# REGULAR COUNCIL MEETING

The Regular Council Meeting was held on June 27, 2011 at 7:30 p.m. with Council President Leary presiding. Council members present were Mr. Anderson, Mrs. Russell, Dr. McGlumphy, Mr. Lynn, Mr. Bonar, Mrs. Williams, and Mr. Hutchison. Mr. Hare was absent.

Council staff members present were Police Chief Hosfelt, Ms. Russell, Mrs. Mitchell, Mrs. Townshend, Fire Chief Fortney, Mr. Koenig, Deputy City Solicitor Pepper, 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 Segment.

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 Dr. McGlumphy and unanimously carried.**

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

## ADOPTION OF MINUTES - SPECIAL COUNCIL MEETING (BUDGET REVIEW) OF MAY 17, 18, 19, 24, AND JUNE 6, 2011

**The Minutes of the Special Council Meeting (Budget Review) of May 17, 18, 19, 24 and June 6, 2011 were unanimously approved by motion of Dr. McGlumphy, seconded by Mrs. Russell and bore the written approval of Mayor Carey.**

## ADOPTION OF MINUTES - REGULAR COUNCIL MEETING OF JUNE 13, 2011

**The Minutes of the Regular Council Meeting of June 13, 2011 were unanimously approved by motion of Dr. McGlumphy, seconded by Mrs. Russell and bore the written approval of Mayor Carey.**

## PRESENTATION BY FRIENDS OF THE DOVER PUBLIC LIBRARY

Ms. Ann Stewart, President of the Friends of the Dover Public Library, presented a check in the amount of $97,639.34 to Mayor Carey and Ms. Dorothy Snyder, President of the Dover Library Foundation, for the new Library.

Ms. Snyder relayed appreciation for the funds received and introduced members of the Friends of the Dover Public Library, in addition to Ms. Stewart, who were present, as follows: Mr. N.C. Vasuki (incoming President), Mr. Jim Stewart, Ms. Beth Bresnahan, and Ms. Annie Scott.

**PARKS, RECREATION, AND COMMUNITY ENHANCEMENT COMMITTEE REPORT - JUNE 13, 2011**

The Parks, Recreation, and Community Enhancement Committee met on June 13, 2011 with Chairwoman Russell presiding.

**Silver Lake Revitalization - Phase III**

During their meeting of March 8, 2010, members reviewed information regarding a Silver Lake Revitalization Project and recommended approval of a landscaping and stormwater improvement plan for Silver Lake Park. Mr. Zachery Carter, Director of Parks and Recreation, explained that staff from the City, the State of Delaware Department of Natural Resources and Environmental Control (DNREC), and the Kent Conservation District are continuing their efforts to reduce pollution in the St. Jones river watershed area, particularly in the area of Silver Lake. He noted that planning for Phase III of the project, which includes the portion of the St. Jones river that runs between Division and Loockerman Streets, is currently underway. Mr. Carter stated that residents near the target area were consulted regarding this phase of the project and a public meeting was held where plans for the project were displayed. He stated that the community did not relay any concerns regarding Phase III and that members of the Silver Lake Commission reviewed the proposed plans and were supportive. Mr. Carter noted that the purpose of presenting information regarding the project to the Committee was to provide members an opportunity to comment on the plans. He indicated that the State is also considering dredging Mirror Lake and that he hoped to hear more about this possibility within the next one (1) to two (2) months.

Ms. Brittany Benson and Ms. Jennifer Bowman, St. Jones Watershed Coordinators, Kent Conservation District, reviewed a presentation - Silver Lake Park Revitalization Project - Phase III - Park Drive. Ms. Benson explained that the Clean Water Act of 2006 required Delaware to develop a list of impaired waterways and determine the associated Total Maximum Daily Load (TMDL), which is the maximum level of pollutants that a water body can receive and safely meet water quality standards. She indicated that the St. Jones watershed has been identified as an impaired waterway and that the Silver Lake sub-watershed of the St. Jones provides the greatest opportunity to make significant improvements. Ms. Benson stated that the Silver Lake Park Revitalization Project was developed by the St. Jones Tributary Action Team to reduce TMDL's. She advised members that the goal of the project is to create a permanent, 100-foot buffer consisting of native plantings bordering the eastern side of the St. Jones river in the targeted area. After meeting with and surveying residents, the team determined that problems in the region include poor water quality, poor habitat value, Canada goose waste, sedimentation of Mirror Lake, and periodic flooding. Ms. Benson stated that the proposed buffer would aid in improving water quality and also result in aesthetic improvements in the area. She indicated that additional goals would be to remove invasive plant species and restore the shoreline.

Ms. Benson explained that three (3) major plantings in Phase I have been accomplished, Phase II design is complete and is being bid out to a contractor, and work has begun on Phases III and IV of the project.

Ms. Bowman reviewed recommendations as to the specific species of plants, shrubs, and trees proposed for this area. She presented two (2) landscaping designs, the original design which contained a "denser" vegetation plan and a second, scaled-back version which contained fewer plantings. She indicated that feedback received from residents indicated a preference for the second option, which reduces obstruction of the view of the waterway.

Mr. Carter indicated that the Silver Lake Commission also favored the "less dense" landscape design, which would provide a better view of the river and would also allow for easier monitoring of the area. He stated that the plan would reduce the amount of area currently being mowed, which would also reduce expenses.

Mr. Dean Holden, Chair of the Silver Lake Commission, expressed gratitude to Mr. Lyle Jones, DNREC Program Manager, Ms. Benson, and Ms. Bowman for their efforts on the project, stating that the work already accomplished has added to the beauty of the region, helped to deter Canada geese from utilizing the area, and aided in stream restoration. He also commended them for working with area residents and the Silver Lake Commission to resolve their concerns.

In response to Mr. Anderson, Mr. Scott Koenig, Interim City Manager, stated that completion of the project would demonstrate that the City is making progress toward meeting the provisions of the City's Municipal Separate Storm Sewer (MS4) permit. He noted that, due to the scope of the pollution problems in Silver Lake, the project would probably not result in statistical improvement; however, the City will receive credit for making a community improvement that shows progress toward meeting the overall burdens of the permit. Mr. Carter stated that community education projects that the Watershed Coordinators completed at the Agricultural Museum and Dover High School will also be credited as activities that help to reduce Silver Lake pollution.

Mr. Jones anticipated that completion of Phase II of the Revitalization Project, which involves construction in the Silver Lake Dam area, will bring about major water quality improvement. In addition, he felt that restoring the shoreline, reducing the sediment, and decreasing the Canada goose population will benefit the water quality.

In response to Mr. Anderson, Mr. Jones stated that reducing the bacterial count in Silver Lake will be a long-range project, due to the quantity of sediment, bacteria, and direct discharge from street drains in the City.

Responding to Mr. Anderson regarding the use of local and minority contractors to complete the project, Mr. Jones stated that much of the work for the project will be performed by City grounds staff and volunteers. He emphasized the importance of obtaining qualified contractors for the project, particularly for major construction to be completed during Phase II in the area between the Silver Lake Dam and the footbridge and indicated that qualified minority and local contractors who submit bids for the project will receive full consideration.

In response to Mrs. Horsey, Mr. Jones stated that they are planning to spray invasive plants in the area, including poison ivy that has accumulated at the Court Street Bridge near Legislative Hall.

Mrs. Russell, Mr. Anderson, and Mrs. Horsey commended Mr. Jones, Ms. Benson, and Ms. Bowman for the aesthetically pleasing and well-designed plan and extended thanks for their efforts related to the project.

The Committee recommended approval of the plan as presented.

Mrs. Ann Marie Townshend informed members that a bus tour to visit projects completed using Community Development Block Grant (CDBG) funds, originally scheduled for June 13, 2011, was canceled. She indicated that it is planned to reschedule this event in conjunction with the Committee's meeting in July. Mrs. Townshend advised members that the tour would allow them the opportunity to view sites funded through the Neighborhood Stabilization Program, visit the Interfaith Mission for Housing, and examine areas in the City that have benefitted from housing rehabilitation and infrastructure investments.

In response to Mr. Lewis, Mrs. Townshend stated that properties that receive CDBG funds for improvements are examined to ensure work has been completed before payment is issued, and properties are also inspected if a building permit is issued; however, she stated that perhaps a 6-12 month follow-up survey should be performed to ensure that work has been executed in a professional manner.

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

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

**UTILITY COMMITTEE REPORT - JUNE 13, 2011**

The Utility Committee met on June 13, 2011 with Chairman Bonar presiding.

**Dedication of Rights-of-Way and Public Infrastructure - Blue Hen Apartments**

The developer of the Blue Hen Apartment Complex, Pettinaro Construction Co., Inc., has requested that all public infrastructure improvements adjacent to this project be dedicated to the City of Dover for permanent ownership and maintenance. Members were provided a list of all of the public improvements associated with this project, as well as a map showing the general location and configuration of the subject rights-of-way. Pettinaro Construction, Co., Inc. has constructed all of the improvements in accordance with City standards and specifications. After construction was completed, City staff inspected the public improvements and provided the developer with a list of repairs to be made to meet the City of Dover Standards and Specifications for Public Works Construction. As of this date, all work related to the public infrastructure has been completed by the developer. A one (1) year Maintenance Agreement, Letter of Credit, and a Release of Liabilities will be submitted by the developer as part of the dedication process. In addition, as-built drawings of the subject improvements and rights-of-way have been submitted to the City of Dover as permanent records.

Staff recommended acceptance of dedication of rights-of-way and public infrastructure adjacent to the Blue Hen Apartment Complex, to include all referenced public improvements, as follows:

Street Infrastructure (0.3040 miles) (Construction Value = $ 240,750):

| | | |
|---|---|---|
| Blue Hen Boulevard | Station 0+00 to Station 11+60 | 1,160 l.f. |
| Haslet Street | Station 0+00 to Station 4+45 | 445 l.f. |

Mr. Scott Koenig, Public Services Manager/Director of Public Works/Interim City Manager, advised members that the total construction value of the public improvements is $240,750.

In response to Mrs. Williams, Mr. Koenig stated that he is satisfied with the outcome of the improvements.

Responding to Mr. Blakeman, Mr. Koenig explained that the "rough patch," located approximately 200 feet from the stop sign was caused by a water main break during the winter. He stated that the water main existed prior to these improvements and was already dedicated to the City of Dover. Mr. Koenig indicated that the City will be completing a repair patch on that break, probably within the next 30 to 60 days, pending the approval of a street contractor. Based on his assessment of the problem, Mr. Koenig stated that the developer is not responsible for these repairs since the City's infrastructure failed after the developer completed his improvements.

The committee recommended acceptance of dedication of rights-of-way and public infrastructure adjacent to the Blue Hen Apartment Complex, to include all referenced public improvements, as detailed on the List of all Public Improvements.

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

**Universal Recycling Grants - Recycling Services Reimbursement Agreement**

In June 2010, the State of Delaware passed legislation which established Universal Recycling in Delaware. This legislation requires the implementation of comprehensive residential and commercial recycling programs by municipalities and private waste haulers. It also established the Delaware Recycling Fund and the Recycling Grants and Low-Interest Program to defray the costs of implementation, with funding derived from the conversion of the former bottle deposit to a Recycling Fee on beverage containers.

In January 2011, the City of Dover submitted a series of grant applications related to the implementation of a comprehensive recycling program. In April 2011, the City of Dover was informed that Universal Recycling Grant funding will be awarded to the City, in the amount of $101,151, as follows:

| | | |
|---|---|---|
| 1. Public Information & Education for Customers | - | $ 15,000.00 |
| 2. "Schedule Change" Flyers Reimbursement | - | $ 3,115.00 |
| 3. Curbside Recycling Container Labels (Qty. = 15,250) | - | $ 2,798.00 |
| 4. Purchase of 1,782 wheeled recycling carts | - | $ 80,238.00 |
| | | $101,151.00 |

Staff requested authorization to execute the reimbursement agreement and begin the work associated with the agreement. The City of Dover expended funds in FY2011 for the purchase of wheeled recycling containers, curbside recycling container labels and "Schedule Change" flyers. All of these expenses are related to the implementation of the curbside program and will be eligible for reimbursement once the agreement has been signed. These expenses are part of the funds identified in 2, 3 and 4, listed above.

In response to Mrs. Williams, Mr. Koenig explained that the need to purchase 1,782 wheeled recycling carts was determined by calculating the estimated number of residential houses downtown and small businesses that will need carts, and the cumulative number of mobile homes in the City.

Responding to Mr. Blakeman, Mr. Koenig indicated that Section 2 - Reimbursement of Appendix A of the Recycling Services Reimbursement Agreement refers to future rounds of the grants and that this round only includes the $101,151.00 of expenses.

In response to Mr. Blakeman, Mr. Koenig stated that the dates in the contract will be pushed back.

Mr. Snaman questioned how apartment complexes would be addressed. In response, Mr. Koenig indicated that the Universal Recycling legislation provides a deadline by which recycling service must be extended to apartment complexes; however, as a hauler, the City of Dover does not pick up individual apartment complexes. He indicated that private sector haulers will have to address ways to pick up recyclables at those facilities.

Responding to Mrs. Williams, Mr. Koenig stated that the City has not extended the curbside recycling program to Brandywine Court Condominiums. He indicated that a method for collecting curbside recyclables there will need to be developed.

Mrs. Williams suggested that Mr. Koenig contact Brandywine Court Condominiums to request that a community meeting be scheduled.

In response to Mr. Bonar, Mr. Koenig stated that the City received approximately $350,000 in donated recycling carts from the Delaware Solid Waste Authority and this reimbursable grant will cover the expense for 1,782 recycling carts. The City will have future expenses related to repairs to existing carts and the purchase of new carts. Mr. Koenig explained that the City will have to provide a regular trash container and a recycling cart to each newly constructed house at a cost of approximately $100 per house. Historically, there have been between 300 to 400 new homes constructed each year and in the next five (5) years he anticipates that between 200 to 300 new homes will be constructed per year.

Mr. Koenig stated that the recycling contract for the hauler that collects recyclables will cost the City approximately $240,000 this year and will be the major cost of the recycling program over the next five (5) years. He noted that these expenses are not reimbursable.

The committee recommended authorizing staff to execute the Recycling Services Reimbursement Agreement with Delaware Department of Natural Resources and Environmental Control (DNREC). The City of Dover will be eligible for reimbursement up to $101,151.00 for work and/or services identified in the agreement.

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

**Review of Utility Related Capital Investment Plan (CIP) (Electric and Water/Wastewater)**
Members were provided a Project Tracking Report, as of April 30, 2011, for the Utility (Electric and Water/Wastewater) Related Capital Investment Plan (CIP).

At the request of Chairman Bonar, Mr. Ronald Lunt, Director of Public Utilities, reviewed the status of the Major Projects in the Utility (Electric and Water/Wastewater) Related Capital Investment Plan (CIP).

Regarding the 1.0 MG Elevated Water Storage Tank, Mr. Lunt advised members that this project has been delayed due to the new model not working properly. The Public Utilities Department has received assistance from consultants and the new engineering firm, who have greater expertise in this area. Mr. Lunt explained that the delay was also related to the Garrison Energy Center requesting a water usage study, as the department focused on helping them understand the types of water improvements that may be required for the project if it moves forward.

Mr. Lunt informed members that upon submitting application to the Delaware Department of Natural Resources and Environmental Control (DNREC) for Well 8, DNREC requested a comprehensive review of all of the City's well permits and allocations. He stated that there have been several meetings between Public Utilities and DNREC, and that DNREC has been open to their ideas. DNREC was happy to learn that the City is examining the possibility of modifying some of the current allocations to provide better protection to the ground source water.

In regard to the US 13 East Sanitary Sewer Interceptor, Mr. Lunt stated that the project is substantially complete with only a few punch list items remaining and he expects to close out the contract within the next month or month and one-half.

Mr. Lunt stated that construction has begun on Bayard Avenue and work began on the alley east of Bayard Avenue earlier in the day. The contract for the jack and bore has been issued and work should begin underneath Loockerman Street within the next month.

Regarding Phase II of the water project on the East side of North State Street, Mr. Lunt noted that the project was delayed in order to reallocate the funds to the Route 13 Water Main project.

Mr. Lunt reported that the Route 13 Water Main project has begun and reminded members that it requires night work and road lane closures.

Referring to the Remote Control and Monitor Wells project, Mr. Lunt reminded members of the master station failure at the water treatment plant and that funds were reallocated to this project. He reported that the master station was delivered within the last month and has been functionally installed.

Mr. Lunt stated that the FY 2010 Inflow/Infiltration Removal (I & I) project is part of the Division Street project and that some of the mains in the area west of Governors Avenue and north of Division Street have been completed. Division Street is scheduled to be closed with complete detour beginning the evening of July 9, 2011 for one (1) week. He informed members that

Mrs. Kay Dietz-Sass, Public Affairs Coordinator, is handling all public notification for this project. Mr. Lunt reported that the Delaware Department of Transportation (DelDOT) has worked with the City on this project and will detour truck traffic to Route 13 via Scarborough Road. Although they do not typically detour traffic into other construction zones, such as the Route 13 Water Main project, they will allow the City to complete this work with only a one-lane restriction shut down. He commended DelDOT for accommodating the City in regard to this project and noted that the relationship between the City and DelDOT has improved as a result of quarterly meetings.

Mr. Lunt informed members that bids for the Fox Hall Pump Station and Heatherfield Force Main Rerouting projects will be considered for award by Council later in the evening.

In regard to the Tar Ditch Interceptor Upgrade, Mr. Lunt advised members that there are several issues related to this project. It was discovered that the current sewer line, in the Tar Ditch east of State Street, is misaligned and that both sections will need to be replaced. While researching this problem, staff learned that there are no current easements recorded for this sewer line. Mr. Lunt stated that staff has met with the homeowners to discuss options for this project and indicated that they have not been receptive to the project, especially the requirement for the removal of one (1) large tree, but have come up with options that staff is in the process of evaluating. He noted that the City's options for moving the line are limited because there is a storm sewer main located next to the sanitary sewer and there is not a lot of extra elevation drop between the first and last manholes.

In response to Mr. Bonar, Mr. Lunt indicated that staff will need to meet with the homeowners again to determine if they will grant easements and to explore different options.

Responding to Mrs. Williams, Mr. Lunt supposed that the misalignment was the result of incorrect installation of the sewer line and stated that the engineer estimated that the line was installed in the early 1960s or earlier.

Mr. Lunt stated that the Various Pump Motor Replacement project was part of a grant that was received from the State within the last two (2) years. He noted that the pump motors were replaced in one (1) well and in two (2) different pump stations and this project is now complete.

Mr. Lunt reminded members that the Miscellaneous Distribution System Upgrade project is a place holder for possible water main breaks that may require an expensive repair.

Regarding the Wellhead Redevelopment project, Mr. Lunt noted that it is an active project that will be completed this fiscal year and the budgeted funds will be expended.

Mr. Lunt stated that the design work related to the water quality projects for Columbia Avenue, Ross Street, William Street, and West Street (W. Alley) is partially complete; however, due to funding issues, these projects have been delayed until FY 2012.

Mr. Lunt reported that the FY 2012 Inflow/Infiltration (I & I) Removal will be completed in conjunction with the Division Street project. There are two (2) different contractors for the main relining and the I & I projects for the manholes, so staff has coordinated the contractors to complete Division Street first and then the contractor for the I & I will seal the other remaining manholes.

Mr. Lunt informed members that the SCADA Technical Equipment Upgrade is an annual upgrade of all obsolete Remote Terminal Units (RTU) and lift stations and that this project has been completed for FY 2011.

Referring to the vehicles and equipment project noted on Line 23 of Page 5 of the Project Tracking Report, Mr. Lunt reported that all vehicles and equipment have been ordered and this project is complete.

In response to Mr. Blakeman, Mr. Lunt stated that the Walker Road Overhead Conversion was cancelled because the price was too high for the water part and would have required funds for too many years. It was Mr. Lunt's opinion that there was no need to bury the electric if the water would not be completed simultaneously.

Mr. Lunt reported that the City's electric line relocation for the Wyoming Mill Road Realignment is complete.

Mr. Lunt explained that the funds from the Walker Road Overhead Conversion were reallocated to accelerate a new project for substation switches, 69kV Substation Switch Replacement, because two (2) or three (3) of the switches in North Street burned up. He indicated that all of the new switches have been ordered for the North Street substation and, next year, this project is scheduled to be completed under one (1) outage, utilizing the Potential Transformers (PT), Current Transformers (CT) and arresters which have been ordered under separate projects.

Mr. Lunt indicated that the CIPs regarding the plant are included in the PACE/NAES Report and would best be discussed with the next item on the agenda.

The Committee recommended acceptance of the Utility Related Capital Investment Plan (CIP) (Electric and Water/Wastewater) Report.

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

**PACE/NAES Report *(March and April)***

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

Mr. Ronald Lunt, Director of Public Utilities, reviewed the PACE/NAES monthly report for April 2011. He reported that the City's cost-of-service continued to remain below budget and that sales were a couple thousand megawatt hours over projection, which is based on weather normalized loads.

For the benefit of the new members, Mr. Lunt called attention to the charts contained throughout the PACE/NAES monthly report for April 2011. He informed members that the budget and actual amounts depicted on these charts for July through December 2010 are identical because, during the semiannual adjustment, in January 2011, the projections in the budget were reset to reflect the actual amounts.

In response to Mr. Bonar, Mr. Lunt indicated that Units 1, 2, and 3 ran during the last two (2) weeks for an approximate total of seven (7) hours. He also explained that a scheduled run for Unit 3 was cancelled and staff is working with PJM to receive compensation for fuel expenses for the near run time.

Responding to Mrs. Williams' questions regarding the shelf life of Units 1 and 2, Mr. Lunt stated that these units have exceeded the shelf life. He explained that the veins where the steam enters into the turbine are showing heavy wear and the only way to repair or fix them is to pull the units apart. It will now need to be determined whether it would be more economically advantageous to pull the units apart or continue to operate safely until they fail.

In response to Mr. Bonar, Mr. Lunt requested the opportunity for The Energy Authority (TEA) to provide guidance regarding this matter before it comes before the committee again.
Mr. Lunt reported that although Units 1 and 2 have exceeded the shelf life, they are 17 megawatt units so it does not take a lot of time to make a return on the investment.

Referring to Page 5, Wholesale Cost-of-Service Summary (Projected), Mr. Blakeman requested clarification regarding the solar plant. Mr. Lunt explained that in this monthly report, the solar plant was rolled into the cost-of-service instead of listed as with solar and without solar because staff had a firm idea of when it was going to come online.

Mr. Lunt informed members that the cost-of-service summary also includes the total Solar Renewable Energy Credits (SREC) and decisions will need to be made as to whether the City holds them, banks them, etc. He stated that, theoretically, the City could sell them, at least for the first year or two, until City Renewable Portfolio Supply Standards (RPS Standards) are developed which is required by January 2014.

Responding to Mrs. Williams, Mr. Lunt stated that Delmarva Power also has excess credits. He explained that there is a market for selling the SRECs, although the price has decreased.

Referring to the Capital Improvement Projects (CIP) for the Plant, beginning on Page 36, Mr. Lunt reported that the power plant conducted the Spring Outage and he is not aware of any related problems.

The Committee recommended acceptance of the PACE/NAES Reports for March and April 2011.

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

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

Mrs. Ann Marie Townshend, Director of Planning and Community Development, updated members on the status of the National Pollution Discharge Elimination System (NPDES) Municipal Separate Storm Sewer Systems (MS4) Permit.

Mrs. Townshend explained that the City of Dover Municipal Separate Storm Sewer System (MS4) is the system of pipes that conveys water from the streets to surface water, stormwater ponds, and other infrastructure. The City's MS4 is regulated under a permit through the Delaware Department of Natural Resources and Environmental Control (DNREC) as part of the Clean Water Act and DNREC's authority to hold the permit is delegated from the US Environmental Protection Agency (EPA). She stated that the City's permit began in 2003, expired in 2008, and has been administratively extended through DNREC. Mrs. Townshend reported that there are a number of issues with the permit, and the program in general, throughout the State of Delaware. Several municipal and county governments in New Castle County have experienced difficulty renewing their be under a new permit by now; however, DNREC has made it clear that it may take a year or more. She stated that DNREC has continued to provide the City with actions to take, in order to maintain the administrative extension. Previously, the City received a notice of violation for not completing several conditions of the permit and Mrs. Townshend reported that the violation was cleared in November 2010. She informed members that a report was submitted to DNREC listing the items that were not on the previous notice of violation and had not been completed. DNREC has indicated that the City should expect to receive another notice of violation, which is intended to allow the City to maintain the administrative extension until the beginning of 2012. Mrs. Townshend hoped that by that time the City will complete all actions for the permit that was initiated in 2003 and those items that have been added during the administrative extension.

In response to Mrs. Williams, Mrs. Townshend stated that the City did not deliberately provide DNREC with the information in order to foster an administrative extension. She explained that the City has been working with DNREC for the past two (2) years but that there were a number of reasons for the City becoming non-compliant. Mrs. Townshend stated that there was a period of time, under previous managers at DNREC, that DNREC was not focused on the program or interacting proactively with the municipal governments that are regulated under the program. Additionally, the City was not adequately staffed and problems related to brown water diverted staff from spending a lot of time on the program. She stated that DNREC has kept the City under a notice of violation to prevent the EPA from taking over the permit.

Responding to Mrs. Williams, Mrs. Townshend informed members that, at this time, the City is in sync with DNREC and staff is working to complete all actions associated with the permit. She stated that staff has been actively working to develop a number of brochures, a few of which have been completed during the past few months and several that should be completed later this summer and early fall. She also indicated that the City is required to develop and utilize a survey to measure the effectiveness of the City's stormwater program and that staff will be working with students in the Wesley College Environmental Studies Program to develop a survey to be administered every two (2) years to monitor changes.

Furthermore, Mrs. Townshend stated that, through the permit, staff has placed medallions on storm drains throughout the City and is expected under DNREC to install at least 50 medallions per year. She noted that undergraduate students in the Wesley College Environmental Studies Program are also being utilized to organize volunteer efforts to complete this.

Mrs. Townshend informed members that Mr. Mark Nowak, GIS Coordinator, and Mr. Scott Koenig, Public Services Manager/Director of Public Works, have been working diligently on the GIS mapping of the storm sewer system and this will probably continue to be an ongoing project in perpetuity.

Mrs. Townshend stated that through meeting with DNREC it is understood that the City will be required to complete yearly dry weather inspections of 33 stormwater pipe outlets to determine if water is coming out during dry weather, which would indicated some type of input into the system that is not stormwater.

In response to Mr. Bonar, Mrs. Townshend stated that DNREC has not yet provided the criteria for performing these inspections; therefore, the definition of dry weather is not known at this time. Mr. Koenig clarified that although it depends on the system, he believed that DNREC will want the City to perform summer inspections of all outfalls to determine if there are additional inputs into the system during the driest conditions available. He also informed members that this requirement is not prescriptive in the legislation.

Responding to Mr. Bonar, Mrs. Townshend stated that DNREC will be satisfied by the City's annual report stating that the inspection of 33 outlets has been completed.

In response to Mrs. Williams, Mrs. Townshend explained that if illicit discharges are found during the inspections, staff will have to discover where they are entering the system and address the problem.

Responding to Mrs. Williams, Mrs. Townshend stated that having a sanitary sewer system or a greywater system connected to the stormwater system, residents not properly disposing of waste when working on their cars, and vendors pouring grease down storm drains during events held on The Green would be examples of illicit discharge.

Mrs. Townshend informed members that employees are expected to attend training as part of the MS4 permit. She stated that, last September, 47 employees from the Public Works, Planning, Inspections, and Public Utilities departments attended a BlueCard Training Class, which provided a general overview of stormwater management. In addition, Mrs. Townshend indicated that Mr. Michael Albert, Planner II, and she attended the Certified Construction Reviewer class in March 2011 and both are now certified. She stated that, in conjunction with DNREC, she will develop additional training for City staff and noted that training for identifying an illicit discharge could be incorporated into safety training.

Mrs. Townshend explained that while the City is responsible for the permit, stormwater management review authority is held by the Kent Conservation District; therefore, the City is required to enter into an administrative memorandum of understanding with the Kent Conservation District. She stated that staff presented a draft memorandum of understanding to the Kent Conservation District, has not received a response, and will follow up.

Mrs. Townshend informed members that the City is required to submit an annual report to DNREC, and in the next annual report DNREC will want a budgetary report of funds spent to comply with the requirements of the permit.

Additionally, Mrs. Townshend stated that an internal, staff-level stormwater committee will be developed and meet on a routine basis.

In response to Mrs. Williams' question regarding the City's costs for this program, Mrs. Townshend stated that there are no costs to the City associated with this program, at this time, because it was a strategic item that was cut from the budget. She explained that staff is working to incorporate the program into other department functions in order to track the expenses.

Mrs. Townshend reviewed the resources that are being utilized to accomplish the tasks associated with the MS4 permit. She emphasized the importance of Dr. Bruce Allison, Chair of the Environmental Studies program at Wesley College, who has provided student volunteers and offered limited funds for the program. Mrs. Townshend stated that, as a result of the assistance provided by Dr. Allison as well as that of the watershed coordinators that are shared by the City and DNREC, there has been no need to hire a consultant. She also explained that staff has researched possible grant applications; unfortunately, several applicable grants were discovered too late for the City to apply. Additionally, Mrs. Townshend mentioned that it may be possible to obtain funds through DNREC as long as the City provides staff, as is being done for the Silver Lake Revitalization Project.

Mrs. Townshend reiterated that staff is working diligently on completing the tasks associated with the permit because she does not want the City to receive administrative penalties (fines) from DNREC or be turned over to the EPA for enforcement.

Mr. Bonar requested that Mr. Koenig ensure that members are advised, well in advance, of any foreseen requests regarding infrastructure replacements that will be required, particularly if it appears that the City is in peril.

Mr. Bonar also requested that staff be more proactive in finding available grants, as it is still early in the City and State fiscal year.

Committee action not required.

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

**LEGISLATIVE, FINANCE, AND ADMINISTRATION COMMITTEE REPORT - JUNE 13, 2011**

The Legislative, Finance, and Administration Committee met on June 13, 2011 with Chairman McGlumphy presiding.

**Discussion - Soliciting Health Insurance Proposals**

Mr. Hare explained that City Council has not reviewed alternative health care proposals since 1999 and suggested that the City solicit health insurance proposals from health care providers. He stated that he had conducted research which indicated that some jurisdictions offer plans similar to the City's current plan at a lesser cost.

In response to Mr. Shevock, Mrs. Kim Hawkins, Human Resources Director, explained that the City "piggybacks" on the State of Delaware's health care plan and that there may be a requirement to provide notice to the State (perhaps 30 or 60 days) if the City decides to pursue a different option. In addition, she noted that the City's union contracts stipulate participation in the State's health care plan. Mrs. Hawkins indicated that if Council opts to proceed with the study and it is determined that the best choice is to depart from the State plan, the City would be required to go through the union negotiation process.

Mrs. Williams advised members that, during their meeting of January 25, 2010, Council approved the establishment of an ad hoc Health Benefits Committee, which was charged with considering alternative health care options to assist the City in reducing its health care liability and annual cost. She stated that, to this point, the Health Benefits Committee has not found any plan that is competitive with the State plan.

The Committee recommended that staff be directed to solicit requests for proposals for alternative health insurance plans for City employees.

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

**Discussion - Elimination of Medicare Part B Reimbursements for Current Non-Bargaining Employees**

Mr. Hare requested that consideration be given to the elimination of Medicare Part B reimbursements for current non-bargaining employees as a cost-saving measure.

Dr. McGlumphy stated that an opportunity would be provided for employees to comment regarding this agenda item.

Mr. James Hosfelt, Chief of Police, read a prepared statement urging members to vote against any changes in the City's Medicare Part B reimbursement policy.

Ms. Donna Mills, Police Department Administrative Assistant, advised members that she is planning to retire at the end of 2011. She stated that she appeared before the Committee in December 2009 to request that Medicare Part B reimbursement be maintained, and she reiterated that request. Mrs. Mills stated that she felt that Council was misinformed by those who indicate that non-bargaining employees should "take a hit like the union people have done." She noted that, even though she does an excellent job, she has received minimal pay raises because she is a non-bargaining employee in a pay grade considered to be above-market under the Pay for Performance Plan. She also noted that she was required to take furlough days during FY 2010 due to budget constraints. Ms. Mills stated that she wrote a memorandum to City Council to explain her concerns and requested members to consider this information.

Ms. Christina Kober, 911 Manager, Police Department, read a prepared statement asking that members retain the Medicare Part B reimbursement benefit.

Mr. Stephen Enss, Engineering Services and System Operations Superintendent, Public Utilities Department, spoke in favor of retaining Medicare Part B reimbursement, stating that he joined the City's workforce 22 years ago. He noted that, at that time, he promised to serve the City for a minimum of 25 years and, in return, the City committed to provide him benefits. Mr. Enss stated that he has planned his future based on the assumption that he would receive the benefits promised.

Mr. Chappy Lucas stated that he is a retired City of Dover employee currently receiving Medicare Part B reimbursement. He noted that when he began working for the City in 1972, the City offered a benefit package which included health care. When he retired 28 years later, this package was in effect. Mr. Lucas explained that when he turned 65, he was contacted by the City and told that he must enroll in Medicare Part B, and at that point Medicare became his primary insurance and the City's plan became his secondary insurance. Mr. Lucas stated that he felt the City has fulfilled its obligation to provide medical insurance to him; however, reducing this benefit would amount to reducing his pension. He indicated that retired individuals would have no way to recover these funds, since they are unable to increase earnings and have not been receiving cost of living increases. He requested that members not take any action that would affect those who are currently receiving this benefit.

Mr. Ronald Lunt, Public Utilities Director, stated he understands the concerns of the Committee and Council regarding the cost of employee benefit packages which must be borne by taxpayers and ratepayers. He explained, however, that the Utilities Department has a number of key positions that require highly skilled, technical professionals, such as engineers and relay engineers, and noted that if the City continues to degrade the employee benefit package, it will be difficult to attract and retain these employees. Mr. Lunt stated he feared for future City operations if benefits are reduced.

Mr. Hare stated his opinion that employee benefits have not been degraded and that the City currently pays 100% of employee health care and 75% of family health care costs. He noted that retaining the Medicare Part B reimbursement benefit would obligate future Councils to an expense that has increased 8% per year. Mr. Hare indicated that one (1) option would be to inform employees that they are not required to enroll in Medicare Part B but can remain on their current health plan. He proposed that, rather than eliminating this benefit, reimbursement be reduced as follows:

1) Employees who are eligible to retire as of September 15, 2011 would have no change to this benefit.

2) Employees who have more than 15 years of service and retire after September 15, 2011 would receive Medicare Part B reimbursement capped at $140.

3) Employees with more than ten (10) years of service would receive reimbursement capped at $110.

4) Employees with less than ten (10) years of service are not vested and would not receive this benefit.

Mr. Hare noted that under this proposal, retired employees would not be affected.

Mr. Anderson felt that Medicare Part B reimbursement is unsustainable and stated he did not support continuing it to those who are retiring. He indicated that he was unable to find any other organization in the State, including counties or other municipalities, that provide this benefit. Mr. Anderson noted that the cost of the benefit in 2002 was $50 per month, currently it is $100 per month, and that cost projections are "astounding." He indicated he planned to vote against retaining this benefit.

Mr. Shevock explained that Medicare Part B reimbursement was considered by members in 2009 with much discussion involving many of the points currently being brought forth. During the City Council meeting of July 27, 2009, Council eliminated this benefit for employees hired after that date. Mr. Shevock noted that prior to July 27, 2009, the City Employee Handbook stated that the City would provide reimbursement. He suggested that the City Solicitor be consulted to determine if the City could be subject to legal ramifications, should members opt to eliminate this benefit for current employees. Mr. Shevock noted that the number of plan participants will reduce by attrition and at some point there will be no remaining participants.

Mr. Hutchison stated he was aware of the serious financial concerns faced by the City but felt that employees should be treated fairly. He noted that the three (3) union groups who gave up Medicare Part B did so because they received something in return and that employees who participate in the general pension plan have no ability to bargain regarding this benefit. Mr. Hutchison felt that all employees who are vested by July 1, 2011 should be protected. He stated he would be open to considering an alternative for those employees who are not vested.

Dr. Jones stated that she was not in favor of removing benefits from employees who are vested and felt that the City has an obligation toward these individuals. She suggested considering an alternative program that might involve shared financial responsibility between the City and employees.

Mrs. Williams indicated that she felt the City had an obligation to honor the promise made to employees who have served ten (10) years. She stated this would involve 42 employees at a cost of $62,000 per year and that this was a price that the City could afford.

Concurring with Mrs. Williams, Mr. Bonar stated he would not vote in favor of eliminating this benefit to vested employees. He suggested pursuing Dr. Jones' suggestion to develop a sliding scale for payment, with the City's contribution based on the employee's years of service, perhaps including employees with five (5) years of service.

Responding to Mr. Bonar, Councilman Hare declined to amend the motion by adopting Dr. Jones' suggestion to implement a sliding payment scale.

Dr. McGlumphy requested the City Clerk to obtain a legal opinion from the City Solicitor to ensure the legality of the motion.

The Committee tabled the matter and requested that a legal opinion be sought from the City Solicitor to determine the legality of eliminating Medicare Part B reimbursement for non-vested, non-bargaining employees in light of Council's action related to this matter on July 27, 2009 and that the matter be scheduled for reconsideration at a subsequent meeting.

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

**Proposed Ordinance - #2011-11 - Chapter 102 - Taxation, Article IV - Abatement of Real Estate Taxes, Section 102-113 - Qualifications**

Mr. William Neaton, Economic Development Manager, advised members that, over the past several years, a number of large, commercial buildings in the City have become vacant and remained unoccupied. These buildings include a variety of prior uses, such as retail stores, warehouse space, manufacturing, and office buildings. Mr. Neaton noted that bringing these buildings back into the active economy would help increase jobs and boost the local economy. He indicated that Mayor Carey requested staff to research a tax abatement program for large, unoccupied facilities in the City, resulting in the development of Proposed Ordinance #2011-11. This ordinance would act as an incentive for potential buyers and lessees who propose reoccupying or replacing vacant buildings. In order to qualify, the building would have to lease 35,000 S.F. and must have been vacant for 18 months or more. The new occupant would be required to commit to occupying the building for at least ten years and bring at least 15 full-time jobs to the building. Mr. Neaton explained that he discussed this matter with a number of area developers and realtors and that a similar approach was adopted in Frederick, Maryland, with very positive results.

Members were provided an email from Ms. Cheryl Russell, Tax Assessor, dated June 9, 2011, containing information regarding specific properties that would qualify for tax abatement under this proposal.

Mr. Phil McGinnis, McGinnis Real Estate Company, 555 E. Loockerman Street, expressed his appreciation for Council's consideration of the ordinance. He advised members that when developers and realtors met with City staff regarding the matter, discussion was raised about providing this benefit to businesses leasing 25,000 S.F.; however, he noted that the Proposed Ordinance includes a threshold of 35,000 S.F. Mr. McGinnis encouraged members to consider stipulating 20,000 or 25,000 S.F., since most "big box" establishments fall within that range. He explained that a number of the establishments that would qualify for the abatement could be subdivided into smaller units to take advantage of this incentive. He thanked members for their consideration of this "great" ordinance.

In response to Dr. Jones, Mr. Neaton explained that the 35,000 S.F. threshold was modeled after the ordinance adopted by the Town of Frederick, Maryland; however, he stated that staff supported a smaller size.

Mr. Scott Kidner, speaking on behalf of the Central Delaware Chamber of Commerce, stated that the Proposed Ordinance presented an outstanding opportunity to send a positive message to the business community. He advocated a 20,000 or 25,000 S.F. threshold and offered full support for the Proposed Ordinance.

Mr. Bonar urged members to give favorable consideration to amending the size stipulation to 20,000 S.F., which would provide greater incentive to establish businesses in the City.

Staff recommended adoption of the proposed amendments to Chapter 102 - Taxation, Article IV - Abatement of Real Estate Taxes, Section 102-113 - Qualifications.

The Committee recommended amending Proposed Ordinance #2011-11 by reducing the threshold for the amount of space required to be leased in order to qualify for tax abatement to 20,000 S.F.

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

The Committee recommended adoption of Proposed Ordinance #2011-11, as amended.

**By consent agenda, Dr. McGlumphy moved for approval of the Committee's recommendation, seconded by Mrs. Russell and carried by a unanimous roll call vote (Mr. Hare absent).** (The First Reading of Proposed Ordinance #2011-11 will take place during the latter part of the meeting.)

**Proposed Ordinance #2011-14 - Appendix B - Zoning, Article 10 - Planning Commission**

Mrs. Ann Marie Townsend, Director of Planning and Community Development, explained that during the previous year, Council assigned the Planning Office the goals of streamlining application processes and expanding public notice requirements. To meet this goal, the Planning Office began a thorough review of Article 10 of the Zoning Ordinance. Mrs. Townshend advised members that Article 10 specifies the requirements for all applications that appear before the Planning Commission and Historic District Commission, as well as administrative plan review and amendments to the Zoning Ordinance. She noted that, in reviewing the Ordinance, staff worked to improve consistency throughout sections of the Article, standardize processes where possible, and streamline zoning review for small projects and changes of occupancy that do not include site disturbance.

Mrs. Townshend stated that the Planning Office released a draft ordinance in late April 2011 and held subsequent meetings with the real estate, development, and engineering communities. The draft ordinance was also shared with the Historic District Commission. She indicated that overall feedback has been positive. Many of the questions asked at the outreach meetings related to the increase in public notice distance requirements from 200 feet to 300 feet and the addition of a physical posting requirement.

Mrs. Townshend provided members an Updated Summary Sheet of Comments Received regarding the proposed changes to the Zoning Ordinance, as well as related correspondence received from Mr. Gregory Moore, Vice President, Becker Morgan Group, Inc. In addition, she provided members a revised version of Proposed Ordinance #2011-14 which was updated in response to input received during a meeting held with municipal land use attorneys on June 9, 2011. She explained that changes from the draft ordinance previously provided to members were noted on this version in blue ink.

Mrs. Townshend outlined some of the major changes proposed to the Zoning Ordinance as follows:

1) Expiration of Plans - Site plans or conditional use permits are currently approved by the Planning Commission for a one (1) year period. If construction has not begun within that time, a one (1) year extension may be granted. Due to the current economy and increases in the regulatory framework outside the City's jurisdiction, two (2) years does not allow applicants enough time. Under the new Ordinance, the Planning Commission would grant a 24-month approval and the applicant would be eligible for a one (1) year extension.

2) Public Notice - During the meetings held on September 14, 2010, and September 28, 2010, staff received direction from the Committee and Council, respectively, to incorporate an increase in the required mailing distance for public notice from 200 feet to 300 feet. The revised ordinance includes this change and also increases the timeline for public notice from 10 days to 15 days, primarily for consistency with Title 22 of the Delaware Code. A physical posting of the change in land use would also be required by the proposed ordinance, which is included in the codes of many Delaware municipalities.

3) Addition of a Zoning Review Process Within the Site Plan Development Section - Currently in nearly all cases a change from one use to another (e.g., retail to restaurant or store to insurance office) requires an administrative site plan which involves a $125 fee, drawing and submission of a plan, distribution to various agencies, and collection of comments. This process may be unnecessary if site modifications are not being proposed and zoning requirements are met. In addition, staff recommended requiring Planning Commission review of non-residential site plans with more than 1,500 S.F. of disturbance, rather than in excess of 500 S.F. as stated in the current Zoning Ordinance.

4) Conditional Use Permits - The current Zoning Ordinance does not afford due process for revocation of conditional use. The Proposed Ordinance includes a process that ensures that conditional use cannot be revoked without an advertised public hearing through the Planning Commission.

In response to Dr. McGlumphy, Mrs. Townshend stated that the Proposed Ordinance has been in progress since August 2010. Meetings have been held with developers, realtors, the civil engineering community, and municipal and land use lawyers. She advised members that staff has does their best to make sure that the community is aware of the proposal.

In response to Mr. Hare, Mrs. Townshend indicated that Planning Staff recommendations listed on the Updated Summary of Comments have not been incorporated in the revised Ordinance provided to members, but would be included when the Ordinance is presented to Council for a First Reading.

Mr. Anderson stated he supported extending the required mailing distance for public notification to 300 feet, noting he felt it was not unreasonable to inform residents in this range regarding activity near their properties.

Mr. Lynn stated that this matter was discussed at a meeting he hosted on June 9, 2011 which was attended by Mrs. Townshend and several land use and municipal law attorneys, and the consensus was that a 300-foot notification requirement would be expensive, onerous, and cumbersome. Mr. Lynn noted that the overall feeling of the group was that Mrs. Townshend did an excellent job with the Ordinance and that few other concerns were raised.

The Committee recommended amending Proposed Ordinance #2011-14, by incorporating the Planning Staff recommendations reviewed by the Committee.

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

The Committee recommended adoption of Proposed Ordinance #2011-14, as amended.

**By consent agenda, Dr. McGlumphy moved for approval of the Committee's recommendation, seconded by Mrs. Russell and carried by a unanimous roll call vote (Mr. Hare absent).** (The First Reading of Proposed Ordinance #2011-14 will take place during the latter part of the meeting.)

**Proposed Ordinance #2011-15 - Appendix A - Subdivisions - Regarding Homeowners' Association Responsibilities**

Due to time constraints, Dr. McGlumphy requested that this item be deferred until the next meeting.

**Public Comment Period**

There was no one wishing to speak during the public comment period.

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

**PROPOSED AMENDMENT TO FINANCIAL POLICIES - GENERAL FUND TRANSFERS**

Mrs. Donna Mitchell, Controller/Treasurer, reminded members that during the Budget Review (on June 6, 2011), staff recommended increasing the transfer from the Electric Utility from 6.5% to 8%, and that it be accomplished through an amendment to the Financial Policy. As a result, staff recommended amending the Financial Policy, as follows:

> Revenue Policy – Section 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 ~~or $750,000~~ and from the Electric Utility no greater than ~~6.5%~~ 8.0% of operating revenues. ~~or $7,250,000 of the utility 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.

**Dr. McGlumphy moved for approval of staff's recommendation to amend Section 11 - Revenue Policy of the Financial Policy, seconded by Mrs. Williams and carried by a unanimous roll call vote (Mr. Hare absent).**

**REQUESTS FOR EXTENSION OF REZONING APPROVALS**

In accordance with Article 10, Section 5.183 of the Zoning Code, if construction has not started or a satisfactory explanation for the failure to commence construction has not been received within one year from the effective date of the amendment to the zoning map, an amendment to rezone the land to its prior classification shall be automatically placed on the agenda to be reconsidered by City Council.

Members considered requests for extension of rezoning approvals, as follows:

Property Located on the South Side of White Oak Road, Owned by TLFD Management, LLC

Members were reminded that during their Regular Meeting of May 24, 2010, City Council approved the rezoning of property located on the south side of White Oak Road, south of Mourning Dove Lane, consisting of $12.78^{+/-}$ acres, owned by TLFD Management, LLC, from R-20 (One Family Residence) and subject o the SWPOZ (Source Water Protection Overlay Zone) to R-8 (One Family Residence) and subject to the SWPOZ (Adoption of Ordinance #2010-04). (TAX PARCEL: LC05-068.00-01-18.00-000; PLANNING REFERENCE: Z-10-01)

Mrs. Ann Marie Townshend, Director of Planning and Community Development, advised members that the applicant has submitted a request for extension of the current zoning classification and indicated that the proposed construction is under review by the appropriate regulatory agencies. She stated that the applicant submitted a Conceptual Subdivision Plan that was approved by the Planning Commission on September 20, 2010 and that the next step in the City's process will be to submit the Preliminary Subdivision Plan. The correspondence from the applicant indicates that they are working with the Kent Conservation District on their stormwater design.

Mrs. Townshend stated that staff confirmed that the applicant submitted a development application, and that the conceptual approval granted by the Planning Commission remains active. As the property is actively in the development process, staff recommended that City Council extend the approval of the R-8 (One Family Residence Zone) zoning on this property, noting that the applicant has given a satisfactory explanation for failure to commence construction and has given reasonable assurances that construction will commence in a timely manner.

**Dr. McGlumphy moved for approval of the extension of the rezoning approval for property located on the south side of White Oak Road, south of Mourning Dove Lane, consisting of $12.78^{+/-}$ acres, owned by TLFD Management, LLC, to R-8 and subject to the SWPOZ for an additional year. The motion was seconded by Mr. Bonar and carried by a unanimous roll call vote (Mr. Hare absent).**

Property Located at 1169 South State Street, Owned by Young Men's Christian Association of Delaware, Inc.

Members were reminded that during their Regular Meeting of May 24, 2010, City Council approved the rezoning of property located at 1169 South State Street, consisting of $0.6899^{+/-}$ acres ($30{,}052^{+/-}$ s.f.) from RG-O (General Residence and Office) to IO (Institutional and Office) (Adoption of Ordinance #2010-10). (TAX PARCEL: ED05-077.17-05-58.00-000; PLANNING REFERENCE: Z-10-04)

Mrs. Ann Marie Townshend, Director of Planning and Community Development, advised members that the applicant submitted a request for extension of the current zoning classification, stating that the proposed construction is under review by the appropriate regulatory agencies. The Planning Commission issued conditional approval for a Site Development Plan (File #S-10-13) in June 2010. The applicant has submitted a request for a one-year extension to the Planning Commission which was approved during their meeting on June 20, 2011. They are actively working toward completion of the final site plan and progressing with agency reviews and approvals, including City departments, the Kent Conservation District and the Delaware Department of Transportation.

Mrs. Townshend stated that the Planning Staff confirmed that the applicant submitted a development application, and that the conditional approval granted by the Planning Commission remains active. As the property is actively in the development process, staff recommended that City Council extend the approval of the IO (Institutional and Office Zone) zoning on this property, noting that the applicant has given a satisfactory explanation for failure to commence construction and has given reasonable assurances that construction will commence in a timely manner.

**Mrs. Russell moved for approval of the extension of the rezoning approval for property located at 1169 South State Street, consisting of 0.6899$^{+/-}$ acres (30,052$^{+/-}$ s.f.), owned by Young Men's Christian Association of Delaware, Inc. (YMCA), to IO for an additional year. The motion was seconded by Mr. Bonar and carried by a unanimous roll call vote (Mr. Hare absent).**

Property Located at 1051 College Road, Owned by JNK, LLC

Members were reminded that during their Regular Meeting of April 12, 1010, City Council approved the rezoning of property located at 1051 College Road, consisting of 4.32$^{+/-}$ acres, less a street right-of-way area consisting of 0.55$^{+/-}$ acres from R-8 (Single Family Residence) to RG-2 (General Residence). (Adoption of Ordinance #2009-09). (TAX PARCEL: ED05-067.00-01-35.03-000; PLANNING REFERENCE: Z-09-05).

Mrs. Ann Marie Townshend, Director of Planning and Community Development, advised members that the applicant submitted a request for extension of the current zoning classification, stating that the proposed construction is under review by the appropriate regulatory agencies. The Planning Commission issued conditional approval for a Conditional Use Site Development Plan (File #C-10-02) in August 2010. The applicant submitted a request for a one-year extension to the Planning Commission for consideration on July 18, 2011.

Mrs. Townshend stated that the Planning Staff confirmed that the applicant submitted a development application, and that the conditional approval granted by the Planning Commission remains active. As the property is the subject of an active development application, staff recommended that City Council extend the approval of the RG-2 (General Residence Zone) zoning on this property, since the applicant has given a satisfactory explanation for failure to commence construction and has given reasonable assurances that construction will commence in a timely manner.

**Mr. Bonar moved for approval of the extension of the rezoning approval for property located at 1051 College Road, consisting of 4.32$^{+/-}$ acres, less a street right-of-way area consisting of 0.55$^{+/-}$ acres that divides the original tract into two (2) pieces, owned by JNK, LLC, to RG-2 for an additional year. The motion was seconded by Mr. Hutchison and carried by a unanimous roll call vote (Mr. Hare absent).**

**FIRST READING - PROPOSED ORDINANCE #2011-11**

Council President Leary reminded the public that copies of the proposed ordinance are available at the entrance of the Council Chambers or can be obtained from the City Clerk's Office. Final action by Council on the proposed ordinance will take place during the Council Meeting of July 11, 2011.

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

CHAPTER 102 - TAXATION, ARTICLE IV - ABATEMENT OF REAL ESTATE TAXES, SECTION 102-113 - QUALIFICATIONS

**FIRST READING - PROPOSED ORDINANCE #2011-14**

Council President Leary reminded the public that copies of the proposed ordinances are available at the entrance of the Council Chambers or can be obtained from the City Clerk's Office. Since the ordinances are amendments to the Zoning Code, a public hearing is required. Staff recommended referral of the amendments to the Planning Commission on July 18, 2011, and that a public hearing take place during the Council Meeting of August 8, 2011, at 7:30 p.m., at which time final action by Council will take place.

**Mrs. Williams moved to refer the amendments to the Planning Commission on July 18, 2011 and that a public hearing be set before City Council for August 8, 2011 at 7:30 p.m., as suggested by staff. 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 Zoning Ordinance Amendments as read by the City Clerk, by title only, as follows:

APPENDIX B - ZONING, ARTICLE 10 - PLANNING COMMISSION

**FINAL READING - ORDINANCE #2011-16 - BUDGET ORDINANCES - 2011/2012 CITY OF DOVER BUDGET**

**Mr. Hutchison moved that the Final Reading of Proposed Ordinance #2011-16 - Budget Ordinances, be acknowledged by title only, seconded by Mrs. Williams and unanimously carried.**

Dr. McGlumphy thanked members of City Council, and City staff for their work on this year's budget and read the following statement into the record:

*What does this budget do for the citizens of Dover.*

*This budget does not increase rates or taxes over the prior year. It provides the citizens with a decrease on their electric bills through a power cost adjustment credit of approximately $.0085. We want to make sure our citizens know we are listening to their concerns and challenges they face during a time when many aren't getting raises and are losing jobs and their homes. We believe this budget maintains the quality of service to our residents.*

*While the budget includes increases due to contractual requirements, both for a couple of our Unions and some vendor contracts, it counters the affect of these with reductions in other areas.*

*This budget also provides us with an operating plan for Fiscal Year 2012 and buys us time to take a closer look at the City organization and develop strategies to close the gap between our revenues and expenses before Fiscal Year 2013. When I speak of strategies, I'm not referring only to increased fees and taxes, but operational efficiencies and cost reductions.*

*We know there are many reductions in capital projects that if not addressed will have more costly implications. However, we will be addressing our future obligations and a long-term planning strategy during the next few months.*

*We as Council Members hope everyone in the organization also gets what our constituents are telling us. We heard you speak to us during the budget hearings about cutting positions and some with their spouses being out of work. So you should have first hand knowledge of what this is like and hopefully have the support of your co-workers to help keep employed our current employee's at this time.*

*This budget makes way for the next step.*

Mr. Anderson relayed his appreciation to City staff, as well as members of Council, for their diligence, efforts made, and seriousness in working on the budget during the past few weeks. It was his hope that if more funds were made available, the City would place a high priority on dedicating such funds to the wastewater treatment area.

**Mrs. Williams moved for adoption of Ordinance #2011-16 - 2011/12 City of Dover Budget (*Exhibit #2*). The motion was seconded by Mrs. Russell and carried by a unanimous roll call vote (Mr. Hare absent).**

**COUNCIL MEMBERS ANNOUNCEMENTS**

Council President Leary relayed a special "thank you" to Sam's Club and Lowe's of Dover, noting that through their generosity, the City was able to donate 100 cooling fans to the elderly and disabled in the City of Dover.

In addition, Council President Leary stated that the new City of Dover website is up and running and if problems are discovered, City staff should be contacted.

Mr. Bonar announced that there are 363 days before the next African American Festival. In addition, he stated that on Monday, a 4th of July celebration will be held at the Legislative Mall and that there will be activities for all to enjoy (www.Doverfourthofjuly.com - for program information). He noted that the 4th of July Committee is still accepting donations for sponsorship and that individuals can "adopt a firework" for $17.76.

Mrs. Russell advised members that the Dover Youth Advisory Committee will be holding "Dover Fun Day" at Schutte Park on July 30, 2011 from 11:00 a.m. to 2:00 p.m. More information will be made available soon on the City's website and Facebook. She noted that sponsors and volunteers are needed.

**Mr. Bonar moved for adjournment, seconded by Dr. McGlumphy and unanimously carried.**

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 June 27, 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 - Recycling Services Reimbursement Agreement (Contract #11-URG025) between the Delaware Department of Natural Resources and Environmental Control (DNREC) and the City of Dover*
*Exhibit #2 - Ordinance #2011-16 - 2011/12 City of Dover Budget*

RECYCLING SERVICES REIMBURSEMENT AGREEMENT
**Contract# 11-URG025**

This Agreement ("Agreement") is entered into as of January 24, 2011 ("Effective Date") and will end on March 15, 2013, by and between the State of Delaware, Department of Natural Resources and Environmental Control, Division of Waste and Hazardous Substances, ("DELAWARE"), and CITY OF DOVER, a Delaware corporation, with offices at **15 East Loockerman, Street Dover, DE 19903**("CITY OF DOVER").

WHEREAS, DELAWARE desires to obtain certain services to aid in the implementation of Universal Recycling; and

WHEREAS, CITY OF DOVER desires to provide such services to DELAWARE on the terms set forth below;

WHEREAS, DELAWARE and CITY OF DOVER represent and warrant that each party has full right, power and authority to enter into and perform under this Agreement;

FOR AND IN CONSIDERATION OF the premises and mutual agreements herein, DELAWARE and CITY OF DOVER agree as follows:

**1. Services.**

1.1 CITY OF DOVER shall perform for DELAWARE the services specified in the Appendices to this Agreement, attached hereto and made a part hereof as Appendix A.

1.2 Any conflict or inconsistency between the provisions of the following documents shall be resolved by giving precedence to such documents in the following order: (a) this Agreement (including any amendments or modifications thereto); (b) DELAWARE's request for grant applications, attached hereto as Appendix B; and (c) CITY OF DOVER's response to the request for grant applications, attached hereto as Exhibit A. The aforementioned documents are specifically incorporated into this Agreement and made a part hereof.

1.3 DELAWARE may, at any time, by written order, make changes in the scope of this Agreement and in the services or work to be performed. No services for which additional compensation may be charged by CITY OF DOVER shall be furnished without the written authorization of DELAWARE. When DELAWARE desires any addition or deletion to the deliverables or a change in the Services to be provided under this Agreement, it shall notify CITY OF DOVER, who shall then submit to DELAWARE a "Change Order" for approval authorizing said change. The Change

Order shall state whether the change shall cause an alteration in the price or the time required by CITY OF DOVER for any aspect of its performance under this Agreement. Pricing of changes shall be consistent with those established within this Agreement.

1.4 CITY OF DOVER will not be required to make changes to its scope of work that result in CITY OF DOVER's costs exceeding the current unencumbered budgeted appropriations for the services. Any claim of either party for an adjustment under Section 1 of this Agreement shall be asserted in the manner specified in the writing that authorizes the adjustment.

**2. Payment for Services and Expenses.**

2.1 The term of the initial contract shall be from January 24, 2011 through March 15, 2013.

2.2 DELAWARE will pay CITY OF DOVER for the performance of services described in Appendix A, Scope of Work. The reimbursement will be paid in accordance with the payment schedule attached hereto as part of Appendix A.

2.3 DELAWARE's obligation to pay CITY OF DOVER for the performance of services described in Appendix A, Scope of Work will not exceed the fixed reimbursement amount of **$101,151.00**. It is expressly understood that the work defined in the appendices to this Agreement must be completed by CITY OF DOVER and it shall be CITY OF DOVER's responsibility to ensure that hours and tasks are properly budgeted so that all services are completed for the agreed upon fixed reimbursement amount. DELAWARE's total liability for all charges for services that may become due under this Agreement is limited to the total maximum expenditure(s) authorized in DELAWARE's purchase order(s) to CITY OF DOVER.

2.4 CITY OF DOVER shall submit invoices to DELAWARE in sufficient detail to support the services provided during the reimbursement period which is from the start of this contract until September 15, 2011. DELAWARE agrees to pay those invoices within thirty (30) days of receipt. In the event DELAWARE disputes a portion of an invoice, DELAWARE agrees to pay the undisputed portion of the invoice within thirty (30) days of receipt and to provide CITY OF DOVER a detailed statement of DELAWARE's position on the disputed portion of the invoice within thirty (30) days of receipt. DELAWARE's failure to pay any amount of an invoice that is not the subject of a good-faith dispute within thirty (30) days of receipt shall entitle CITY OF DOVER to charge interest on the overdue portion at no more than 1.0% per month or 12% per annum. All payments should be sent to CITY OF DOVER, **15 East Loockerman Street, Dover, DE 19903.**

2.5 Unless provided otherwise in an Appendix, all expenses incurred in the performance of the services are to be paid by CITY OF DOVER. If an Appendix specifically provides for expense reimbursement, CITY OF DOVER shall be reimbursed only for the defined reimbursements included in Appendix A incurred by CITY OF DOVER in the performance of the services.

2.6 DELAWARE is a sovereign entity, and shall not be liable for the payment of federal, state and local sales, use and excise taxes, including any interest and penalties from any related deficiency, which may become due and payable as a consequence of this Agreement.

2.7 DELAWARE shall subtract from any payment made to CITY OF DOVER all damages, costs and expenses caused by CITY OF DOVER's negligence, resulting from or arising out of errors or omissions in CITY OF DOVER's services, which have not been previously paid to CITY OF DOVER.

2.8 Invoices shall be submitted to:
**Delaware Department of Natural Resources**
**And Environmental Control**
**Division of Waste and Hazardous Substances**
**89 Kings Highway**
**Dover, DE 19901**
**Attn: Heather Pellrin**

**3. Responsibilities of CITY OF DOVER.**

3.1 CITY OF DOVER shall be responsible for the quality, timely completion, and coordination of all services furnished by CITY OF DOVER, its subcontractors and their principals, officers, employees and agents under this Agreement. In performing the specified services, CITY OF DOVER shall follow practices consistent with generally accepted standards in the recycling industry and those specified herein. If any service, product or deliverable furnished pursuant to this Agreement does not conform to those standards, CITY OF DOVER shall, at its expense and option either (1) replace it with a conforming equivalent or (2) modify it to conform to such standards. CITY OF DOVER shall be and remain liable in accordance with the terms of this Agreement and applicable law for all damages to DELAWARE caused by CITY OF DOVER's failure to ensure compliance with the foregoing standards.

3.2 It shall be the duty of CITY OF DOVER to assure that all services are properly rendered and in conformance with all pertinent Federal, State and Local statutes,

codes, ordinances, resolutions and other regulations.

3.3 Permitted or required approval by DELAWARE of any products or services furnished by CITY OF DOVER shall not in any way relieve CITY OF DOVER of responsibility for the adequacy of its work. DELAWARE's review, approval, acceptance, or payment for any of CITY OF DOVER's services herein shall not be construed to operate as a waiver of any rights under this Agreement or of any cause of action arising out of the performance of this Agreement, and CITY OF DOVER shall be and remain liable in accordance with the terms of this Agreement and applicable law for all damages to DELAWARE caused by CITY OF DOVER's performance or failure to perform under this Agreement.

3.4 CITY OF DOVER shall furnish to DELAWARE's designated representative copies of all correspondence to regulatory agencies for review prior to mailing such correspondence.

3.5 CITY OF DOVER agrees that its officers and employees will cooperate with DELAWARE in the performance of services under this Agreement and will be available for consultation with DELAWARE at such reasonable times with advance notice as to not conflict with their other responsibilities.

3.6 CITY OF DOVER has or will retain such employees as it may need to perform the services required by this Agreement. Such employees shall not be employed by DELAWARE or any other political subdivision of DELAWARE.

3.7 CITY OF DOVER will not use DELAWARE's name, either express or implied, in any of its advertising or sales materials without DELAWARE's express written consent.

3.8 The rights and remedies of DELAWARE provided for in this Agreement are in addition to any other rights and remedies provided by law.

**4. Time Schedule.**

4.1 A project schedule is included in Appendix A.

4.2 Any delay of services or change in sequence of tasks must be approved in writing by DELAWARE.

4.3 In the event that CITY OF DOVER fails to complete the project or any phase thereof within the time specified in the Contract, or with such additional time as may be granted in writing by DELAWARE, or fails to prosecute the work, or any

separable part thereof, with such diligence as will insure its completion within the time specified in this Agreement or any extensions thereof, DELAWARE shall suspend the payments scheduled as set forth in Appendix A.

**5. State Responsibilities.**

5.1 In connection with CITY OF DOVER's provision of the Services, DELAWARE shall perform those tasks and fulfill those responsibilities specified in the appropriate Appendices.

5.2 DELAWARE agrees that its officers and employees will cooperate with CITY OF DOVER in the performance of services under this Agreement and will be available for consultation with CITY OF DOVER at such reasonable times with advance notice as to not conflict with their other responsibilities.

5.3 The services performed by CITY OF DOVER under this Agreement shall be subject to review for compliance with the terms of this Agreement by DELAWARE's designated representatives. DELAWARE representatives may delegate any or all responsibilities under the Agreement to appropriate staff members, and shall so inform CITY OF DOVER by written notice before the effective date of each such delegation.

5.4 The review comments of DELAWARE's designated representatives may be reported in writing as needed to CITY OF DOVER. It is understood that DELAWARE's representatives' review comments do not relieve CITY OF DOVER from the responsibility for the adequacy of all services provided under this Agreement.

5.5 DELAWARE shall, without charge, furnish to or make available for examination or use by CITY OF DOVER as it may request, any data which DELAWARE has available, including as examples only and not as a limitation:

a. Copies of reports, surveys, records, and other pertinent documents;
b. Copies of previously prepared reports, job specifications, surveys, records, ordinances, codes, regulations, other document, and information related to the services specified by this Agreement.

CITY OF DOVER shall return any original data provided by DELAWARE.

5.6 DELAWARE shall assist CITY OF DOVER in obtaining data on documents from public officers or agencies and from private citizens and business firms whenever such material is necessary for the completion of the services specified by this Agreement.

5.7 CITY OF DOVER will not be responsible for accuracy of information or data supplied by DELAWARE or other sources to the extent such information or data would be relied upon by a reasonably prudent CITY OF DOVER employee.

5.8 DELAWARE agrees not to use CITY OF DOVER name, either express or implied, in any of its advertising or sales materials. CITY OF DOVER reserves the right to reuse the nonproprietary data and the analysis of industry-related information in its continuing analysis of the industries covered.

**6. Confidential Information.**

To the extent permissible under 29 *Del. C.* § 10001, et seq., the parties to this Agreement shall preserve in strict confidence any information, reports or documents obtained, assembled or prepared in connection with the performance of this Agreement.

**7. Warranty.**

CITY OF DOVER warrants that its services will be performed in a good and workmanlike manner. CITY OF DOVER agrees to re-perform any work not in compliance with this warranty brought to its attention within a reasonable time after that work is performed.

**8. Indemnification; Limitation of Liability.**

CITY OF DOVER shall indemnify and hold harmless the State, its agents and employees, from any and all liability, suits, actions or claims, together with all reasonable costs and expenses (including attorneys' fees) directly arising out of (A) the negligence or other wrongful conduct of CITY OF DOVER, its agents or employees, or (B) CITY OF DOVER breach of any material provision of this Agreement not cured after due notice and opportunity to cure, provided as to (A) or (B) that (i) CITY OF DOVER shall have been notified promptly in writing by DELAWARE of any notice of such claim; and (ii) CITY OF DOVER shall have the sole control of the defense of any action on such claim and all negotiations for its settlement or compromise.

**9. Employees.**

9.1 CITY OF DOVER has and shall retain the right to exercise full control over the employment, direction, compensation and discharge of all persons employed by CITY OF DOVER in the performance of the services hereunder.

9.2 Except as the other party expressly authorizes in writing in advance, neither party shall solicit, offer work to, employ, or contract with, whether as a partner, employee or independent CITY OF DOVER, directly or indirectly, any of the other party's Personnel during their participation in the services or during the twelve (12) months thereafter. For purposes of this Section 9.2, "Personnel" includes any individual or company a party employs as a partner, employee or independent CITY OF DOVER and with which a party comes into direct contact in the course of the services.

**10. Independent Contractor.**

10.1 It is understood that in the performance of the services herein provided for, CITY OF DOVER shall be, and is, an independent contractor, and is not an agent or employee of DELAWARE and shall furnish such services in its own manner and method except as required by this Agreement. CITY OF DOVER shall be solely responsible for, and shall indemnify, defend and save DELAWARE harmless from all matters relating to the payment of its employees, including compliance with social security, withholding and all other wages, salaries, benefits, taxes, exactions, and regulations of any nature whatsoever.

10.2 CITY OF DOVER acknowledges that CITY OF DOVER and any subcontractors, agents or employees employed by CITY OF DOVER shall not, under any circumstances, be considered employees of DELAWARE, and that they shall not be entitled to any of the benefits or rights afforded employees of DELAWARE, including, but not limited to, sick leave, vacation leave, holiday pay, Public Employees Retirement System benefits, or health, life, dental, long-term disability or workers' compensation insurance benefits. DELAWARE will not provide or pay for any liability or medical insurance, retirement contributions or any other benefits for or on behalf of DELAWARE or any of its officers, employees or other agents.

10.3 CITY OF DOVER shall be responsible for providing liability insurance for its personnel.

10.4 As an independent contractor, CITY OF DOVER has no authority to bind or commit DELAWARE. Nothing herein shall be deemed or construed to create a joint venture, partnership, and fiduciary or agency relationship between the parties for any purpose.

**11. Suspension.**

11.1 DELAWARE may suspend performance by CITY OF DOVER under this Agreement for such period of time as DELAWARE, at its sole discretion, may prescribe by providing written notice to CITY OF DOVER at least 30 working days prior to the date on which DELAWARE wishes to suspend. Upon such suspension, DELAWARE shall pay CITY OF DOVER its compensation, based on the percentage of the recycling services provided until the effective date of suspension, less all previous payments. CITY OF DOVER shall not provide further services under this Agreement after the effective date of suspension until receipt of written notice from DELAWARE to resume performance.

11.2 In the event DELAWARE suspends performance by CITY OF DOVER for any cause other than the error or omission of CITY OF DOVER, for an aggregate period in excess of 30 days, CITY OF DOVER shall be entitled to an equitable adjustment of the compensation payable to CITY OF DOVER under this Agreement to reimburse CITY OF DOVER for additional costs occasioned as a result of such suspension of performance by DELAWARE based on appropriated funds and approval by DELAWARE.

**12. Termination.**

12.1 This Agreement may be terminated in whole or in part by either party in the event of substantial failure of the other party to fulfill its obligations under this Agreement through no fault of the terminating party; but only after the other party is given:

a. Not less than 30 calendar days written notice of intent to terminate; and
b. An opportunity for consultation with the terminating party prior to termination.

12.2 This Agreement may be terminated in whole or in part by DELAWARE for its convenience, but only after CITY OF DOVER is given:

a. Not less than 30 calendar days written notice of intent to terminate; and
b. An opportunity for consultation with DELAWARE prior to termination.

12.3 If termination for default is effected by DELAWARE, DELAWARE will pay CITY

OF DOVER that portion of the compensation which has been earned as of the effective date of termination but:

a. No amount shall be allowed for anticipated profit on performed or unperformed services or other work, and

b. Any payment due to CITY OF DOVER at the time of termination may be adjusted to the extent of any additional costs occasioned to DELAWARE by reason of CITY OF DOVER default.

c. Upon termination for default, DELAWARE may take over the work and prosecute the same to completion by agreement with another party or otherwise.

12.4 If after termination for failure of CITY OF DOVER to fulfill contractual obligations it is determined that CITY OF DOVER has not so failed, the termination shall be deemed to have been effected for the convenience of DELAWARE.

12.5 The rights and remedies of DELAWARE and CITY OF DOVER provided in this section are in addition to any other rights and remedies provided by law or under this Agreement.

12.6 Gratuities.

12.6.1 DELAWARE may, by written notice to CITY OF DOVER, terminate this Agreement if it is found after notice and hearing by DELAWARE that gratuities (in the form of entertainment, gifts, or otherwise) were offered or given by CITY OF DOVER or any agent or representative of CITY OF DOVER to any officer or employee of DELAWARE with a view toward securing a contract or securing favorable treatment with respect to the awarding or amending or making of any determinations with respect to the performance of this Agreement.

12.6.2 In the event this Agreement is terminated as provided in 12.6.1 hereof, DELAWARE shall be entitled to pursue the same remedies against CITY OF DOVER it could pursue in the event of a breach of this Agreement by CITY OF DOVER.

12.6.3 The rights and remedies of DELAWARE provided in Section 12.6 shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Agreement.

**13. Severability.**

If any term or provision of this Agreement is found by a court of competent jurisdiction to be invalid, illegal or otherwise unenforceable, the same shall not affect the other terms or provisions hereof or the whole of this Agreement, but such term or provision shall be deemed modified to the extent necessary in the court's opinion to render such term or provision enforceable, and the rights and obligations of the parties shall be construed and enforced accordingly, preserving to the fullest permissible extent the intent and agreements of the parties herein set forth.

**14. Assignment; Subcontracts.**

14.1 CITY OF DOVER acknowledges that certain capital assets to be used pursuant to this agreement were purchased with a grant provided pursuant to 7 *Del. C.* § 6053. CITY OF DOVER shall not sell, assign, or otherwise transfer title or any interest in any equipment including but not limited to recycling trucks; trailers; tippers; or recycling collection containers that were purchased with such grant to any third party that is not subject to the rate cap set forth in 7 *Del. C.* § 6053 or that has not, 30 days prior to completion of any transfer of interest in such equipment, agreed to be subject to that cap.

14.2 Services specified by this Agreement shall not be subcontracted by CITY OF DOVER, without prior written approval of DELAWARE.

14.3 Approval by DELAWARE of CITY OF DOVER request to subcontract or acceptance of or payment for subcontracted work by DELAWARE shall not in any way relieve CITY OF DOVER of responsibility for the adequacy of the work. All subcontractors shall adhere to all applicable provisions of this Agreement.

14.4 CITY OF DOVER shall be and remain liable for all damages to DELAWARE caused by negligent performance or non-performance of work under this Agreement by CITY OF DOVER, its subcontractor or its sub-subcontractor.

14.5 The compensation due shall not be affected by DELAWARE's approval of CITY OF DOVER, request to subcontract.

**15. Force Majeure.**

Neither party shall be liable for any delays or failures in performance due to circumstances beyond its reasonable control.

**16. Non-Appropriation of Funds.**

16.1 Validity and enforcement of this Agreement is subject to appropriations by the General Assembly of the specific funds necessary for contract performance. Should such funds not be so appropriated DELAWARE may immediately terminate this Agreement, and absent such action this Agreement shall be terminated as to any obligation of the State requiring the expenditure of money for which no specific appropriation is available, at the end of the last fiscal year for which no appropriation is available or upon the exhaustion of funds.

16.2 Notwithstanding any other provisions of this Agreement, this Agreement shall terminate and DELAWARE's obligations under it shall be extinguished at the end of the fiscal year in which DELAWARE fails to appropriate monies for the ensuing fiscal year sufficient for the payment of all amounts which will then become due.

**17. State of Delaware Business License.**

CITY OF DOVER and all subcontractors represent that they are properly licensed and authorized to transact business in the State of Delaware as provided in 30 *Del. C.* § 2301.

**18. Complete Agreement.**

18.1 This agreement and its Appendices shall constitute the entire agreement between DELAWARE and CITY OF DOVER with respect to the subject matter of this Agreement and shall not be modified or changed without the express written consent of the parties. The provisions of this agreement supersede all prior oral and written quotations, communications, agreements and understandings of the parties with respect to the subject matter of this Agreement.

18.2 If the scope of any provision of this Agreement is too broad in any respect whatsoever to permit enforcement to its full extent, then such provision shall be enforced to the maximum extent permitted by law, and the parties hereto consent and agree that such scope may be judicially modified accordingly and that the whole of such provisions of the Agreement shall not thereby fail, but the scope of such provision shall be curtailed only to the extent necessary to conform to the law.

18.3 CITY OF DOVER may not order any product requiring a purchase order prior to DELAWARE's issuance of such order. Each Appendix, except as its terms otherwise expressly provide, shall be a complete statement of its subject matter and shall supplement and modify the terms and conditions of this Agreement for the purposes of that engagement only. No other agreements, representations, warranties or other matters, whether oral or written, shall be deemed to bind the

parties hereto with respect to the subject matter hereof.

**19. Miscellaneous Provisions.**

19.1 In performance of this Agreement, CITY OF DOVER shall comply with all applicable federal, state and local laws, ordinances, codes and regulations. CITY OF DOVER shall solely bear the costs of permits and other relevant costs required in the performance of this Agreement.

19.2 Neither this Agreement nor any appendix may be modified or amended except by the mutual written agreement of the parties. No waiver of any provision of this Agreement shall be effective unless it is in writing and signed by the party against which it is sought to be enforced.

19.3 The delay or failure by either party to exercise or enforce any of its rights under this Agreement shall not constitute or be deemed a waiver of that party's right thereafter to enforce those rights, nor shall any single or partial exercise of any such right preclude any other or further exercise thereof or the exercise of any other right.

19.4 CITY OF DOVER covenants that it presently has no interest and that it will not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of services required to be performed under this Agreement. CITY OF DOVER further covenants, to its knowledge and ability, that in the performance of said services no person having any such interest shall be employed.

19.5 CITY OF DOVER acknowledges that DELAWARE has an obligation to ensure that public funds are not used to subsidize private discrimination. CITY OF DOVER recognizes that if they refuse to hire or do business with an individual or company due to reasons of race, color, gender, ethnicity, disability, national origin, age, or any other protected status, DELAWARE may declare CITY OF DOVER in breach of the Agreement, terminate the Agreement, and designate CITY OF DOVER as non-responsible.

19.6 CITY OF DOVER warrants that no person or selling agency has been employed or retained to solicit or secure this Agreement upon an agreement or understanding for a commission, or a percentage, brokerage or contingent fee. For breach or violation of this warranty, DELAWARE shall have the right to annul this contract without liability or at its discretion deduct from the contract price or otherwise recover the full amount of such commission, percentage, brokerage or contingent fee.

19.7 This Agreement was drafted with the joint participation of both parties and shall be construed neither against nor in favor of either, but rather in accordance with the fair meaning thereof.

19.8 CITY OF DOVER shall maintain all public records, as defined by 29 *Del. C.* § 502(7), relating to this Agreement for the time and in the manner specified by the Delaware Division of Archives, pursuant to the Delaware Public Records Law, 29 *Del. C.* Ch. 5. During the term of this Agreement, authorized representatives of DELAWARE may inspect or audit CITY OF DOVER performance and records pertaining to this Agreement at CITY OF DOVER business office during normal business hours.

**20. Insurance.**

20.1 CITY OF DOVER shall maintain the following insurance during the term of this Agreement:

A. Worker's Compensation as required by law, **and**

B. General liability Insurance: bodily injury $300,000 per occurrence; property damage: $100,000 per occurrence, **and**

C. Automobile liability: $350,000 combined bodily injury and property damage per occurrence.

D. CITY OF DOVER shall provide forty-five (45) days written notice of cancellation or material change of any policies.

20.2 Before any work is done pursuant to this Agreement, the Certificate of Insurance and/or copies of the insurance policies, referencing the contract number stated herein, shall be filed with the State. The certificate holder is as follows: CITY OF DOVER.

20.3 In no event shall the State of Delaware be named as an additional insured on any policy required under this agreement.

**21. Governing Law.**

This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware, except where Federal Law has precedence. CITY OF DOVER consents to jurisdiction venue in the State of Delaware.

**22. Notices.**

Any and all notices required by the provisions of this Agreement shall be in writing and shall be mailed, certified or registered mail, return receipt requested. All notices shall be sent to the following addresses:

TO DELAWARE:
Department of Natural Resources and Environmental Control
Division of Waste and Hazardous Substances
89 Kings Highway
Dover, DE 19901
Attn: Heather Pellrin

TO CITY OF DOVER:
15 East Loockerman Street
Dover, DE 19903
Attn: Scott Koenig

**SIGNATURE PAGE TO FOLLOW**

**STATE OF DELAWARE**
**DEPARTMENT OF NATURAL RESOURCES**
**AND ENVIRONMENTAL CONTROL**

_____
Collin P. O'Mara, Secretary

STATE OF _____

COUNTY OF _____, to wit:

I, _____, a Notary Public in and for said County and State, do certify that _____ in his/her official capacity as _____ has this day acknowledged the same before me in said County.

Given under my hand and seal of office seal this _____ day of_____, _____ .

_____
Notary Public

**CITY OF DOVER**

_____
Scott Koenig, Public Services Manager

STATE OF _____

COUNTY OF _____, to wit:

I, _____, a Notary Public in and for said County and State, do certify that _____ in his/her official capacity as _____ has this day acknowledged the same before me in said County.

Given under my hand and seal of office seal this _____ day of_____, _____.

_____
Notary Public

Appendix A

Scope of Work

CITY OF DOVER shall comply with all items outlined below and submit to DELAWARE sufficient supporting documents, in DELAWARE'S sole discretion, for reimbursement of funds as listed below prior to September 15, 2011 for implementation of Universal Recycling. Total reimbursement is not to exceed **$101,151.00**.

1. Grant Activities

CITY OF DOVER shall:

A) In accordance with 7 *Del. C.* § 6053 ("Universal Recycling"), implement a curbside recycling collection program for all their single-family residential waste customers and all their waste customers that are dealers with on-premise sales by no later than September 15, 2011. Such a program shall include, but not be limited to:
   a. Delivery of a container to each customer for the purpose of storage and collection of recyclables. Said container shall be adequately sized for the customer's use such that recycling is encouraged and disposal of recyclables is discouraged; and
   b. Recyclables collection service to each single-family residential customer at a frequency of not less than once every other week and to dealers with on-premise sales at a frequency that prevents containers overflowing or creating a nuisance; and
   c. A single charge on the waste services bill that includes the combined waste and recycling collection service costs; and
   d. Notification to each customer including instructions on participation.

B) Not increase rates charged for solid waste collections, which were in effect as of January 24, 2011 until March 15, 2013 as a result of implementation of Universal Recycling.

C) Provide the following statement in each customer's bill for every billing cycle until March 15, 2013: *"We, CITY OF DOVER, are a recipient of funding from the Universal Recycling Grant and Low-Interest Loan Program and pursuant to 7 Del. C. §6055 (d), shall not increase our rates charged for waste services collection from January 24, 2011 to March 15, 2013 as a result of implementing Universal Recycling"*.

D) Provide printed materials to each of the CITY OF DOVER's waste service customers and DELAWARE will reimburse CITY OF DOVER for this expense in an amount not to exceed $**15,000**. The flyers shall educate all of CITY OF DOVER's waste service customers and staff as well as the CITY OF DOVER's local school district on the benefits of recycling and instructions on participation.

E) Provide printed *"Schedule Change"* flyers to all CITY OF DOVER residents whom will be facing a change in their pre-existing recycling schedule. DELAWARE will reimburse CITY OF DOVER for this expense in an amount not to exceed $**3,115.00.**

F) Purchase **15,250** and affix Curbside Recycling labels to all new and pre-existing recycling containers provided by the CITY OF DOVER to its residents. DELAWARE shall reimburse for this expense in an amount not to exceed $**2,798.00.** All labels must

contain information pertaining to Universal Recycling and the CITY OF DOVER's contact information.

G) Provide DELAWARE the opportunity to review and edit any informational materials, which are intended to be funded in whole or in part by this grant, at least thirty (30) days before distribution or publication. The review will consider the accuracy of the information proposed. DELAWARE will not unreasonably withhold approval to distribute or publish.

H) Purchase and deliver a minimum of **1,782** wheeled recycling carts, in sizes ranging from 35 to 95 gallons, to CITY OF DOVER's waste services customers. These recycling carts shall be distinguishable from other waste or "trash" containers and shall be used expressly for the storage and collection of recyclables from CITY OF DOVER's customers in accordance with 1.A) above. DELAWARE shall not reimburse CITY OF DOVER in excess of **$80,238.00** for all costs related to this item.

2. Reimbursement

A) CITY OF DOVER shall request reimbursement for allowable expenditures incurred in implementing grant activities. This shall be done by submitting a Progress Report and Reimbursement Request Form (provided by DELAWARE) itemizing expenditures for payment by DELAWARE out of the grant monies awarded. Copies of receipts shall accompany the reimbursement request. The matching funds portion of the grant reimbursement form shall also be completed in order for the reimbursement request to be considered complete. Reimbursement requests may be withheld if the request is considered incomplete.

B) It is the intent of DELAWARE to issue a one-time reimbursement for all of the funds awarded under this grant following the completion of the activities listed in this Appendix. Approval for a split payment shall be received prior to request for reimbursement and will be considered on a case by case basis in the DEPARTMENT's sole discretion. CITY OF DOVER shall prove to the DEPARTMENT's satisfaction that without a split payment, an extraordinary financial hardship will result due to waiting for reimbursement in one lump sum payment after the completion of grant activities.

***C) Note: All reimbursement requests shall be received by DELAWARE no later than September 15, 2011. DELAWARE is not responsible for reimbursement of funds in excess of the grant amount or for expenditures incurred after September 15, 2011.***

D) If CITY OF DOVER does not demonstrate progress towards the grant activities and requirements by **September 15, 2011**, it is in DELAWARE's discretion to return unused funds to the Delaware Recycling Fund.

3. Mailings

All notices, requests, or demands to be given by DELAWARE to CITY OF DOVER or by CITY OF DOVER to DELAWARE under the provisions of this agreement will be forwarded, by mail, properly addressed to the following respective addresses:

DELAWARE:
Delaware Department of Natural Resources and Environmental Control
Division of Waste and Hazardous Substances
89 Kings Highway
Dover, DE 19901
Attention: Heather Pellrin

CITY OF DOVER:
15 East Loockerman Street
Dover, DE 19903
Attention: Scott Koenig

4. Geographical Applicability

The Universal Recycling Grant and Low-Interest Loan Program was created to provide comprehensive recycling programs in Delaware and as such, CITY OF DOVER, shall use all funds awarded under this Program to provide recycling services only within geographic boundaries of the State of Delaware. CITY OF DOVER has reported that, at the time application was made for the Universal Recycling Grant and Low-Interest Loan Program, they had **10,000** recycling customers within the geographical boundaries of the State of Delaware and DELAWARE has based the funding award on customers reported by CITY OF DOVER as being within State of Delaware boundaries. Pursuant to 7 *Del. C.* § 6059, CITY OF DOVER understands that reporting customers who do not exist or do not receive waste collection within the State of Delaware for the purposes of receiving more funding than they would otherwise be entitled to under the Universal Recycling Grant and Low-Interest Loan Program may cause this contract to become null and void and may lead to enforcement action by DELAWARE.

5. Reporting

A) CITY OF DOVER shall submit progress reports to DELAWARE on the status of the activities listed in this Appendix no later than June 15, 2011, September 15, 2011, and December 15, 2011.

B) CITY OF DOVER shall submit a final report to DELAWARE no later than March 15, 2012 including an explanation of how the activities listed above were accomplished, or a discussion of the progress made toward accomplishment of the activity. Also, a discussion of any unexpected problems encountered, and how they were overcome; and a discussion of any unexpected expenses incurred in implementing the activities/objectives shall be included. Describe how the impact of the activities resulted in any reduction in waste disposal or increasing recycling among the target population, including the quantities of material diverted from disposal.

6. Records

CITY OF DOVER shall maintain all receipts and records related to the grant project for a minimum of three years from the expiration of this contract on March 15, 2013 or the expiration of any amendments to this contract, whichever is later, and shall make this information available to DELAWARE upon request.

7. Publication

If CITY OF DOVER chooses to pursue publication of the results of this grant, CITY OF DOVER shall provide DELAWARE the opportunity to review and edit the proposed publication at least thirty (30) days before submission for publication. The review

will consider the accuracy of the information proposed for publication and the possible disclosure of information considered by DELAWARE to be proprietary or confidential. DELAWARE will not unreasonably withhold approval to publish.

# CITY OF DOVER ORDINANCE #2011-16

## 2011-2012 BUDGET ORDINANCES
## GENERAL FUND - CASH RECEIPTS AND BUDGET FOR 2011-2012

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

The amount hereinafter named aggregating Thirty Eight Million Sixty Thousand Ninety Nine dollars ($38,060,099) or so much thereof as may be necessary are hereby appropriated from current revenues and other funds for the use by several departments of the Municipal Government for the fiscal year beginning July 1, 2011 and ending June 30, 2012:

| | 2010/11 REVISED | 2011/12 BUDGET |
|---|---|---|
| **RECEIPTS** | | |
| PRIOR YEAR BALANCE | $ 2,655,562 | $ 3,322,305 |
| FINES AND POLICE REVENUE | 578,889 | 579,000 |
| 911 FEE | 60,000 | 60,000 |
| INVESTMENT INCOME | 116,000 | 215,900 |
| LIBRARY REVENUES | 44,100 | 44,100 |
| KENT COUNTY BOOK REIMBURSEMENT | 390,900 | 390,900 |
| BUSINESS LICENSES | 1,470,000 | 1,523,675 |
| PERMITS AND OTHER LICENSES | 892,000 | 934,000 |
| MISCELLANEOUS CHARGES | 65,750 | 165,750 |
| POLICE EXTRA DUTY | 300,000 | 300,000 |
| PROPERTY TAXES | 10,982,634 | 11,133,367 |
| BID REVENUE | 52,692 | 51,821 |
| RECREATION REVENUE | 141,500 | 152,000 |
| FRANCHISE FEE | 520,000 | 520,000 |
| TRASH FEES | 2,050,000 | 2,050,000 |
| DSWA TRASH FEE REBATE | 141,635 | - |
| RENT REVENUE - GARRISON FARM | 87,000 | 87,000 |
| COURT OF CHANCERY FEES | 715,000 | 690,000 |
| **RECEIPTS SUBTOTAL** | 21,263,662 | 22,219,818 |
| | | |
| **INTERFUND SERVICE RECEIPTS** | | |
| INTRAFUND SERVICE RECEIPTS WATER/WASTEWATER | 944,580 | 988,393 |
| INTRAFUND SERVICE RECEIPTS ELECTRIC | 3,293,025 | 3,370,778 |
| **INTERFUND SERVICE RECEIPTS SUBTOTAL** | 4,237,605 | 4,359,171 |
| | | |
| **GRANTS** | | |
| POLICE RELATED | 80,000 | 60,000 |
| CAPITAL SCHOOL DISTRICT REVENUE | 73,500 | 73,500 |
| POLICE PENSION GRANT | 620,000 | 620,000 |
| RECREATION GRANTS | 51,000 | - |
| HOMELAND SECURITY GRANT | 188,061 | - |
| **GRANTS SUBTOTAL** | 1,012,561 | 753,500 |
| | | |
| **TRANSFERS FROM** | | |
| TRANSFER TAX | 1,400,000 | 900,000 |
| MUNICIPAL STREET AID | 526,814 | 526,814 |
| CIVIL TRAFFIC PENALTIES | 1,000,000 | 1,000,000 |
| WATER/WASTEWATER | - | 424,508 |
| ELECTRIC | 8,856,000 | 7,876,288 |
| **TRANSFERS FROM SUBTOTAL** | 11,782,814 | 10,727,610 |
| | | |
| **TOTALS** | **$ 38,296,642** | **$ 38,060,099** |

| | DEPARTMENT EXPENSES | 2010/11 REVISED | 2011/12 BUDGET |
|---|---|---|---|
| 66 | CITY CLERK | $ 278,868 | $ 296,393 |
| 67 | COUNCIL | 128,944 | 120,699 |
| 68 | TAX ASSESSOR | 269,721 | 213,175 |
| 69 | FIRE | 665,732 | 684,725 |
| 70 | GROUNDS MAINTENANCE | 1,029,824 | 979,922 |
| 71 | LIBRARY | 1,064,547 | 1,159,087 |
| 72 | RECREATION | 811,261 | 789,701 |
| 73 | LIFE SAFETY | 512,792 | 449,226 |
| 74 | CODE INFORCEMENT | 293,540 | 284,489 |
| 75 | PLANNING | 409,937 | 422,781 |
| 76 | INSPECTIONS | 561,668 | 553,907 |
| 77 | ECONOMIC DEVELOPMENT | 229,938 | 223,717 |
| 78 | POLICE | 12,245,023 | 12,955,807 |
| 79 | POLICE EXTRA DUTY | 449,516 | 430,600 |
| 80 | STREETS | 837,040 | 782,810 |
| 81 | SANITATION | 2,253,529 | 2,330,976 |
| 82 | CITY MANAGER | 576,782 | 622,127 |
| 83 | INFORMATION TECHNOLOGY | 688,969 | 685,871 |
| 84 | FINANCE | 802,269 | 852,283 |
| 85 | PUBLIC SERVICES - ADMINISTRATION | 367,646 | 472,692 |
| 86 | FACILITIES MANAGEMENT | 926,252 | 952,693 |
| 87 | CENTRAL SERVICES | 648,859 | 693,339 |
| 88 | FLEET MAINTENANCE | 730,432 | 695,422 |
| 89 | CUSTOMER SERVICES | 866,691 | 928,112 |
| 90 | HUMAN RESOURCES | 336,035 | 384,758 |
| 91 | MAYOR | 88,335 | 81,154 |
| 93 | **DEPARTMENT SUBTOTALS** | 28,074,150 | 29,046,466 |
| 94 | | | |
| 95 | **OTHER EXPENSES** | | |
| 96 | DEBT SERVICE | 331,800 | 327,270 |
| 97 | TRANSFER TO CONTINGENCY | 172,061 | - |
| 99 | INSURANCE | 550,000 | 550,000 |
| 100 | RETIREES HEALTH CARE | 1,297,509 | 1,374,709 |
| 102 | PENSION UNFUNDED LIABILITY | 1,449,978 | 1,450,000 |
| 103 | POLICE PENSION FUND | 620,000 | 620,000 |
| 104 | POLICE PENSION UNFUNDED LIABILITY | 95,000 | 95,000 |
| 105 | UNCOLLECTIBLES - TRASH AND OTHER | 110,000 | 10,000 |
| 109 | STREET LIGHTS | 960,000 | 960,000 |
| 110 | **OTHER EXPENSE SUBTOTAL** | 5,586,348 | 5,386,979 |
| 111 | | | |
| 116 | **TRANSFERS** | | |
| 119 | TRANSFER TO CAPITAL FUND - PROJECTS | 1,307,839 | 623,847 |
| 120 | TRANSFER TO CAPITAL FUND - RESERVE | - | 200,000 |
| 124 | TRANSFER TO CDBG FUND | 6,000 | - |
| 129 | **TRANSFERS SUBTOTAL** | 1,313,839 | 823,847 |
| 130 | | | |
| 131 | **CURRENT YEAR BALANCE** | 3,322,305 | 2,802,807 |
| 136 | | | |
| 137 | **TOTALS** | **$ 38,296,642** | **$ 38,060,099** |

138

139 The City Manager is hereby authorized, without further approval of the City Council, to make
140 inter-departmental transfers of up to five percent of the amount hereinafter appropriated to any
141 department except that the City Manager shall not make any transfers prohibited by City
142 Procedure #F306 and/or #F306ADD.

## 2011-2012 BUDGET ORDINANCES - CONTINUED

### GOVERNMENTAL CAPITAL PROJECTS FUND
### CASH RECEIPTS/REVENUES AND BUDGET FOR 2011-2012

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

The amount hereinafter named aggregating Fourteen Million Twenty Four Thousand Nine Hundred Forty Seven dollars ($14,024,947) or so much thereof as may be necessary are hereby appropriated from current revenues and other funds for the use by several departments of the Municipal Government for the fiscal year beginning July 1, 2011 and ending June 30, 2012:

CASH RECEIPTS

| | 2010/11 REVISED | 2011/12 BUDGET |
|---|---|---|
| BEGINNING BALANCE - PROJECTS | $ 227,592 | $ 195,191 |
| STATE GRANTS | 4,232,348 | 5,597,505 |
| INTEREST EARNINGS | 10,900 | 10,900 |
| RECREATION GRANTS | 34,583 | - |
| POLICE GRANTS | 38,000 | - |
| LIBRARY BOND ISSUE/CONTRIBUTIONS | 1,000,000 | 2,334,889 |
| TRANSFER FROM GENERAL FUND FOR PROJECTS | 1,307,839 | 623,847 |
| TRANSFER FROM LIBRARY RESERVE | 2,363,732 | 3,262,615 |
| PARKLAND RESERVE RECEIPT | 36,872 | - |
| BOND PROCEEDS | - | 2,000,000 |
| **TOTALS** | **$ 9,251,866** | **$ 14,024,947** |

## GOVERNMENTAL CAPITAL PROJECTS FUND - CONTINUED
## CASH RECEIPTS/REVENUES AND BUDGET FOR 2011-2012

EXPENSE SUMMARY

| DEPARTMENT EXPENSES | 2010/11 REVISED | 2011/12 BUDGET |
|---|---|---|
| FIRE | 223,700 | 244,820 |
| GROUNDS MAINTENANCE | 46,517 | - |
| LIBRARY | 7,630,663 | 11,195,009 |
| RECREATION | 81,872 | 30,000 |
| POLICE | 322,830 | 65,000 |
| STREETS | 454,476 | 1,230,027 |
| SANITATION | 212,419 | 136,500 |
| INFORMATION TECHNOLOGY | 7,000 | 6,400 |
| MAYOR | 52,198 | - |
| **DEPARTMENT SUBTOTAL** | 9,031,675 | 12,907,756 |
| | | |
| **TRANSFERS** | | |
| TRANSFER TO COMMUNITY TRANS FUND 318 | 25,000 | - |
| CURRENT YEAR BALANCE - BOND PROCEEDS | - | 1,000,000 |
| CURRENT YEAR BALANCE | 195,191 | 117,191 |
| | | |
| **TOTALS** | **$ 9,251,866** | **$ 14,024,947** |

The City Manager is hereby authorized, without further approval of the City Council, to make inter-departmental transfers of up to five percent of the amount hereinafter appropriated to any department except that the City Manager shall not make any transfers prohibited by City Procedure #F306 and/or #F306ADD.

**2011-2012 BUDGET ORDINANCES - CONTINUED**

## GENERAL FUND CONTINGENCY
## CASH RECEIPTS/REVENUES AND BUDGET FOR 2011-2012

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

The amount hereinafter named aggregating Seven Hundred Twenty Five Thousand Five Hundred Fifty Four dollars ($725,554) or so much thereof as may be necessary are hereby appropriated from current revenues and other funds for the use by several departments of the Municipal Government for the fiscal year beginning July 1, 2011 and ending June 30, 2012:

CASH RECEIPTS

| | 2010/11 REVISED | 2011/12 BUDGET |
|---|---|---|
| BEGINNING BALANCE | $ 530,393 | $ 725,554 |
| INTEREST EARNINGS | 23,100 | - |
| TRANSFER FROM GENERAL FUND | 172,061 | - |
| **TOTALS** | **$ 725,554** | **$ 725,554** |

EXPENSE SUMMARY

| | 2010/11 REVISED | 2011/12 BUDGET |
|---|---|---|
| CARRY FORWARD TO NEXT YEAR | $ 725,554 | $ 725,554 |
| **TOTALS** | **$ 725,554** | **$ 725,554** |

The City Manager is hereby authorized, without further approval of the City Council, to make inter-departmental transfers of up to five percent of the amount hereinafter appropriated to any department except that the City Manager shall not make any transfers prohibited by City Procedure #F306 and/or #F306ADD.

## 2011-2012 BUDGET ORDINANCES - CONTINUED

### GENERAL CAPITAL ASSET REPLACEMENT FUND
### CASH RECEIPTS/REVENUES AND BUDGET FOR 2011-2012

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

The amount hereinafter named aggregating Four Hundred Sixty Four Thousand One Hundred Forty Five dollars ($464,145) or so much thereof as may be necessary are hereby appropriated from current revenues and other funds for the use by several departments of the Municipal Government for the fiscal year beginning July 1, 2011 and ending June 30, 2012:

CASH RECEIPTS

| | 2010/11 REVISED | 2011/12 BUDGET |
|---|---|---|
| BEGINNING BALANCE | $ 249,145 | $ 256,645 |
| INTEREST EARNINGS | 7,500 | 7,500 |
| TRANSFER FROM GENERAL FUND | - | 200,000 |
| **TOTALS** | **$ 256,645** | **$ 464,145** |

EXPENSE SUMMARY

| | 2010/11 REVISED | 2011/12 BUDGET |
|---|---|---|
| TRANSFER TO GOVERNMENTAL CAPITAL FUND | $ 256,645 | $ 464,145 |
| **TOTALS** | **$ 256,645** | **$ 464,145** |

The City Manager is hereby authorized, without further approval of the City Council, to make inter-departmental transfers of up to five percent of the amount hereinafter appropriated to any department except that the City Manager shall not make any transfers prohibited by City Procedure #F306 and/or #F306ADD.

## 2011-2012 BUDGET ORDINANCES - CONTINUED

### MUNICIPAL STREET AID FUND
### CASH RECEIPTS/REVENUES AND BUDGET FOR 2011-2012

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

The amount hereinafter named aggregating Five Hundred Twenty Seven Thousand Fourteen dollars ($527,014) or so much thereof as may be necessary are hereby appropriated from current revenues and other funds for the use by several departments of the Municipal Government for the fiscal year beginning July 1, 2011 and ending June 30, 2012:

CASH RECEIPTS

| | 2010/11 REVISED | 2011/12 BUDGET |
|---|---|---|
| BEGINNING BALANCE | $ - | $ 100 |
| STATE GRANT | 526,814 | 526,814 |
| INTEREST EARNED | 100 | 100 |
| **TOTALS** | **$ 526,914** | **$ 527,014** |

BUDGET SUMMARY

| | 2010/11 REVISED | 2011/12 BUDGET |
|---|---|---|
| TRANSFER TO GENERAL FUND | $ 526,814 | $ 526,814 |
| CURRENT YEAR BALANCE | 100 | 200 |
| **TOTALS** | **$ 526,914** | **$ 527,014** |

The City Manager is hereby authorized, without further approval of the City Council, to make inter-departmental transfers of up to five percent of the amount hereinafter appropriated to any department except that the City Manager shall not make any transfers prohibited by City Procedure #F306 and/or #F306ADD.

## 2011-2012 BUDGET ORDINANCES - CONTINUED

### WATER/WASTEWATER FUND
### REVENUES AND BUDGET FOR 2011-2012

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

The amount hereinafter named aggregating Sixteen Million Two Hundred Eighty Thousand Eighty Five dollars ($16,280,085) or so much thereof as may be necessary are hereby appropriated from current revenues and other funds for the use by several departments of the Municipal Government for the fiscal year beginning July 1, 2011 and ending June 30, 2012:

| **BASE REVENUE** | **2010/11 REVISED** | **2011/12 BUDGET** |
|---|---|---|
| PRIOR YEAR BALANCE - WATER | $ 1,236,546 | $ 2,385,027 |
| PRIOR YEAR BALANCE - WASTEWATER | 902,366 | 1,741,242 |
| PRIOR YEAR BALANCE - KCSA | (1,872,081) | (1,757,484) |
| WATER FEES | 4,800,000 | 4,603,400 |
| WASTEWATER FEES | 3,500,000 | 3,756,700 |
| WASTEWATER ADJUSTMENT FEES | 3,000,000 | 3,090,900 |
| GROUNDWATER INFLOW ADJUSTMENT | 1,350,000 | 1,386,900 |
| WATER TANK SPACE LEASING | 299,400 | 307,600 |
| SEWER IMPACT FEES | 323,000 | 323,000 |
| WATER IMPACT FEES | 357,000 | 357,000 |
| INTEREST - WATER | 8,886 | 10,600 |
| INTEREST - WASTEWATER | 10,914 | 17,200 |
| MISCELLANEOUS SERVICE FEE | 58,000 | 58,000 |
| **TOTALS** | **$ 13,974,031** | **$ 16,280,085** |

| | 2010/11 REVISED | 2011/12 BUDGET |
|---|---|---|
| **DIRECT EXPENSES** | | |
| ENGINEERING & INSPECTION | $ 540,099 | $ 622,230 |
| WATER CONSTRUCTION | 400,439 | 440,088 |
| WATER DEPARTMENT | 374,920 | 382,655 |
| WATER TREATMENT PLANT | 1,475,704 | 1,543,114 |
| WASTEWATER DEPARTMENT | 945,296 | 959,735 |
| KENT COUNTY TREATMENT CHARGE | 4,235,403 | 4,235,400 |
| **DIRECT EXPENDITURE SUBTOTAL** | 7,971,861 | 8,183,222 |
| | | |
| **OTHER EXPENSES** | | |
| DEBT SERVICE - WATER | 244,000 | 320,853 |
| DEBT SERVICE - WASTEWATER | 216,000 | 416,083 |
| RETIREES HEALTH CARE | 177,427 | 190,830 |
| UNCOLLECTIBLES | 71,000 | 5,000 |
| PENSION UNFUNDED LIABILITY | 372,000 | 228,400 |
| INTRAFUND SERVICE FEES | 1,117,897 | 1,228,596 |
| INVENTORY/FIXED ASSET WRITEOFFS | - | 10,000 |
| **OTHER EXPENSES SUBTOTAL** | 2,198,324 | 2,399,762 |
| | | |
| **TRANSFER TO** | | |
| GENERAL FUND FROM WATER | - | 238,842 |
| GENERAL FUND FROM WASTEWATER | - | 185,666 |
| WATER IMP AND EXT | 500,000 | 750,000 |
| WASTEWATER IMP AND EXT | 500,000 | 1,000,000 |
| SEWER IMPACT FEE RESERVE | 107,000 | - |
| WATER IMPACT FEE RESERVE | 113,000 | 36,147 |
| TRANSFER TO CONTINGENCY WASTEWATER | 18,000 | 8,000 |
| CAPITAL ASSET RESERVE WATER | 100,000 | 100,000 |
| CAPITAL ASSET RESERVE WASTEWATER | 100,000 | 300,000 |
| **TRANSFER TO SUBTOTAL** | 1,438,000 | 2,618,655 |
| | | |
| **CURRENT YEAR BALANCES** | | |
| CURRENT YEAR BALANCE WATER | 2,383,557 | 2,738,400 |
| CURRENT YEAR BALANCE WASTEWATER | 1,739,773 | 1,855,130 |
| CURRENT YEAR BALANCE KCSA | (1,757,484) | (1,515,084) |
| **CURRENT YEAR BALANCE SUBTOTALS** | 2,365,846 | 3,078,446 |
| | | |
| **TOTALS** | **$ 13,974,031** | **$ 16,280,085** |

The City Manager is hereby authorized, without further approval of the City Council, to make inter-departmental transfers of up to five percent of the amount hereinafter appropriated to any department except that the City Manager shall not make any transfers prohibited by City

## 2011-2012 BUDGET ORDINANCES - CONTINUED

### WATER/WASTEWATER IMPROVEMENT & EXTENSION FUND
### CASH RECEIPTS/REVENUES AND BUDGET FOR 2011-2012

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

The amount hereinafter named aggregating Five Million Two Hundred Fifty Six Thousand One Hundred Eighty Eight dollars ($5,256,188) or so much thereof as may be necessary are hereby appropriated from current revenues and other funds for the use by several departments of the Municipal Government for the fiscal year beginning July 1, 2011 and ending June 30, 2012:

CASH RECEIPTS

| | 2010/11 REVISED | 2011/12 BUDGET |
|---|---|---|
| PRIOR YEAR BALANCE - WATER | $ 1,840,910 | $ 1,139,872 |
| PRIOR YEAR BALANCE - WASTEWATER | (45,575) | 303,476 |
| PRIOR YEAR BOND PROCEEDS WATER | 2,404,017 | - |
| PRIOR YEAR BOND PROCEEDS - WASTEWATER | 3,797,956 | - |
| STATE LOAN FUND - WASTEWATER | 765,060 | 1,800,000 |
| TRANS FR WATER/WASTEWATER FOR WATER | 500,000 | 750,000 |
| TRANS FR WATER/WASTEWATER FOR WASTEWATER | 500,000 | 1,000,000 |
| TRANSFER FROM IMPACT FEE RESERVE | 516,781 | 262,840 |
| FEDERAL/STATE GRANTS | 28,877 | - |
| **TOTALS** | **$ 10,308,026** | **$ 5,256,188** |

### CASH RECEIPTS/REVENUES AND BUDGET FOR 2011-2012

EXPENSE SUMMARY

| | 2010/11 REVISED | 2011/12 BUDGET |
|---|---|---|
| WATER | $ 3,605,055 | $ 766,240 |
| WASTEWATER | 5,259,623 | 3,404,900 |
| WATER TREATMENT PLANT | - | 22,900 |
| WATER CONSTRUCTION | - | 30,100 |
| CURRENT YEAR BALANCE - WATER | 1,139,872 | 1,070,632 |
| CURRENT YEAR BALANCE - WASTEWATER | 303,476 | (38,584) |
| **TOTALS** | **$ 10,308,026** | **$ 5,256,188** |

The City Manager is hereby authorized, without further approval of the City Council, to make inter-departmental transfers of up to five percent of the amount hereinafter appropriated to any department except that the City Manager shall not make any transfers prohibited by City Procedure #F306 and/or #F306ADD.

## 2011-2012 BUDGET ORDINANCES - CONTINUED

### WATER/WASTEWATER CAPITAL ASSET RESERVE
### CASH RECEIPTS/REVENUES AND BUDGET FOR 2011-2012

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

The amount hereinafter named aggregating Nine Hundred Twenty Five Thousand Six Hundred Seventy dollars ($925,670) or so much thereof as may be necessary are hereby appropriated from current revenues and other funds for the use by several departments of the Municipal Government for the fiscal year beginning July 1, 2011 and ending June 30, 2012:

CASH RECEIPTS

| | 2010/11 REVISED | 2011/12 BUDGET |
|---|---|---|
| BEGINNING BALANCE - WATER | $ 211,713 | $ 336,064 |
| BEGINNING BALANCE - WASTEWATER | 66,476 | 168,470 |
| INTEREST EARNINGS - WATER | 6,351 | 10,082 |
| INTEREST EARNINGS - WASTEWATER | 1,994 | 5,054 |
| TRANSFER FROM WATER | 100,000 | 100,000 |
| TRANSFER FROM WASTEWATER | 100,000 | 300,000 |
| TRANSFER FROM WATER/WASTEWATER CONTINGENCY | 18,000 | 6,000 |
| **TOTALS** | **$ 504,534** | **$ 925,670** |

EXPENSE SUMMARY

| | 2010/11 REVISED | 2011/12 BUDGET |
|---|---|---|
| CARRY FORWARD TO NEXT YEAR WATER | $ 336,064 | $ 452,146 |
| CARRY FORWARD TO NEXT YEAR WASTEWATER | 168,470 | 473,524 |
| **TOTALS** | **$ 504,534** | **$ 925,670** |

The City Manager is hereby authorized, without further approval of the City Council, to make inter-departmental transfers of up to five percent of the amount hereinafter appropriated to any department except that the City Manager shall not make any transfers prohibited by City Procedure #F306 and/or #F306ADD.

## 2011-2012 BUDGET ORDINANCES - CONTINUED

### WATER/WASTEWATER CONTINGENCY RESERVE
### CASH RECEIPTS/REVENUES AND BUDGET FOR 2011-2012

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

The amount hereinafter named aggregating Two Hundred Eighty Two Thousand Eight Hundred Forty Five dollars ($282,845) or so much thereof as may be necessary are hereby appropriated from current revenues and other funds for the use by several departments of the Municipal Government for the fiscal year beginning July 1, 2011 and ending June 30, 2012:

CASH RECEIPTS

| | 2010/11 REVISED | 2011/12 BUDGET |
|---|---|---|
| PRIOR YEAR BALANCE | $ 259,067 | $ 266,839 |
| INTEREST EARNINGS | 7,772 | 8,006 |
| TRANSFER FROM WATER/WASTEWATER | 18,000 | 8,000 |
| **TOTALS** | **$ 284,839** | **$ 282,845** |

BUDGET SUMMARY

| | 2010/11 REVISED | 2011/12 BUDGET |
|---|---|---|
| TRANSFER TO CAPITAL ASSET RESERVE | $ 18,000 | $ 6,000 |
| CURRENT YEAR BALANCE | 266,839 | 276,845 |
| **TOTALS** | **$ 284,839** | **$ 282,845** |

The City Manager is hereby authorized, without further approval of the City Council, to make inter-departmental transfers of up to five percent of the amount hereinafter appropriated to any department except that the City Manager shall not make any transfers prohibited by City Procedure #F306 and/or #F306ADD.

**2011-2012 BUDGET ORDINANCES - CONTINUED**

**ELECTRIC REVENUE FUND**
**REVENUES AND BUDGET FOR 2011-2012**

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

The amount hereinafter named aggregating One Hundred Six Million Two Hundred Seventy Four Thousand Seven Hundred Six dollars ($106,274,706) or so much thereof as may be necessary are hereby appropriated from current revenues and other funds for the use by several departments of the Municipal Government for the fiscal year beginning July 1, 2011 and ending June 30, 2012:

| **BASE REVENUE** | **2010/11 REVISED** | **2011/12 BUDGET** |
|---|---|---|
| BUSINESS LICENSES | $ 13,537,864 | $ 11,867,003 |
| DIRECT SALES TO CUSTOMER | 97,917,206 | 95,675,500 |
| PURCHASE POWER ADJUSTMENT | (2,293,603) | (6,012,000) |
| UTILITY TAX | 1,965,000 | 1,966,100 |
| GREEN ENERGY | 128,600 | 129,000 |
| MISCELLANEOUS REVENUE | 891,200 | 919,000 |
| RENT REVENUE | 186,816 | 225,000 |
| TRANSFER FROM RATE STABILIZATION | - | 1,000,000 |
| INTRAFUND SERVICE RECEIPTS WATER/WASTEWATER | 173,317 | 240,203 |
| INTEREST EARNINGS | 965,500 | 264,900 |
| **TOTALS** | **$ 113,471,900** | **$ 106,274,706** |

## ELECTRIC REVENUE FUND - CONTINUED
## REVENUES AND BUDGET FOR 2011-2012

| EXPENSES | 2010/11 REVISED | 2011/12 BUDGET |
|---|---|---|
| POWER SUPPLY | $ 47,634,363 | $ 42,047,430 |
| POWER SUPPLY MANAGEMENT | 2,321,562 | 1,170,000 |
| PJM CHARGES - LOAD | 13,363,432 | 15,043,396 |
| CAPACITY CHARGES | 12,302,392 | 8,506,512 |
| CONTRACTUAL SERVICES | - | 115,000 |
| **SUB-TOTAL POWER SUPPLY** | 75,621,749 | 66,882,338 |
| PLANT OPERATIONS | 6,155,046 | 5,964,817 |
| GENERATIONS FUELS | 3,244,977 | 664,641 |
| PJM CREDITS | (5,553,404) | (1,285,675) |
| CAPACITY CREDITS | (11,419,723) | (7,388,283) |
| **GENERATION SUBTOTAL** | (7,573,104) | (2,044,500) |
| **POWER SUPPLY & GENERATION SUBTOTAL** | 68,048,645 | 64,837,838 |
| | | |
| **DIRECT EXPENDITURES** | | |
| TRANSMISSION/DISTRIBUTION | 3,035,144 | 3,162,026 |
| ELECTRICAL ENGINEERING | 1,745,105 | 1,177,060 |
| ADMINISTRATION | 974,959 | 602,715 |
| METER READING | 205,915 | 215,208 |
| SYSTEMS OPERATIONS | 492,493 | 473,895 |
| UTILITY TAX | 1,965,000 | 1,966,100 |
| **DIRECT EXPENDITURE SUBTOTALS** | 8,418,616 | 7,597,004 |
| | | |
| **OTHER EXPENSES:** | | |
| ALLOW FOR UNCOLLECTIBLES | 310,000 | 150,000 |
| RETIREES HEALTH CARE | 639,110 | 646,510 |
| TRANSFER TO PENSION UNFUNDED LIABILITY | 833,000 | 1,110,500 |
| OPEB | 1,200,000 | 1,115,300 |
| GREEN ENERGY PAYMENT TO DEMEC | 128,600 | 129,000 |
| INTRAFUND SERVICE FEES | 3,293,025 | 3,370,778 |
| INTEREST ON DEPOSITS | 54,500 | 54,500 |
| INVENTORY WRITE OFFS | 175,000 | 175,000 |
| DEBT SERVICE | 3,589,904 | 3,336,800 |
| **OTHER EXPENSES SUBTOTAL** | 10,223,139 | 10,088,388 |
| | | |
| **TRANSFER TO** | | |
| IMPROVEMENT & EXTENSION | 3,500,000 | 3,500,000 |
| GENERAL FUND | 8,856,000 | 7,876,288 |
| TRANSFER TO DEPRECIATION RESERVE | 1,250,000 | - |
| RATE STABILIZATION RESERVE | 1,300,000 | - |
| **TRANSFER TO SUBTOTAL** | 14,906,000 | 11,376,288 |
| | | |
| **CURRENT YEAR BALANCE** | 11,875,500 | 12,375,188 |
| | | |
| **TOTALS** | **$ 113,471,900** | **$ 106,274,706** |

The City Manager is hereby authorized, without further approval of the City Council, to make inter-departmental transfers of up to five percent of the amount hereinafter appropriated to any department except that the City Manager shall not make any transfers prohibited by City Procedure #F306 and/or #F306ADD.

**2011-2012 BUDGET ORDINANCES - CONTINUED**

## ELECTRIC UTILITY IMPROVEMENT AND EXTENSION FUND
## CASH RECEIPTS/REVENUES AND BUDGET FOR 2011-2012

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

The amount hereinafter named aggregating Six Million Four Hundred Seventy Thousand Two Hundred Twenty Six dollars ($6,470,226) or so much thereof as may be necessary are hereby appropriated from current revenues and other funds for the use by several departments of the Municipal Government for the fiscal year beginning July 1, 2011 and ending June 30, 2012:

CASH RECEIPTS

| | 2010/11 REVISED | 2011/12 BUDGET |
|---|---|---|
| PRIOR YEAR BALANCE BOND | $ 3,429,624 | $ 2,561,096 |
| INTEREST EARNINGS | 415,585 | - |
| INTEREST TRUSTEE | 40,700 | 38,400 |
| RECEIPT FROM DEPRECIATION RESERVE | - | 300,000 |
| STATE REIMBURSEMENT FOR GOVS AVE | 254,757 | - |
| STATE REIMBURSEMENT FOR WYOMING MILL RD | 91,000 | - |
| FEDERAL GRANTS | 151,523 | - |
| INSURANCE CLAIM PROCEEDS | 280,000 | - |
| TRANSFER FROM INSURANCE STABILIZATION | - | 70,730 |
| TRANSFER FROM ELECTRIC | 3,500,000 | 3,500,000 |
| **TOTALS** | **$ 8,163,189** | **$ 6,470,226** |

EXPENSE SUMMARY

| | 2010/11 REVISED | 2011/12 BUDGET |
|---|---|---|
| ELECTRIC GENERATION | $ 2,106,427 | $ 1,810,410 |
| TRANSMISSION AND DISTRIBUTION | 739,000 | 648,337 |
| ELECTRICAL ENGINEERING | 1,756,666 | 1,790,716 |
| METER READING | - | 20,000 |
| TRANSFER TO DEPRECIATION RESERVE | 1,000,000 | |
| CURRENT YEAR BALANCE | 2,561,096 | 2,200,763 |
| **TOTALS** | **$ 8,163,189** | **$ 6,470,226** |

The City Manager is hereby authorized, without further approval of the City Council, to make inter-departmental transfers of up to five percent of the amount hereinafter appropriated to any department except that the City Manager shall not make any transfers prohibited by City Procedure #F306 and/or #F306ADD.

**2011-2012 BUDGET ORDINANCES - CONTINUED**

**ELECTRIC UTILITY CONTINGENCY RESERVE**
**CASH RECEIPTS/REVENUES AND BUDGET FOR 2011-2012**

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

The amount hereinafter named aggregating One Million One Hundred Ten Thousand Four Hundred Ninety Six ($1,110,496) or so much thereof as may be necessary are hereby appropriated from current revenues and other funds for the use by several departments of the Municipal Government for the fiscal year beginning July 1, 2011 and ending June 30, 2012:

CASH RECEIPTS

| | 2010/11 REVISED | 2011/12 BUDGET |
|---|---|---|
| BEGINNING BALANCE | $ 1,039,766 | $ 1,039,766 |
| TRANSFER FROM INSURANCE STABILIZATION | - | 70,730 |
| **TOTALS** | **$ 1,039,766** | **$ 1,110,496** |

EXPENSE SUMMARY

| | 2010/11 REVISED | 2011/12 BUDGET |
|---|---|---|
| CARRY FORWARD TO NEXT YEAR | $ 1,039,766 | $ 1,110,496 |
| **TOTALS** | **$ 1,039,766** | **$ 1,110,496** |

The City Manager is hereby authorized, without further approval of the City Council, to make inter-departmental transfers of up to five percent of the amount hereinafter appropriated to any department except that the City Manager shall not make any transfers prohibited by City Procedure #F306 and/or #F306ADD.

**2011-2012 BUDGET ORDINANCES - CONTINUED**

**ELECTRIC UTILITY DEPRECIATION RESERVE**
**SOURCES AND USE OF FUNDS FOR 2011-2012**

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

The amount hereinafter named aggregating Ten Million Eight Hundred Eighteen Thousand One Hundred Fifty Five dollars ($10,818,155) or so much thereof as may be necessary are hereby appropriated from current revenues and other funds for the use by several departments of the Municipal Government for the fiscal year beginning July 1, 2011 and ending June 30, 2012:

CASH RECEIPTS

| | 2010/11 REVISED | 2011/12 BUDGET |
|---|---|---|
| PRIOR YEAR BALANCE | $ 8,021,155 | $ 10,511,755 |
| RECEIPT FROM ELECTRIC REVENUE FUND | 1,250,000 | - |
| RECEIPT FROM ELECTRIC I&E FUND | 1,000,000 | - |
| INTEREST EARNINGS | 240,600 | 306,400 |
| **TOTALS** | **$ 10,511,755** | **$ 10,818,155** |

BUDGET SUMMARY

| | 2010/11 REVISED | 2011/12 BUDGET |
|---|---|---|
| TRANSFER TO IMPROVEMENT AND EXTENSION | $ - | $ 300,000 |
| TRANSFER TO FUTURE CAPACITY | - | 500,000 |
| CURRENT YEAR BALANCE | 10,511,755 | 10,018,155 |
| **TOTALS** | **$ 10,511,755** | **$ 10,818,155** |

The City Manager is hereby authorized, without further approval of the City Council, to make inter-departmental transfers of up to five percent of the amount hereinafter appropriated to any department except that the City Manager shall not make any transfers prohibited by City Procedure #F306 and/or #F306ADD.

**2011-2012 BUDGET ORDINANCES - CONTINUED**

**ELECTRIC UTILITY FUTURE CAPACITY RESERVE**
**SOURCES AND USE OF FUNDS FOR 2011-2012**

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

The amount hereinafter named aggregating Ten Million Seventy Three Thousand Four Hundred Twenty Eight dollars ($10,073,428) or so much thereof as may be necessary are hereby appropriated from current revenues and other funds for the use by several departments of the Municipal Government for the fiscal year beginning July 1, 2011 and ending June 30, 2012:

CASH RECEIPTS

| | 2010/11 REVISED | 2011/12 BUDGET |
|---|---|---|
| PRIOR YEAR BALANCE | $ 9,023,928 | $ 9,294,628 |
| RECEIPT FROM DEPRECIATION RESERVE | - | 500,000 |
| INTEREST EARNINGS | 270,700 | 278,800 |
| **TOTALS** | **$ 9,294,628** | **$ 10,073,428** |

BUDGET SUMMARY

| | 2010/11 REVISED | 2011/12 BUDGET |
|---|---|---|
| CURRENT YEAR BALANCE | $ 9,294,628 | $ 10,073,428 |
| **TOTALS** | **$ 9,294,628** | **$ 10,073,428** |

The City Manager is hereby authorized, without further approval of the City Council, to make inter-departmental transfers of up to five percent of the amount hereinafter appropriated to any department except that the City Manager shall not make any transfers prohibited by City Procedure #F306 and/or #F306ADD.

## 2011-2012 BUDGET ORDINANCES - CONTINUED

### ELECTRIC UTILITY INSURANCE STABLIZATION RESERVE
### SOURCES AND USE OF FUNDS FOR 2011-2012

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

The amount hereinafter named aggregating Four Hundred Twenty Thousand Seven Hundred Thirty dollars ($420,730) or so much thereof as may be necessary are hereby appropriated from current revenues and other funds for the use by several departments of the Municipal Government for the fiscal year beginning July 1, 2011 and ending June 30, 2012:

CASH RECEIPTS

| | 2010/11 REVISED | 2011/12 BUDGET |
|---|---|---|
| PRIOR YEAR BALANCE | $ 396,530 | $ 408,430 |
| INTEREST EARNINGS | 11,900 | 12,300 |
| **TOTALS** | **$ 408,430** | **$ 420,730** |

BUDGET SUMMARY

| | 2010/11 REVISED | 2011/12 BUDGET |
|---|---|---|
| TRANSFER TO ELECTRIC IMPROVEMENT & EXTENSION | $ - | $ 70,730 |
| CURRENT YEAR BALANCE | 408,430 | 350,000 |
| **TOTALS** | **$ 408,430** | **$ 420,730** |

The City Manager is hereby authorized, without further approval of the City Council, to make inter-departmental transfers of up to five percent of the amount hereinafter appropriated to any department except that the City Manager shall not make any transfers prohibited by City Procedure #F306 and/or #F306ADD.

## ELECTRIC UTILITY RATE STABLIZATION RESERVE
## SOURCES AND USE OF FUNDS FOR 2011-2012

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

The amount hereinafter named aggregating Six Million Four Hundred Six Thousand Four Hundred Nineteen dollars ($6,406,419) or so much thereof as may be necessary are hereby appropriated from current revenues and other funds for the use by several departments of the Municipal Government for the fiscal year beginning July 1, 2011 and ending June 30, 2012:

CASH RECEIPTS

| | 2010/11 REVISED | 2011/12 BUDGET |
|---|---|---|
| PRIOR YEAR BALANCE | $ 4,776,519 | $ 6,219,819 |
| RECEIPT FROM ELECTRIC REVENUE FUND | 1,300,000 | - |
| INTEREST EARNINGS | 143,300 | 186,600 |
| **TOTALS** | **$ 6,219,819** | **$ 6,406,419** |

BUDGET SUMMARY

| | 2010/11 REVISED | 2011/12 BUDGET |
|---|---|---|
| TRANSFER TO ELECTRIC FUND | $ - | $ 1,000,000 |
| CURRENT YEAR BALANCE | 6,219,819 | 5,406,419 |
| **TOTALS** | **$ 6,219,819** | **$ 6,406,419** |

The City Manager is hereby authorized, without further approval of the City Council, to make inter-departmental transfers of up to five percent of the amount hereinafter appropriated to any department except that the City Manager shall not make any transfers prohibited by City Procedure #F306 and/or #F306ADD.

## WORKERS COMPENSATION FUND
## CASH RECEIPTS/REVENUES AND BUDGET FOR 2011-2012

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

The amount hereinafter named aggregating One Million Seven Hundred Thirteen Thousand Five Hundred Five dollars ($1,713,505) or so much thereof as may be necessary are hereby appropriated from current revenues and other funds for the use by several departments of the Municipal Government for the fiscal year beginning July 1, 2011 and ending June 30, 2012:

OPERATING REVENUES

| | 2010/11 REVISED | 2011/12 BUDGET |
|---|---|---|
| PRIOR YEAR BALANCE | $ 1,566,938 | $ 1,663,168 |
| INTEREST INCOME | 35,000 | 45,737 |
| PREMIUM FROM CITY | 670,530 | - |
| MISCELLANEOUS REVENUE | 4,600 | 4,600 |
| **TOTALS** | **$ 2,277,068** | **$ 1,713,505** |

OPERATING EXPENSES

| | 2010/11 REVISED | 2011/12 BUDGET |
|---|---|---|
| PROGRAM EXPENSES/SUPPLIES - CLAIMS | $ 450,000 | $ 450,000 |
| INSURANCE | 93,400 | 82,150 |
| BANK FEES | 1,500 | 1,500 |
| STATE OF DEL - SELF INSURANCE TAX | 37,000 | 37,000 |
| CONTRACTUAL SERVICES | 32,000 | 32,000 |
| TOTAL EXPENSES | 613,900 | 602,650 |
| CURRENT YEAR BALANCE | 1,663,168 | 1,110,855 |
| **TOTALS** | **$ 2,277,068** | **$ 1,713,505** |

The City Manager is hereby authorized, without further approval of the City Council, to make inter-departmental transfers of up to five percent of the amount hereinafter appropriated to any department except that the City Manager shall not make any transfers prohibited by City Procedure #F306 and/or #F306ADD.

**2011-2012 BUDGET ORDINANCES - CONTINUED**

## COMMUNITY TRANSPORTATION IMPROVEMENT FUND
## CASH RECEIPTS/REVENUES AND BUDGET FOR 2011-2012

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

The amount hereinafter named aggregating Two Million Five Hundred Sixty Five Thousand Four Hundred Fifty One dollars ($2,565,451) or so much thereof as may be necessary are hereby appropriated from current revenues and other funds for the use by several departments of the Municipal Government for the fiscal year beginning July 1, 2011 and ending June 30, 2012:

OPERATING REVENUES

| | 2010/11 REVISED | 2011/12 BUDGET |
|---|---|---|
| PRIOR YEAR BALANCE | $ 309,851 | $ 312,651 |
| GRANTS REVENUE (Lincoln Park/Clarence St) | 1,000,000 | 1,900,000 |
| TRANSFER FROM GENERAL | 300,000 | 350,000 |
| INTEREST INCOME | 2,800 | 2,800 |
| **TOTALS** | **$ 1,612,651** | **$ 2,565,451** |

OPERATING EXPENSES

| | 2010/11 REVISED | 2011/12 BUDGET |
|---|---|---|
| PROGRAM EXPENSES | $ 1,300,000 | $ 1,300,000 |
| LINCOLN PARK/CLARENCE STREET GRANT EXP. | - | 900,000 |
| CURRENT YEAR BALANCE | 312,651 | 365,451 |
| **TOTALS** | **$ 1,612,651** | **$ 2,565,451** |

The City Manager is hereby authorized, without further approval of the City Council, to make inter-departmental transfers of up to five percent of the amount hereinafter appropriated to any department except that the City Manager shall not make any transfers prohibited by City Procedure #F306 and/or #F306ADD.

**2011-2012 BUDGET ORDINANCES - CONTINUED**

**PARKLAND/RECREATION RESERVE**
**CASH RECEIPTS/REVENUES AND BUDGET FOR 2011-2012**

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

The amount hereinafter named aggregating One Hundred Ninety Seven Thousand Two Hundred Seventy Two dollars ($197,272) or so much thereof as may be necessary are hereby appropriated from current revenues and other funds for the use by several departments of the Municipal Government for the fiscal year beginning July 1, 2011 and ending June 30, 2012:

OPERATING REVENUES

| | 2010/11 REVISED | 2011/12 BUDGET |
|---|---|---|
| PRIOR YEAR BALANCE | $ 221,594 | $ 191,522 |
| INTEREST INCOME | 6,800 | 5,750 |
| **TOTALS** | **$ 228,394** | **$ 197,272** |

OPERATING EXPENSES

| | 2010/11 REVISED | 2011/12 BUDGET |
|---|---|---|
| TRANSFER TO GENERAL CAPITAL PROJECTS FUND | $ 36,872 | $ - |
| CURRENT YEAR BALANCE | 191,522 | 197,272 |
| **TOTALS** | **$ 228,394** | **$ 197,272** |

The City Manager is hereby authorized, without further approval of the City Council, to make inter-departmental transfers of up to five percent of the amount hereinafter appropriated to any department except that the City Manager shall not make any transfers prohibited by City Procedure #F306 and/or #F306ADD.

**2011-2012 BUDGET ORDINANCES - CONTINUED**

**LIBRARY RESERVE**

**CASH RECEIPTS/REVENUES AND BUDGET FOR 2011-2012**

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

The amount hereinafter named aggregating One Million Three Hundred Twenty Seven Thousand Four Hundred Seven Nine dollars ($1,327,479) or so much thereof as may be necessary are hereby appropriated from current revenues and other funds for the use by several departments of the Municipal Government for the fiscal year beginning July 1, 2011 and ending June 30, 2012:

OPERATING REVENUES

| | 2010/11 REVISED | 2011/12 BUDGET |
|---|---|---|
| PRIOR YEAR BALANCE | $ 3,471,411 | $ 1,217,579 |
| INTEREST INCOME | 109,900 | 109,900 |
| **TOTALS** | **$ 3,581,311** | **$ 1,327,479** |

OPERATING EXPENSES

| | 2010/11 REVISED | 2011/12 BUDGET |
|---|---|---|
| TRANSFER TO CAPITAL PROJECT FUND | $ 2,363,732 | $ 1,200,938 |
| CURRENT YEAR BALANCE | 1,217,579 | 126,541 |
| **TOTALS** | **$ 3,581,311** | **$ 1,327,479** |

The City Manager is hereby authorized, without further approval of the City Council, to make inter-departmental transfers of up to five percent of the amount hereinafter appropriated to any department except that the City Manager shall not make any transfers prohibited by City Procedure #F306 and/or #F306ADD.

**2011-2012 BUDGET ORDINANCES - CONTINUED**

**LIBRARY GRANT FUND**
**CASH RECEIPTS/REVENUES AND BUDGET FOR 2011-2012**

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

The amount hereinafter named aggregating Two Hundred Seventy Eight Thousand Eight Hundred Eighty Seven dollars ($278,887) or so much thereof as may be necessary are hereby appropriated from current revenues and other funds for the use by several departments of the Municipal Government for the fiscal year beginning July 1, 2011 and ending June 30, 2012:

OPERATING REVENUES

| | 2010/11 REVISED | 2011/12 BUDGET |
|---|---|---|
| PRIOR YEAR BALANCE | $ 16,336 | $ 16,336 |
| STATE GRANT | 247,801 | 259,801 |
| FEDERAL GRANT | - | 2,750 |
| **TOTALS** | **$ 264,137** | **$ 278,887** |

OPERATING EXPENSES

| | 2010/11 REVISED | 2011/12 BUDGET |
|---|---|---|
| PROGRAM EXPENSES/SUPPLIES | $ 41,935 | $ 41,935 |
| BOOKS | 107,216 | 119,216 |
| AUDIO VISUAL SUPPLIES | 55,000 | 55,000 |
| TRAINING/CONF/FOOD/TRAV | 5,000 | 5,000 |
| CONTRACTUAL SERVICES | 18,650 | 18,650 |
| COMPUTER HARDWARE | 20,000 | 20,000 |
| **SUBTOTAL EXPENSES STATE GRANTS** | 247,801 | 259,801 |
| | | |
| **FEDERAL GRANTS** | | |
| PROGRAM EXPENSES/SUPPLIES | - | 2,750 |
| **SUBTOTAL EXPENSES FEDERAL GRANTS** | **-** | 2,750 |
| | | |
| **CURRENT YEAR BALANCE** | 16,336 | 16,336 |
| | | |
| **TOTALS** | **$ 264,137** | **$ 278,887** |

The City Manager is hereby authorized, without further approval of the City Council, to make inter-departmental transfers of up to five percent of the amount hereinafter appropriated to any department except that the City Manager shall not make any transfers prohibited by City Procedure #F306 and/or #F306ADD.

## BUSINESS IMPROVEMENT DISTRICT
## ASSESSMENT (TAX) RATES FOR FISCAL YEAR 2011-2012

## BID TAX REVENUE AND EXPENSES CHARGED AGAINST THIS REVENUE
## ADMINISTERED THROUGH CITY OF DOVER ECONOMIC DEVELOPMENT

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

The amount hereinafter named aggregating Fifty One Thousand Eight Hundred Twenty One dollars ($51,821) or so much thereof as may be necessary are hereby appropriated from current revenues and other funds for the use by the City of Dover Economic Development for the fiscal year beginning July 1, 2011 and ending June 30, 2012:

| **REVENUE** | **PROPOSED** |
|---|---|
| TAX REVENUE | $ 51,821 |
| | |
| **EXPENSES** | |
| PERSONNEL & ADMINISTRATION | $ 51,821 |

**BUSINESS IMPROVEMENT DISTRICT - TAX CALCULATION SPREADSHEET**
**JULY 1, 2011 to JUNE 30, 2012**

| | ZONE 1 | ZONE 2 | ZONE 3 | TOTAL |
|---|---|---|---|---|
| AGGREGATE ASSESEMENTS | $ 41,494,900 | $ 58,427,900 | $ 32,830,900 | $ 132,753,700 |
| ASSESSMENT TAX RATE PER $100 | 0.0634 | 0.0349 | 0.0156 | - |
| REVENUE RAISED | $ 26,308 | $ 20,391 | $ 5,122 | $ 51,821 |
| % REVENUE RAISED | 51% | 39% | 10% | 100% |
| NUMBER OF PARCELS | 117 | 105 | 42 | 264 |
| AVERAGE ASSESSMENT | $ 225 | $ 194 | $ 122 | $ 541 |

**NOTE:** This figures were estimated per the 2010 reassessed values. The revenue percentages by Zone are per the City of Dover Code Appendix D-Article III, Section 9 (e).

**JULY 1, 2010 to JUNE 30, 2011**

| | ZONE 1 | ZONE 2 | ZONE 3 | TOTAL |
|---|---|---|---|---|
| AGGREGATE ASSESEMENTS | $ 40,130,000 | $ 61,079,800 | $ 34,517,500 | $ 135,727,300 |
| ASSESSMENT TAX RATE PER $100 | 0.0634 | 0.0349 | 0.0156 | - |
| REVENUE RAISED | $ 25,442 | $ 21,317 | $ 5,385 | $ 52,144 |
| % REVENUE RAISED | 49% | 41% | 10% | 100% |
| NUMBER OF PARCELS | 116 | 105 | 43 | 264 |
| AVERAGE ASSESSMENT | $ 219 | $ 203 | $ 125 | $ 547 |

**NOTE:** This figures were estimated per the 2010 reassessed values. The revenue percentages by Zone are per the City of Dover Code Appendix D-Article III, Section 9 (e).

ADOPTED: JUNE 27, 2011

**Actions History:**

June 27, 2011 - Final Reading - Council

June 13, 2011 - First Reading - Council