCO Model 600 offered by Mid-Atlantic Waste Systems is a maintenance-friendly street sweeper. He advised members that staff has a good working relationship with the vendor and the TYMCO technical support staff and that parts are available on a three (3) to five (5) day timetable.

In reviewing the bids with the Fleet Maintenance staff, Mr. Koenig stated that staff favors the TYMCO Model 600 and believes that the City could save the $5,427.00 price difference in maintenance costs within the first two (2) years.

Staff recommended approval of the purchase of the Tymco Model 600 Street Sweeper from Mid-Atlantic Waste System in the amount of $164,700.00.

The Committee recommended approval of the purchase of a Tymco Model 600 Street Sweeper from Mid-Atlantic Waste System in the amount of $164,700.00, as recommended by staff.

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

Review of Policy for Physical Posting of Properties Proposed for Rezoning

Mrs. Ann Marie Townshend, Director of Planning and Community Development, reminded members that on August 8, 2011, City Council adopted a series of text amendments to Article 10 of the Zoning Ordinance that codify the process and procedures for planning and development applications. The adopted Ordinance requires that properties proposed for rezoning post a physical notice with the date and location of the public hearing and the nature of the rezoning request. According to the Ordinance, a policy regarding the posting requirements must be approved by the Planning Commission and City Council. Mrs. Townshend advised members that on August 15, 2011, the Planning Commission approved the draft policy for physical posting of properties for Conditional Use Applications, Site Development Plan Applications, and Rezoning Applications. She stated that City Council approval is required for those portions of the policy that relate to Rezoning Applications.

Members were provided a Physical Posting Requirements Policy which included the size, placement and maintenance requirements for the physical posting of properties. A template sign for Rezoning Applications was also included for review. As an example, Mrs. Townshend provided members with a photo of a recent notice posted for a rezoning.

Staff recommended approval of the Physical Posting of Properties for Rezoning Policy.

The Committee recommended approval of the Physical Posting of Properties for Rezoning Policy.

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

Financial Policy - Carry-Forward Balances

Mrs. Donna Mitchell, Controller/Treasurer, advised members that Chairman McGlumphy requested that staff review the City's Financial Policy as it relates to carry-forward balances and the manner in which they are budgeted. As a result, she presented members with proposed amendments to the Financial Policy and explained that the amendments are reflected in red font for additions and strikeouts for deletions. She noted that Item #2 listed in the Expenditure Policy contains existing wording which is being mentioned since concerns regarding this issue were recently relayed by members of Council.

The Committee recommended approval of the Financial Policy, as amended.

By consent agenda, Mr. Hare moved for approval of the Financial Policy, as amended (*Exhibit #1)*, as recommended by the Committee, seconded by Dr. McGlumphy and carried by a unanimous roll call vote (Mrs. Russell absent).

Elimination of Delinquent (Blue) Notices

Mr. Scott Koenig, Interim City Manager, advised members that the existing delinquent account notification process generates a separate notice to utility customers, which is commonly known as the "blue" notice. Currently, utility bill payments are due 21 days after the bill date. On the 23rd day, a delinquent notice is generated and mailed to the customer. He stated that approximately 6,000 to 7,000 notices are mailed each month.

Mr. Koenig stated that, with the implementation of the new billing system and use of the new utility bill format, the City is able to provide utility customers with a "Notice of Disconnection" as a direct notation on the bill. He explained that the software programs will ensure the notification will appear only on utility bills with a delinquent balance. Mr. Koenig stated that staff estimates this change in procedure will result in an annual cost savings of approximately $30,000 in postage, $5,000 in office supplies, and an overall staff time savings of one (1) hour a day for 260 work days a year. Currently, the preparation and mailing of delinquent notices requires the combined efforts of staff from Customer Service and Central Services.

Members were provided examples of the current delinquent notice, the billing timeline, and a sample of a new utility bill containing a "Notice of Disconnection." Mr. Koenig stated that staff intends to notify utility customers of the change by insert with the October 2011 bill and will eliminate the "blue" notice effective November 1, 2011.

Staff recommended adding the delinquent notification to the utility bill in order to eliminate a separate mailing of a delinquent notice.

Referring to the delinquent notification on the new bill, Dr. Jones suggested that a larger font or other mechanism be used to bring attention to the message. Concurring, Mr. Koenig stated that the message will appear in all caps, or some other change will be made to make the notification more evident. He assured members that staff will make a determination regarding this change and present their findings directly to Council when they consider this matter.

Noting that the City issues a City-wide newsletter, Mr. Bonar suggested that a public awareness article be included to provide customers additional notification of the change.

Mrs. Russell also suggested that the change be posted on the City's website.

In response to the suggestion to use red font on the new bill for the delinquent notice, Mrs. Kathy Divver, Customer Service Manager, stated that the City's current printer utilized for billing does not produce color. She indicated she would determine if the program would allow for bold text and a font change for that area on the bill that includes the delinquent notice.

Mr. Anderson suggested the possibility of changing the location of the delinquent notice to the top of the bill rather than having it located at the bottom.

The Committee recommended adoption of a policy change to add a delinquent notification to utility bills and eliminate a separate mailing of delinquent notices, and to request staff to address the Committee's concerns regarding public notification when this matter is presented to Council. *(Clerk's Office Note: Following this meeting, staff submitted a revised version of the new Utility Bill with the Delinquent Notice which addressed the Committee's concerns regarding public notification.)*

For public notification purposes, Mr. Scott Koenig, Interim City Manager, reviewed details regarding this matter during the Council Meeting. Referring to the revised version of the new Utility Bill, he noted that the font could not be made larger. He also informed members that a black and white printer is currently utilized to print utility bills and that printing such bills utilizing a color printer would increase the cost significantly.

Mr. Bonar commended staff for submitting this cost-saving idea and stressed it was important that customers read their bills carefully to be made aware of delinquencies.

Dr. McGlumphy complimented staff for bringing this matter forward and reiterated the importance of customers reading their bills, noting that separate delinquency notices will no longer be sent.

Mr. Anderson relayed approval of the design of the delinquent notice portion of the new utility bill and that his concerns stated during the Committee meeting had been resolved.

Dr. McGlumphy moved for adoption of a policy change to add a delinquent notification to utility bills and eliminate a separate mailing of delinquent notices, as recommended by the Committee *(Exhibit #2)*. The motion was seconded by Mr. Bonar and carried by a unanimous roll call vote (Mrs. Russell absent).

Implementation of Social Media Policy

Mrs. Kim Hawkins, Human Resources Director, advised members that, due to constant changes in electronic media, staff recommended the implementation of a Social Media Policy. She explained that social media is subject to the same standards of conduct that apply to in-person communications and activities; therefore, all of the expectations and obligations contained in other City of Dover policies also apply online. Mrs. Hawkins indicated that other policies that may be relevant include City's policies on Discrimination and Harassment, Disclosure of Confidential Information, Failure in Personal Conduct, Incompatible Activities, and Disciplinary Action. She stated that personnel whose conduct violates the Social Media Policy policy would be subject to the City's disciplinary measures. In addition, she stated that, under this policy, any employee who becomes aware of inappropriate use of social media by coworkers or supervisors would be required to report their findings to the Human Resources Department immediately.

Staff recommended the implementation of the Social Media Policy as presented.

In response to several concerns expressed by members, Mrs. Hawkins explained that the policy addresses only comments that are discriminatory in nature.

Mr. Shevock noted that the State of Delaware adopted a similar policy and questioned why staff did not consider utilizing it rather than developing a new policy. Responding, Mrs. Hawkins stated that staff recently attended a seminar related to social media policies and was provided a sample policy, which she stated was modified and used to develop the City's proposed policy. She noted that the seminar was conducted by a law firm.

Mr. Anderson stated that, although the City has several policies that regulate behaviors such as web browsing, harassment, etc., the Social Media Policy is different in that it attempts to regulate what an individual does with their own equipment on their own time and treats free speech as an action. He felt that, although individuals may have discriminatory thoughts, thoughts are irrelevant and are not regulated under the laws of discrimination, as long as the actions of the individual do not reflect those thoughts. Members were provided email correspondence regarding this issue Mr. Anderson explained that this information included samples of other social media policies, such as that implemented by the federal General Services Administration (GSA) and the City of Hampton, Virginia. He explained that GSA's policy has been in place for several years and has been vetted, and shaped based upon legal challenges to employees' First Amendment Rights and that Hampton's policy was being provided to allow members the opportunity to review a municipal policy.

Mr. Anderson noted that the State of Delaware does not regulate behavior in the manner proposed by staff and that Kent County recently considered doing so and declined to implement such a policy.

In response to Mr. Hare, Mrs. Hawkins stated that the City had not experienced any concerns related to social media but that the policy was created in an effort to be proactive in this matter.

Mr. Richard Morse, 100 West 10th Street in Wilmington, stated that he represented the American Civil Liberties Union (ACLU) in Delaware and referred to correspondence that he had previously provided to members regarding the applicable law and details as to why the proposed policy is a clear violation of the First Amendment. Although he understood the reasoning behind attempting to establish such a policy, Mr. Morse stated that it was clear that such regulations are impermissible. He explained that the right to free speech means that the government can not regulate what Americans can say, whether or not they are employees of the government.

Mr. Bonar stated that government has been proactive on so many occasions that it has caused government to sometimes overstep its bounds and he felt that the proposed policy was not necessary at this time.

Responding to Mrs. Williams, Mr. Koenig explained that the proposed Policy was inherited from his predecessor and that he requested that the matter be brought forward for consideration, noting that staff attended the seminar in March 2011 and that this has been "unfinished" business. Rather than simply implementing the Social Media Policy, he felt that the matter should be reviewed through the Committee in order for City Council to be made aware of the issues, both from the standpoint of the employee and staff's responsibility to promote the City in a positive way. It was his opinion that the Policy was created to inform employees that, although they have a work life separate from their personal life, there are things that an employee may say and do outside of work that can affect the workplace, co-workers, and the body for which they work, and that employees

should understand that they will be accountable for their statements and actions, not only at work but also during their personal time. Mr. Koenig noted that individual lives are more public and the world is moving faster than ever before and that once something is on the Internet, it is there for everyone to view and sometimes, negative consequences result. He explained that this was the impetus for bringing this matter forward, that there are no looming issues, and he would not object if members do not wish to move forward on this issue at this time.

Mr. Lynn commended Mr. Koenig for taking responsibility and his good intentions in bringing this matter forward.

The Committee recommended withdrawing the Social Media Policy from any further consideration.

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

Dr. McGlumphy moved for acceptance of the Legislative, Finance, and Administration Committee Report, seconded by Mr. Bonar and unanimously carried.

MONTHLY REPORT - JULY 2011 - CAPITAL INVESTMENT PLAN (CIP) REPORT
By motion of Mr. Hare, seconded by Dr. McGlumphy, the Monthly CIP Report for July 2011 was accepted by consent agenda.

FIRST READING - PROPOSED ORDINANCE #2011-15
Council President Leary reminded the public that copies of Proposed Ordinance #2011-15 were available at the entrance of the Council Chambers or could be obtained from the City Clerk's Office. It was recommended for referral to the Planning Commission on October 17, 2011 and that final action by Council on the proposed ordinance will take place during the Council Meeting of November 14, 2011.

Mr. Hutchison moved to refer Proposed Ordinance #2011-15 to the Planning Commission on October 17, 2011 and that a Final Reading take place during the Regular Council Meeting of November 14, 2011. The motion was seconded by Mr. Bonar and unanimously carried.

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

> APPENDIX A - SUBDIVISIONS - ARTICLE VII - SPECIAL PROVISIONS (REGARDING HOMEOWNERS' ASSOCIATIONS)

FINAL READING - PROPOSED ORDINANCE #2011-22
The First Reading of Proposed Ordinance #2011-22 was accomplished during the Council Meeting of September 12, 2011.

Chapter 106 - Traffic and Vehicles, Article III - Stopping, Standing and Parking, Division 2 - Metered Parking Related to Immobilization of Vehicles
Mr. Hare moved that the Final Reading of Proposed Ordinance #2011-22 be acknowledged by title only, seconded by Mr. Hutchison and unanimously carried.

Mr. Hutchison moved for adoption of the Proposed Ordinance, seconded by Mrs. Williams.

Responding to Mr. Anderson, Mr. Bonar noted that significant parking fines are owed to the City on a regular basis and that the City has a general idea of where those who owe these fines work. He felt assured that police officers would make sure that the use of the boots would provide as little inconvenience to other parkers as possible. He stated that violators would be responsible for towing fees. Mr. Bonar noted that there was a significant amount of revenue to be gained and the expense of purchasing the boots was minor compared to the revenue that would be received.

The motion for adoption of the Proposed Ordinance was carried by a roll call vote of seven (7) yes, one (1) abstention (Mr. Anderson), and one (1) absent (Mrs. Russell), and Council adopted Ordinance #2011-22 Amending Chapter 106 - Traffic and Vehicles, Article III - Stopping, Standing and Parking, Division 2 - Metered Parking, Section 106-164 and Appendix F – Fees and Fines *(Exhibit #3).*

COUNCIL MEMBERS ANNOUNCEMENTS

Mrs. Williams stated that Councilwoman Russell is recovering and that, while she is home recuperating, she would appreciate any meals that could be provided.

Mr. Bonar reminded those present that there would be 80,000-130,000 visitors in the City for the Nascar races during the upcoming weekend. Noting the contributions made to the City's economy by these visitors, he suggested that these visitors be thanked.

By unanimous consent, the meeting adjourned at 7:57 P.M.

TRACI A. McDOWELL
CITY CLERK

All orders, ordinances, and resolutions adopted by City Council during their Regular Meeting of September 26, 2011, are hereby approved.

CARLETON E. CAREY, SR.
MAYOR

/TM/jg
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Exhibits Attached to Original Minutes and File Copy
Exhibit #1 - Financial Policy Amendments
Exhibit #2 - Revised New Utility Bill with Delinquent Notice
Exhibit #3 - Ordinance #2011-22 - Amending Chapter 106 - Traffic and Vehicles, Article III - Stopping, Standing and Parking, Division 2 - Metered Parking, Section 106-164 and Appendix F - Fees and Fines

CITY OF DOVER
FINANCIAL POLICIES

09/26/11

CITY OF DOVER, DELAWARE
FINANCIAL POLICIES

The purpose of these policies is to present a standardized set of principles that the City follows in managing its financial and budgetary affairs. These are general statements of policies, which represent long-standing principles, traditions, and practices that will be used to guide the City in maintaining financial stability. It will be the responsibility of the Finance Department to ensure the financial objectives of these policies are maintained.

Revenue Policy

1. The City will strive to maintain a broad and diversified revenue base that will equitably distribute the burden of supporting City services and will protect the City from short-term fluctuations in any one revenue source.

2. The City will actively support economic and industrial development recruitment and retention efforts to provide for a solid revenue base.

3. The City will maintain timely collection systems and implement necessary enforcement strategies to collect revenues from available sources.

4. The City will establish user fees and charges for services, when feasible, at levels related to the cost of providing the services. The City will review the fees and charges every three to five years to determine modifications needed to keep pace with the cost of providing the services. Property Tax Rates are set annually

5. The City will review its incentive programs every three years and provide City Council with the amount of foregone revenues and any recommended changes.

6. The City will establish, when feasible, self-supporting enterprise funds and intergovernmental service funds in which a relationship between revenues and expenditures clearly exists.

7. The City will project current revenues on a conservative basis so the actual revenues will consistently meet or exceed budgeted revenues. Revenues greater or less than the original budget will flow through to the audited Ending Budget Balance.

8. The City will maintain a budgetary control system and will prepare reports, which compare actual revenues to budgeted amounts.

9. The City will limit the designation of General Fund revenues for specified purposes to maximize flexibility in budgeting and revenue utilization.

10. The City will review annually and revise, where necessary, its cost allocation formulas, i.e. internal service departments.

11. Upon satisfying all rate covenants the City will provide operating transfers to the General Fund. From the Water/Wastewater Utility no greater than 4.5% of operating revenues and from the Electric Utility no greater than 8.0% of operating revenues. Both transfer calculations will exclude the carry forward budget balance, County Sewer Fees, and State Utility Tax. The Utility transfers will not exceed 25% of the General Fund Revenues.

Expenditure Policy

1. Basic and essential services provided by the City will receive first priority for funding, i.e. Public Safety & Health, Utilities, Streets, & Sanitation. The City will establish performance measurements for all program areas, when feasible. These measures will reflect the demand, workload capability, and projected outcomes for the program to accomplish its objectives.

2. The City will adopt a balanced budget, by fund, for all funds maintained by the City, in which total anticipated revenues must equal or exceed the budgeted expenditures for each fund. The Beginning Budget Balance will not be considered a revenue source.

3. The City will maintain a budgetary control system to ensure adherence to the original adopted budget and will prepare reports, which compare actual expenditures to budgeted amounts. Expenditures greater or less than the original adopted budget will flow through the audited Ending Budget Balance.

4. The City will refrain from budgeting revenues derived from infrequent and unanticipated transactions for ongoing expenses. These revenues will be set aside for asset replacement or as otherwise directed by Mayor and Council.

5. The City will provide access to medical, dental, vision, life, AD & D, and short-term disability insurance for its employees. The cost for these benefits will be a shared responsibility between the City and its employees as outlined in the City Personnel Handbook or collective bargaining agreements

6. The City will provide access to medical and dental insurance for its retirees and their families. The cost for these benefits will be a shared responsibility between the City and its retirees as outlined in the City Personnel Handbook or collective bargaining agreements.

7. The City will provide access to appropriate retirement plans for its employees. The City will make contributions for eligible employees at the actuarial determined percentage defined for each of the respective retirement plans.

8. The City will establish an Other Post-Employment Benefit Fund (OPEB) and provide available funding for early implementation of a new accounting standard promulgated by the Government Accounting Standards Board. The City will make contributions for eligible employees and retirees at the actuarial determined rates or percentages to fund future retiree medical benefits.

Debt Policy

1. The City will maintain a debt management policy and full disclosure on financial reports.

2. The City will maintain communications with bond rating agencies and continue to strive for improvements in the City's bond rating.

3. The City will adhere to its debt covenants.

4. The City will review its debt capacity every three years.

5. The City will pay for all capital projects and capital improvements on a pay-as-you-go basis using current revenues whenever possible. If a project or improvement cannot be financed with current revenues, long-term debt or use of reserves will be recommended.

6. The City will refrain from issuing long-term debt for a period in excess of the expected useful life of the capital project.

7. The City will use special assessment revenue or other self-supporting bonds instead of general obligation bonds, when practical.

8. The City will seek refinancing of outstanding debt if it is determined that the City will benefit by reduced interest expense over the remaining life of the bonds.

Budget Balance/Reserve Policy – General Fund

1. The City will strive to maintain a minimum Budget Balance, of at least 8% and no greater than 12% of the current year operating revenues for the General Fund, excluding the carry forward balance. The purpose of the budget balance is to meet temporary fluctuations in cash flows and to provide a cushion for loss of revenues until operating changes can be implemented. If the final Budget Balance exceeds the amount as approved in the budget ordinance, such funds shall be used to provide for unfunded retirement liabilities or as otherwise designated by City Council. The City may use monies in the Budget Balance only in times of fiscal and economic hardship.

2. Once achieved, at no time should the City's budget balances fall below their specified percentages. If a shortfall occurs in the budget balance and immediately restoring the balances to the specified percentage would cause an extreme burden on the taxpayers, the budget balance may, with the Mayor's and City Council's approval, be restored to the specified percentage within one year, but in any case, no longer than three years.

3. The City will maintain a minimum reserve, in a contingency account, of at least 2% of the current year operating revenues for the General Fund. The City may only use monies in the contingency accounts to cover emergencies of a non-recurring nature that are over and above the normal course of operations. Examples are uninsured losses, storms or hurricane damages. The Contingency Reserve will not be used to balance the operating budget.

4. The total of the General Fund budget and contingency balances shall not exceed 17% (~ 2 months) of Budgeted Operating Revenues.

5. The City will create a Capital Asset Replacement account for Governmental Fund asset procurements. Optimally, the amount set aside for future asset replacements should equal the annual depreciation of the current assets. The City will appropriate excess (amounts greater than budgeted) revenues to fund this account, or if the balance is less than the $500,000 minimum, $200,000 per annum until such time the minimum balance is replenished.

6. The City will create a General Capital Project Fund to account for all General Government asset procurements and projects. The City will provide operating fund transfers and/or debt proceeds for each fiscal year's Capital Investment Plan. All vehicle and equipment purchases under $25,000 will be budgeted on a pay as you go basis.

Budget Balance/Reserve Policy – Water/Wastewater Fund

1. The City will strive to maintain a minimum Budget Balance, of at least 8% and no greater than 17% (two months) of the current year operating revenues for each of the Water & Wastewater Utility Funds, excluding the carry forward balance. The purpose of the budget balance is to meet temporary fluctuations in cash flows and to provide a cushion for loss of revenues until operating changes can be implemented. If the final Budget Balance exceeds the amount as approved in the budget ordinance, such funds shall be used to provide for unfunded retirement liabilities or as otherwise designated by City Council. The City may use monies in the Budget Balance only in times of fiscal and economic hardship.

2. Once achieved, at no time should the City's budget balances fall below their specified percentages. If a shortfall occurs in the budget balance and immediately restoring the balances to the specified percentage would cause an extreme burden on the ratepayers, the budget balance may, with the Mayor's and City Council's approval, be restored to the specified percentage within one year, but in any case, no longer than three years.

3. The City will maintain a minimum reserve, in a contingency account, of at least 2% of the current year operating revenues for each the Water & Wastewater Fund. The City may only use monies in the contingency accounts to cover emergencies of a non-recurring nature that are over and above the normal course of operations. Examples are uninsured losses, storms or hurricane damages. The Contingency Reserve will not be used to balance the operating budget.

4. The total of the combined Water & Wastewater Fund budget and contingency balances shall not exceed 25% (3 months) of Budgeted Operating Revenues.

5. The City will maintain a Capital Asset Replacement account to cover replacement or procurement of assets of the utility. Optimally, the amount set aside for future asset replacements should equal the annual depreciation of the current assets. The City will maintain a minimum balance of $500,000 for each utility for Capital Asset Replacements. The City will appropriate excess revenues to fund this account, or if the balance is less than the minimum $100,000 per annum for each utility until such time the minimum balance is achieved.

6. The City established by ordinance on December 17, 1996 the Wastewater Impact Fee Reserve to provide for future expansion of the City's wastewater system due to increased demand. The ordinance further provides for debt service payments attributed to wastewater expansion projects to be funded by the current year's collection of Impact Fees and the remainder to be deposited into the reserve account. The City shall maintain a minimum of 20% of wastewater revenues in the Impact Fee Reserve account. Amounts used to finance projects shall be replenished by the operating revenues of the Wastewater Fund over the succeeding seven years of any project completion.

7. The City established by ordinance on February 1, 2008 the Water Impact Fee Reserve to provide for future expansion of the City's water system due to increased demand. The ordinance further provides for debt service payments attributed to water expansion projects to be funded by the current year's collection of Impact Fees and the remainder to be deposited into the reserve account. The City shall maintain a minimum of 20% of water revenues in the Impact Fee Reserve account. Amounts used to finance projects shall be replenished by the operating revenues of the Water Fund over the succeeding seven years of any project completion.

8. The Water & Wastewater Improvement & Extension Fund budget balance shall be no less than $200,000 of the current fiscal year's appropriation for water and wastewater projects to allow for project variances and change orders; a 10% contingency shall be included in project budgets greater than $250,000 if the Department Head determines it to be appropriate. All vehicle and equipment purchases under $25,000 will be budgeted on a pay as you go basis. The City Manager shall make the necessary budget amendments in accordance with the City of Dover Purchasing & Budget Amendment Policies.

Budget Balance/Reserve Policy – Electric Revenue Fund

1. The City will strive to maintain a minimum Budget Balance, of at least 8% and no greater than 12% (45 days) of the current year operating revenues for the Electric Revenue Fund, excluding the carry forward balance and power cost adjustments. The purpose of the budget balance is to meet temporary fluctuations in cash flows and to provide a cushion for loss of revenues until operating changes can be implemented. If the final Budget Balance exceeds the amount as approved in the budget ordinance, such funds shall be used to provide for unfunded retirement liabilities or as otherwise designated by City Council. The City may use monies in the Budget Balance only in times of fiscal and economic hardship.

2. Once achieved, at no time should the City's budget balances fall below their specified percentages. If a shortfall occurs in the budget balance and immediately restoring the balances to the specified percentage would cause an extreme burden on the taxpayers, the budget balance may, with the Mayor's and City Council's approval, be restored to the specified percentage within one year, but in any case, no longer than three years.

3. The City will maintain a minimum reserve, in a contingency account, of at least 1% of the current year operating revenues for the Electric Revenue Fund. The City may only use monies in the contingency accounts to cover emergencies of a non-recurring nature that are over and

above the normal course of operations. Examples are uninsured losses, storms or hurricane damages. The Contingency Reserve will not be used to balance the operating budget.

4. The total of the combined Electric Revenue Fund budget and contingency balances shall not exceed 25% (3 months) of Budgeted Operating Revenues.

5. The City has established by bond covenant an account to cover insurance deductibles on the electric transmission and distribution system or the generating plants. The City shall maintain a minimum balance of $350,000 to cover various deductibles.

6. Recognizing price fluctuations in the wholesale power markets the City has established a rate stabilization reserve. The purpose of using such a reserve is to level off the fluctuations in the wholesale power supply market and in turn provide stable rates to our customers. In those instances where the actual cost of power supply and generation are less/more than the budgeted cost of power supply and generation, the City will transfer the difference to/from the Rate Stabilization Reserve. The balance shall be maintained at a minimum of 3% not to exceed 10% of the purchase power cost in any given year. If the reserve balance exceeds the 10% maximum, a credit will be applied to the power cost adjustment.

7. The Electric Improvement & Extension Fund budget balance shall be no less than $200,000 of the current fiscal year's appropriation for electric system projects to allow for project variances and change orders; a 10% contingency shall be included in project budgets greater than $250,000 if the Department Head determines it to be appropriate. All vehicle and equipment purchases under $25,000 will be budgeted on a pay as you go basis. The City Manager shall make the necessary budget amendments in accordance with the City of Dover Purchasing & Budget Amendment Policies.

8. The City has established an account to provide for capital financing of Future Capacity or system expansion. The City shall maintain a balance equivalent to the value of 10% growth in capacity at any given time, or no less than $10,000,000. Amounts used to finance projects shall be replenished by the operating revenues of the Electric Revenue Fund over the succeeding seven years of any project completion.

9. The City has established an account to provide for replacement or procurement of utility system assets, otherwise known as Depreciation Reserve. Optimally, the amount set aside for future asset replacements should equal the annual depreciation of the current assets. The City will maintain a minimum balance of $10,000,000. The primary purpose of this account is to provide partial or all financing of major capital projects and minimize debt service payments. The account is also intended to cover unforeseen capital replacements due to equipment breakdowns, storms or hurricane damages. Amounts used to finance projects shall be replenished by the operating revenues of the Electric Revenue Fund over the succeeding seven years of any project completion

10. The total of the combined Electric Revenue and Electric Improvement & Extension Fund budget and reserve balances shall be benchmarked at 50% Budgeted Operating Revenues. Operating Fund Budget Balance and Reserves shall be adjusted to appropriate levels through adjustments

in the operating budget. Improvement & Extension Fund Budget Balance and Reserves shall be adjusted in accordance with the Capital Improvement Plan.

Investment and Cash Management Policy

1. The City will deposit all receipts on a timely basis in interest bearing accounts.

2. The City will strive to maximize the return on its investment portfolio without jeopardizing principal amounts.

3. The City will limit its investments to the types of securities provided for by Delaware statutes.

4. The City will diversify its investments by maturity date to protect against market fluctuations.

5. The City will purchase securities from qualified institutions based on competitive bids in an effort to obtain the highest available rates.

6. The City will maintain an Investment Policy based on prudent investment practices and will monitor all investment managers' compliance with policy objectives.

Capital Improvement Policy

1. The City will prepare and update, as needed a five-year Capital Improvements Program (CIP) which will provide for the orderly maintenance, replacement, and expansion of capital assets.

2. The CIP will identify long-range capital projects and capital improvements of all types, which will be coordinated with the annual operating budget to maintain full utilization of available revenue sources.

3. When preparing the CIP, the City will seek to identify all viable capital projects and capital improvements required during the subsequent five-year period. These projects and improvements will be prioritized by year and by funding source.

4. Every attempt will be made to match projects and improvements with available funding sources. Future operating costs and savings associated with a project or an improvement will also be given consideration in the establishment of priorities.

5. The City will seek Federal, State, and other funding to assist in financing capital projects and capital improvements.

6. The City will incorporate the reasonable findings and recommendations of other cities' Boards, Commissions, Committees, and Citizen Task Forces, as they relate to capital projects and improvements.

7. The City will seek input from the public by holding public hearings in relation to the establishment of projects and project priorities.

Financial Reporting Policy

1. The City's accounting system will maintain records in accordance with accounting standards and principles outlined by the Governmental Accounting Standards Board (GASB), Financial Accounting Standards Board (FASB), and the State of Delaware.

2. The City will employ an independent accounting firm to perform an annual audit of the City's finances and make the annual audit available to all required and interested parties.

3. The City will produce monthly and quarterly financial statements reporting the current periods' activity for all funds maintained by the City.

4. The City will prepare an annual budget document that provides a basic understanding of the City's planned financial operations for the coming fiscal year. Copies of the proposed and final budget will be made available to all interested parties and opportunities will be provided for citizen input prior to final decisions on the budget.

5. The City will place continued emphasis on review and maintenance of an accounting system which provides strong internal budgetary and accounting controls designed to provide reasonable assurance, but not absolute, assurance regarding:

   (a) the safeguarding of assets against loss from unauthorized use or disposition and,
   (b) the reliability of financial records for preparing financial statements and reports, and the maintaining accountability for assets.

6. The City will seek annual renewal of the Government Finance Officers Association's (GFOA) Certificate of Achievement for Excellence in Financial Reporting and the Distinguished Budget Presentation Award.

Adoption:

1. Approval by City Council: January 28, 2002
2. Amended by City Council: November 25, 2002
3. Amended by City Council: May 10, 2004
4. Amended by City Council: February 26, 2007
5. Amended by City Council: July 28, 2008
6. Amended by City Council: February 14, 2011
7. Amended by City Council: June 27, 2011
8. Amended by City Council: September 26, 2011

City of Dover

Account Information

Customer: JUSTIN CASE
Service Address: 1111 MAIN ST
Account #: 111111-22222 10-86
Bill Date: 09/12/2011
Due Date: 10/03/2011

Contact Information

8:30 a.m. - 5:00 p.m. Monday—Friday
Customer Service: 302-736-7035
Emergency after 5 p.m.: 302-736-7086
Website: www.cityofdover.com

20 ***IMPORTANT: See Notice of Disconnection below.***

Balance From Last Bill:	$	511.88
Thank you! Last payment received: 150.00 on 08/23/2011		
Payments and adjustments made after this Bill Date 09/12 will appear on next bill.		
Current Charges:	$	255.73
Total Amount Due: A late payment charge of 1.5% will be added to any balance remaining 30 days after billing.	$	767.61

Other Payment Options

Automatic Bank Draft from checking or savings account— sign up needed.
Equalized Payment Plan - a fixed budget amount each month for residential customers—sign up needed.
Online Payment with a credit card by visiting www.cityofdover.com or call 1-866-780-5451, a fee provided service.

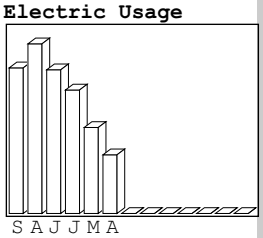
Customer News & Information

Meter Information - Residential

Meter #	Days	Service	Period	Previous	Present	Mult	Usage	Svc Units
51876559E	33	8/ 4/11	9/ 6/11	16726.00	18101.00	1.00	1375.00	EL KWH
43924302W	33	8/ 4/11	9/ 6/11	672.00	677.00	1.00	5.00	WA TGAL

Consumption History

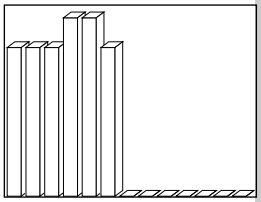
Electric Usage



S A J J M A

Avg daily kwh: 41.6

Water Usage



S A J J M A

Charges for current cycle

Service		Consumption	Rate	Charge
EL	RES CUSTOMER CHG			5.00
EL	ENERGY CHG	1375.00	.145000	199.38
EL	PURCHASE POWER COST	1375.00	.008570-	11.78-
EL	GREEN ENERGY CHARGE	1375.00	.000178	.24
TOTAL	ELECTRIC			192.84
WA	WATER TGAL FLOW CHG	5.00	3.000000	15.00
WA	WATER CUSTOMER CHG			1.25
TOTAL	WATER SERVICE			16.25
SE	SEWER FLOW CHARGE	5.00	2.650000	13.25
SE	SEWER CUSTOMER CHG			1.25
SE	GROUNDWATER INFLOW	5.00	1.050000	5.25
SE	KENT COUNTY SWR ADJ	5.00	2.340000	11.70
TOTAL	SEWER SERVICE			31.45
TR	TRASH 08/10 TO 09/09			11.70
TOTAL	TRASH			11.70
EP	ELE LATE PMT PENALTY			2.85
KP	KCS LATE PMT PENALTY			.18
SP	SWR LATE PMT PENALTY			.22
WP	WAT LATE PMT PENALTY			.24
TOTAL	MISC CHARGES			3.49
TOTAL	CHARGES FOR PERIOD			255.73

Notice of Disconnection

Disconnection of service without further notice may occur *if balance due from last bill has not been paid by* 09/22/11. If the account is scheduled for disconnection, a service fee must be paid along with the entire amount owed. An additional deposit may be required.

Please detach this portion and remit with payment made by mail or in person. **Mail all correspondence to utility billing office.**

Notify customer service to update mailing address, phone number, or email.

City of Dover

JUSTIN CASE 111111-22222

Balance From Last Bill Due Immediately:	511.88	
Current Charges Due :	255.73	
Total Due:	767.61	

Total Amount Due 767.61

Payment Enclosed:

Make Payments to:

City of Dover Utility
Po Box 15040
Wilmington, DE 19886-5040

JUSTIN CASE
111 MAIN ST
DOVER DE 19901

0001361810000169180000000767617

CITY OF DOVER ORDINANCE #2011-22

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

That Chapter 106 – Traffic and Vehicles, Article III – Stopping, Standing and Parking, Division 2 – Metered Parking, Section 106-164 – Violations; penalties, be amended to read as follows:

(a) *Generally.* Any person convicted of violating the provisions of this division or of aiding, abetting or assisting in the violation of said provisions shall be sentenced to pay a fine as provided for in Appendix F—Fees and Fines. After the expiration of 24 hours, the violator may pay the sum as provided for in Appendix F—Fees and Fines, if payment is made voluntarily prior to the time and date set forth in the summons.

(b) *Fourth violation.* Any person committing a fourth violation within any 30-day period of the provisions of this division within one (1) hour from the time that the summons giving notice of the violation is issued, may pay as provided for in Appendix F—Fees and Fines. After the expiration of one (1) hour from the issuance of the summons, the violator may pay each such violation as provided for in Appendix F—Fees and Fines, if payment is made voluntarily prior to the time and date set forth in the summons.

(c) *Fifth violation, etc.* Any person committing more than four (4) violations within any 30-day period of the provisions of this division may pay the sum as provided for in Appendix F—Fees and Fines, if payment is made voluntarily prior to the time and date set forth in the summons.

(d) *Enhanced civil enforcement authority.* If five (5) or more violations of this Article have been issued to a vehicle and those violations are more than thirty (30) days past due, or if accumulated unpaid violations of this Article exceed more than $200.00, the vehicle shall be subject to enhanced civil enforcement, as follows:

(1) Such vehicle found parked on any street in the City of Dover shall be immobilized by any police officer or parking enforcement employee of this City in such manner as to prevent its operation. Any vehicle so immobilized or impounded shall not be released to its lawful owner until all unpaid violations and applicable administrative fees issued to such owner have been discharged by payment in full, together with payment for the costs of immobilizing, releasing, and storing such vehicle. The owner shall sign a receipt for such vehicle. Payment for any such towing shall be in accordance with the towing costs outlined in the current agreement between the police department and the towing operator. If the vehicle is a tractor-trailer combination, the trailer may be released to an authorized agent if the tractor-trailer is immobilized pursuant to this section.

(2) In any case involving immobilization of a vehicle pursuant to this section, the police officer or parking enforcement employee shall place on such vehicle, in a conspicuous manner, notice sufficient to warn any individual that such vehicle has been immobilized and that any attempt to move such vehicle might result in damage to such vehicle.

(3) Any vehicle remaining immobilized and not release for 120 hours may be towed and impounded at the direction of a police officer or parking enforcement employee.

(4) Any person who unlawfully removes a device for immobilization of a vehicle shall be fined as provided for in Appendix F – Fees and Fines.

(5) Any person who tows or otherwise moves an immobilized vehicle without authorization by the Chief of Police or his designee shall be fined as provided for in Appendix F – Fees and Fines.

(e) *Cost.* No cost will be assessed if payment of the penalty as hereinbefore imposed is voluntarily paid without the necessity of a hearing before the proper official.

BE IT FURTHER ORDAINED:

That Appendix F – Fees and Fines, Chapter 106 – Traffic and Vehicles, Article III – Stopping, Standing and Parking, Division 2 – Metered Parking, Section 106-164, be amended to read as follows:

Chapter 106—Traffic and Vehicles, Article III—Stopping, Standing and Parking, Division 2—Metered Parking			
Sec. 106-163	Use of meters required		
	Subsec. (b)	Coins accepted	
		Each $0.01 coin	Permits the vehicle to be parked for a period of 12 minutes
		Each $0.05 coin	Permits the vehicle to be parked for a period of 60 minutes
Sec. 106-164	Violations; penalties		
	Subsec. (a)	Generally; Each violation *if paid within 24 hours* from time summons giving notice of violation is issued	A fine of not less than $1.00 for each violation
	Subsec. (a)	Generally; Each violation *if paid after expiration of 24 hours* from time summons giving notice of violation is issued	$2.00 for each violation, if payment is made voluntarily prior to the time and date set forth in the summons
	Subsec. (b)	Fourth Violation; Each violation *if paid within one hour* from time summons giving notice of violation is issued	$1.00 for each such violation
	Subsec. (b)	Fourth Violation; Each violation *if paid after expiration of one hour* from time summons giving notice of violation is issued	$2.00 for each violation, if payment is made voluntarily prior to the time and date set forth in the summons

	Subsec. (c)	Fifth violation, etc.; Any person committing more than four violations within any 30-day period of the provisions of this division	$5.00 for each such violation, if payment is made voluntarily prior to the time and date set forth in the summons.
	Subsec. (d)(4)	Any person who unlawfully removes a device for immobilization of a vehicle	$500.00 fine for each violation
	Subsec. (d)(5)	Any person who tows or otherwise moves an immobilized vehicle without authorization by the Chief of Police or his designee	$500.00 fine for each violation
	Subsec. (e)	Cost. No cost will be assessed if payment of the penalty as hereinbefore imposed is voluntarily paid without the necessity of a hearing before the proper official	

ADOPTED: SEPTEMBER 26, 2011

SYNOPSIS

The ordinance allows the Police Department to use a device to immobilize a vehicle that has unpaid parking tickets exceeding $200 that are 30 days past due.

Actions History

September 26, 2011 - Final Reading by Council
September 12, 2011 - First Reading by Council
August 24, 2011 - Considered by the Safety Advisory and Transportation Committee