REGULAR COUNCIL MEETING
A G E N D A

September 28, 2009 - 7:30 P.M. - Council Chambers - City Hall - City of Dover

OPEN FORUM - 15 MINUTES PRIOR TO OFFICIAL MEETING (7:15 P.M.)

INVOCATION BY CHAPLAIN WALLACE DIXON

PLEDGE OF ALLEGIANCE

AGENDA ADDITIONS/DELETIONS

* **CONSENT AGENDA**

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

* 1. Adoption of Minutes - Special Council Meeting of August 3, 2009
- Special Council Meeting of September 1, 2009
- Regular Council Meeting of September 14, 2009

2. Proclamation - Fire Prevention Week

* 3. Parks, Recreation, and Community Enhancement Committee Report - September 14, 2009

A. Benchmarks Established for the Economic Development Office
(Committee Action Not Required)

B. Statistics Regarding Jobs and Businesses Gained and Lost in the City of Dover Since July 2008
(Committee Action Not Required)

C. Updates
(Committee Action Not Required)

4. Legislative, Finance, and Administration Committee Report - September 14, 2009

* A. Review and Recommendation - Filling Critical Positions
(Committee Action Not Required)

* B. Revenue/Cost Saving Ideas Submitted for Consideration (Items #21 - 30)
(Committee Action Not Required)

C. Defined Benefit Pension Plan Analysis/Closure
(Committee Recommended Approval of Staff's Recommendation Not to Permit Retro Buy-In for Prior Service and to Close the General Employee's Pension Plan to New Hires)

* D. Phase II of the MAG Study
(Committee Action Not Required)

* E. Nine Digital In-Car Video Cameras and Associated Equipment Grants
(Committee Recommended Approval of the Police Department's Project to Continue Purchasing In-Car Cameras from ICOP Digital Inc., as Well as the Current Purchase Pending for Nine (9) Cameras So the Vendor Can Be Paid for the Equipment Already Received and in Place)

* F. Notification Requirements for Land Use and Zoning Applications
(Committee Action Not Required)

5. Legislative, Finance, and Administration Committee Report - September 28, 2009
(*Except for the following time sensitive issue, the LF&A Committee Report from September 28, 2009 will be presented to Council during their Regular Meeting of October 12, 2009 for Council's review and consideration*)
   A. Proposed Letter of Support for Brownfield Grant

* 6. Monthly Budget Report - July 2009

7. Proposed Letter of Support - Wesley College - Allen Frear Federal Building Acquisition

8. Evaluation of Bids - Electrical Engineering Services Contract

9. Final Reading - Proposed Ordinance
The First Reading of the following proposed ordinances was accomplished during the Council Meeting of September 14, 2009. Copies of the proposed ordinances are available at the entrance of the Council Chambers.

   A. Proposed Ordinance #2009-20 - New Business License Categories and Associated Fees/Adjustments

10. Council Members Announcements

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SPECIAL COUNCIL MEETING

A Special Council Meeting was held on August 3, 2009 at 6:00 p.m. with Council President Williams presiding. Members present were Mr. Leary, Mr. McGlumphy, Mr. Slavin, Mr. McGiffin, Mr. Hogan, Mr. Salters, and Mr. Ruane. Mrs. Russell was absent. Others present were Mayor Carey, Mr. DePrima, Mrs. Tieman, Mrs. Hawkins, and Mrs. McDowell.

AGENDA ADDITIONS/DELETIONS

Mr. Salters moved for approval of the agenda, seconded by Mr. Ruane and unanimously carried.

Mr. Leary moved to recess into executive session to discuss legal and personnel matters, seconded by Mr. Salters and unanimously carried.

Meeting recessed at 6:01 p.m. and reconvened at 8:09 p.m.

FOP LABOR CONTRACT

During the executive session, members were briefed on the status of the FOP negotiations.

Mr. Ruane moved to authorize the City Manager to hire an attorney from Young, Conaway, Stargatt, and Taylor, LLP to handle the mediation of the FOP contract, seconded by Mr. Leary and carried by a vote of seven (7) yes, one (1) no (Mr. Slavin) and one absent (Mrs. Russell).

Mr. Salters moved for adjournment, seconded by Mr. Leary and unanimously carried.

Meeting Adjourned at 8:10 P.M.

TRACI A. McDOWELL
CITY CLERK

All orders, ordinances, and resolutions adopted by City Council during their Special Meeting of August 3, 2009, are hereby approved.

CARLETON E. CAREY, SR.
MAYOR

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SPECIAL COUNCIL MEETING

A Special Council Meeting was held on September 1, 2009 at 5:00 p.m. with Council President Williams presiding. Members present were Mr. Leary, Mrs. Russell, Mr. McGlumphy, Mr. Slavin, Mr. McGiffin, Mr. Salters, and Mr. Ruane. Mr. Hogan was absent. Others present were Mayor Carey, Mr. DePrima, Mrs. Mitchell, Mrs. Hawkins, and Mrs. McDowell.

AGENDA ADDITIONS/DELETIONS

Mr. Leary moved for approval of the agenda, seconded by Mr. McGiffin and unanimously carried.

Mr. Leary moved to recess into executive session to discuss legal matters, seconded by Mr. McGiffin and unanimously carried.

Meeting recessed at 5:01 p.m. and reconvened at 5:23 p.m.

FOP LABOR CONTRACT

During the executive session, Mr. Scott A. Holt, Esquire, of Young, Conaway, Stargatt, and Taylor, LLP, reviewed the tentative agreement reached during meditation. He noted that the agreement has already been ratified by the FOP.

Mr. McGlumphy moved for approval of the City of Dover/FOP Tentative Agreement (Exhibit #1), seconded by Mr. Leary and carried by a unanimous roll call vote (Mr. Hogan absent).

Mr. Leary moved for adjournment, seconded by Mr. McGlumphy and unanimously carried.

Meeting Adjourned at 5:25 P.M.

TRACI A. McDOWELL
CITY CLERK

All orders, ordinances, and resolutions adopted by City Council during their Special Meeting of September 1, 2009, are hereby approved.

CARLETON E. CAREY, SR.
MAYOR

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Exhibits
Exhibit #1 - City of Dover/FOP Tentative Agreement

City of Dover/FOP Tentative Agreement
August 27, 2009

Term - 3 years (July 1, 2009 - June 30, 2012)

Effective July 1, 2009 – All provisions in previous agreement not changed by this agreement shall remain in full force and effect.

Wages (Costs are represented on page 2)

July 1, 2009 – June 30, 2010
3.5% across the board pay increase
Letter of understanding limiting amount of furloughs days up to 9 days

July 1, 2010 – June 30, 2011
1.5% minimum to 3% maximum across the board pay increase depending on an agreed upon CPI/Inflation calculation.
No furloughs or unpaid leave resulting in a wage reduction

In order to avoid any delay in supplying the tentative agreement information to you for review by tomorrow night, the FOP and City will determine the specific CPI by Tuesday night's meeting. The City will be suggesting using the CPI-U published in January 2010 for the period of December 2008 to December 2009, unseasonally adjusted for the Philadelphia-Wilmington-Atlantic City, PA, NJ, DE and MD area for all items.

July 1, 2011 – June 30, 2012
Wage reopener only
Parties will also attempt to develop a new wage scale
No furloughs or unpaid leave resulting in a wage reduction

Cost: Charts compares the original tentative agreement of 2.5% on June 30, 2010 and 2.5% on July 1, 2010 with 3.5% on July 1, 2009 and a minimum of 1.5% on July 1, 2010. The July 1, 2010 increase is subject to the CPI thus the pay increase could be as high as 3%. The maximum increase is noted in the third chart.

						Wages Only		Wages & Benefits	
						Annual	Cumulative	Annual	Cumulative
Per City Chart		Salary	Benefits	Overtime	Total	Increase	Increase	Increase	Increase
2009		5,622,968	1,481,089	461,508	7,565,565				
2010	100.00%	5,715,091	1,505,354	457,534	7,677,979	92,123		112,414	
2011	105.00%	6,074,447	1,600,008	488,101	8,162,556	359,356	451,479	484,577	596,992
2012	100.00%	6,135,839	1,616,179	488,101	8,240,119	61,392	512,871	77,563	674,554

						Wages Only		Wages & Benefits	
						Annual	Cumulative	Annual	Cumulative
Per City Chart		Salary	Benefits	Overtime	Total	Increase	Increase	Increase	Increase
2009		5,622,968	1,481,089	461,508	7,565,565				
2010	103.50%	5,915,119	1,558,041	473,551	7,946,711	292,151		381,147	
2011	101.50%	6,077,484	1,600,808	488,344	8,166,636	162,365	454,516	219,925	601,072
2012	100.00%	6,138,907	1,616,987	488,344	8,244,238	61,423	515,939	77,602	678,673

						Wages Only		Wages & Benefits	
						Annual	Cumulative	Annual	Cumulative
Per City Chart		Salary	Benefits	Overtime	Total	Increase	Increase	Increase	Increase
2009		5,622,968	1,481,089	461,508	7,565,565				
2010	103.50%	5,915,119	1,558,041	473,551	7,946,711	292,151		381,147	
2011	103.00%	6,167,299	1,624,466	484,614	8,276,378	252,180	544,331	329,667	710,814
2012	100.00%	6,335,692	1,668,820	484,614	8,489,126	168,393	712,724	212,748	923,562

Yellow highlight represents a placeholder as the wage increase in year three is an unknown.

Additional Contract Amendments

July 1, 2009

Section 1.11 Reduction in Force and Recall

City will advise and consult with Union. Final determination rest with City (letter of understanding will be issued).

1. Members shall be allowed to "Sell Back" unused vacation up to a total of 80 hours. Any amount of hours up to 40. After 40 hours, vacation may be sold in increments of 20 hours, i.e. 60 or 80 hours. The first opportunity to sell back the additional time is December 2010.

2. The current contract is silent in regards to temporary upgrades however the City of Dover's Personnel Policy references temporary upgrades. The language below will be inserted into the contract. It is the exact language from the personnel policy with the exception that the temporary upgrade will occur after 20 days rather than 30 days as indicated in the personnel policy.

To assure the orderly performance and continuity of municipal service, the City may find it necessary to temporarily upgrade employees on an acting basis to position of a higher rank. Temporary upgrading may be required in order to fill or compensate for temporary vacancies which may exist for any of the following reasons:

(a) A position is vacant and is scheduled to be filled by a regular full-time employee and a period of time is required so as to proceed with and complete the normal appointment procedure.

(b) A position is temporarily vacant, although regularly filled, because the regular employee is on vacation, sick leave, light duty, Worker's Compensation or some other approved leave of absence.

After having been upgraded under this policy for twenty (20) consecutive or more calendar days, an employee shall become eligible for a temporary upgrade pay increase on the twenty-first (21) calendar day. Pay increase shall be a minimum of 5% or the minimum starting salary of the position, whichever is greater.

3. Field Training Officers (FTO) shall be paid $ 1.00 extra per hour when performing the duties as a FTO.

Members of the bargaining unit serving as a Field Training Officer (FTO) shall receive non-pensionable compensation of $1.00 per hour for actual hours worked as a field training officer for any field training assignment started on or after July 1, 2009. This additional compensation shall not be used in the calculation of an overtime rate of pay and shall not become part of base pay.

4. FOP will participate in a joint Healthcare Committee with the City in order to look at ways of reducing cost in the future.

The City will be seeking ways to address health insurance coverage and the effects it has on Other Post Employment Benefit (OPEB) liability. The City will invite a FOP representative to actively participate in addressing these topics. Once issues are addressed and feasible solutions determined, the option to reopen the contract shall be considered for negotiation on this article only. The contract shall only be opened upon mutual agreement by the FOP and the City and any changes shall be agreed to by both parties.

5. Insertion of previously agreed upon language for Captains and general "clean up' of the contract. The "clean –up" will not change the meaning of the contract.

REGULAR COUNCIL MEETING

The Regular Council Meeting was held on September 14, 2009 at 7:30 p.m. with Council President Williams presiding. Council members present were Mr. Leary, Mrs. Russell, Mr. McGlumphy, Mr. Slavin, Mr. McGiffin, Mr. Hogan, Mr. Salters, and Mr. Ruane.

Council staff members present were Police Chief Horvath, Ms. Russell, Mrs. Mitchell, Mrs. Townshend, Mr. DePrima, City Solicitor Rodriguez, Mrs. McDowell, and Mayor Carey.

OPEN FORUM

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

Mr. Mark Lloyd, 1159 S. DuPont Highway, addressed members regarding the annual income and expense report requirements letter he and his wife recently received. It was his feeling that the required information would be difficult to gather in the time allotted and, although the City has indicated that the information would remain confidential, he noted the possibility of the information being left on an employee's desk for anyone to see and become "water cooler" conversation. It was his feeling that this information is a red tape nightmare for both the property owners and employees having to keep track of the information.

Responding, Council President Williams suggested that Mr. Lloyd meet with the City Assessor for clarification, explaining that there was an error in the original letter that was sent out and that a revised letter has since been sent to property owners.

The invocation was given by Councilman Ruane, followed by the Pledge of Allegiance.

AGENDA ADDITIONS/DELETIONS

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

Mrs. Russell requested that item #7D, City Manager's Report, be removed from the consent agenda.

Mr. Slavin moved for approval of the consent agenda as amended, seconded by Mr. McGiffin and carried by a unanimous roll call vote.

ADOPTION OF MINUTES - REGULAR COUNCIL MEETING OF AUGUST 24, 2009

The Minutes of the Regular Council Meeting of August 24, 2009 were unanimously approved by motion of Mr. Slavin, seconded by Mr. McGiffin and bore the written approval of Mayor Carey.

PROCLAMATION - NATIONAL ASSISTED LIVING WEEK

The City Clerk read the following Proclamation into the record:

WHEREAS, the number of elderly and disabled Americans is dramatically increasing; and

WHEREAS, assisted living is a long-term care service that fosters independence and autonomy in our elderly throughout the community; and

WHEREAS, The National Center for Assisted Living and Assisted Living at Westminster Village proudly sponsor National Assisted Living Week; and

WHEREAS, National Assisted Living Week highlights knowledge as a form of creative expression and recognizes that our seniors have mastered living in its broadest sense; and

WHEREAS, all citizens should visit friends and loved ones who reside at these facilities and learn more about assisted living services and how they benefit our seniors.

NOW, THEREFORE I, CARLETON E. CAREY, SR., MAYOR OF THE CITY OF DOVER, proclaim the week of September 13-19, 2009, as NATIONAL ASSISTED LIVING WEEK.

PROCLAMATION - CONSTITUTION WEEK

The City Clerk read the following Proclamation into the record:

WHEREAS, September 17th, 2009 marks the two hundred and twenty-second anniversary of the drafting of the Constitution of the United States of America by the Constitutional Convention; and

WHEREAS, it is fitting and proper to officially recognize this magnificent document and the anniversary of its creation; and

WHEREAS, it is fitting and proper to officially recognize the patriotic celebrations which will commemorate the occasion and where Delawareans should recognize the importance particularly since it was first ratified by the State of Delaware; and

WHEREAS, public law 915 guarantees the issuing of a proclamation each year by the President of the United States of America designating September 17th through the 23rd as Constitution Week.

NOW, THEREFORE, I, CARLETON E. CAREY, SR., MAYOR OF THE CITY OF DOVER, DELAWARE do hereby proclaim September 17th through the 23rd, 2009 to be CONSTITUTION WEEK in the City of Dover, and ask our citizens to reaffirm the ideals the Framers of the Constitution had in 1787.

PUBLIC HEARING/FINAL READING - ORDINANCE #2009-12 - PROPOSED ZONING TEXT AMENDMENTS

A public hearing was duly advertised for this time and place to consider approval of proposed land and zoning text amendments that propose to amend the parking regulations based on current parking needs by adjusting the parking requirements for several uses, increases the allowance for cash-in-lieu of parking in the downtown area, and adds a requirement for bicycle parking. Members were reminded that this ordinance was tabled by the Planning Commission and that the Public Hearing was rescheduled for this evening.

Mr. Hogan moved that the Final Reading of the proposed zoning text amendment be acknowledged by title only, seconded by Mr. Salters and unanimously carried. *(The First Reading of these ordinances was accomplished during the Council Meeting of June 22, 2009).*

Mrs. Townshend, Director of Planning and Community Development, reviewed the petition to amend zoning ordinance text and advised members that the Planning Commission recommended approval of the proposed amendments, including Staff Amendments 1, 3, 4, and 5; however, the Planning Commission recommended denial of Staff Amendment 2.

Responding to Mr. Ruane, Mrs. Townshend explained that Staff Amendment 2 would have changed the formula for calculating cash-in-lieu, which was drafted based on a meeting with the Chair of the Parking Committee of the Downtown Dover Partnership that took place before the Planning Commission public hearing. After meeting with the Partnership Board, it was determined that the amendment was not appropriate at this time and, therefore, was not necessary.

Council President Williams declared the hearing open.

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

Mr. Hogan moved for approval of the proposed amendments, including Staff Amendments 1, 3, 4, and 5, as recommended by the Planning Commission. The motion was seconded by Mr. McGiffin and, by a unanimous roll call vote, Council adopted the following ordinance:

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

That Appendix B – Zoning, Article 3 – District Regulations, Section 1 - One-Family Residence Zones, Subsection 1.15 - Accessory uses, limited to the following, Paragraph (f), be amended to read as follows:

> (f) Dormitories accessory to schools, provided that such dormitories conform to the bulk regulations of the RG-1 zone. For purposes of computing bulk requirements, each four rooms shall be considered one dwelling unit. Parking shall be calculated as identified in Article 6 - Off-Street Parking, Section 3 - Required off-street parking spaces, Paragraph 3.1 - Schedule of requirements.

BE IT FURTHER ORDAINED:

That Appendix B - Zoning, Article 6 - Off-Street Parking, Driveways and Loading Facilities, Section 3 – Required Off-Street Parking Spaces, be amended to read as follows:

> 3.1 *Schedule of requirements.* Accessory off-street parking spaces, open or enclosed, shall be provided for any lot as specified in article 4, zone bulk and parking regulations, or as specified below for each use in any zone, whichever is greater.

Table Inset:

For:	At Least One Parking Space For Each
Places of worship	Two hundred (200) square feet of floor area, but not less than one (1) space for each four (4) seats, where provided
Libraries	Three hundred (300) square feet of floor area
Medical Offices –all types	Three hundred (300) square feet of floor area
Nursery school or kindergarten	Adult attendant, plus one for every 20 children
Elementary or junior high school	Eight (8) seats in main auditorium/cafeteria or gymnasium
High school, technical school, college or university	Five (5) seats in main auditorium/cafeteria or gymnasium; if none, see Article 4 - Zoning, Bulk and Parking Regulations
Hospitals or sanitariums	Three beds
Apartments	Two (2) per dwelling unit and one (1) for every 200 square feet of office space and 0.25 per dwelling unit for visitor space
Rooming houses	Guestroom
Dormitories	Three (3) beds
Eating and drinking places	Four (4) seats plus one (1) for every three (3) bar seats
Funeral homes	Two (2) employees, plus five (5) spaces for each chapel
Hotels and motels	Guestroom, plus one (1) for every 200 square feet of office space, banquet hall, or meeting areas
Athletic fields, baseball, football or boxing stadiums and arenas; race tracks	Three (3) seats
Golf courses	Per employee and four (4) parking spaces for each hole
Golf or baseball driving range	One-half (½) stall
Airports	Per employee and for each two (2) airplanes in storage

3.2 *Areas computed as parking spaces*. Areas which may be computed as open or enclosed off-street parking spaces include any private garage, carport, or other area available for parking, other than a street or driveway. However, a driveway within a required front yard for a one-family or two-family residence may count as one parking space, other than a corner lot as provided in article 5, section 1.3.

3.3 *Location and ownership of required accessory parking facilities*. Required accessory parking spaces, open or enclosed, may be provided upon the same lot as the use to which they are accessory, or elsewhere, provided all spaces therein are located within 150 feet walking distance of such lot. In all cases, such parking spaces shall conform to the regulations of the district in which they are accessory and shall be subject to deed restriction, filed with the city clerk, binding the owner and his heirs and assigns to maintain the required number of spaces available either:

(a) Throughout the existence of such use to which they are accessory; or

(b) Until such spaces are provided elsewhere.

3.4 *Size of spaces.* The minimum parking space dimensions shall be at least nine (9) feet in width and at least 18 feet in length. Disabled accessible spaces shall meet ADA requirements.

3.5 *Access*. Unobstructed access to and from a street shall be provided. Each drive lane shall have at least ten (10) feet of width so that one-way drives have at least ten (10) feet of width and that two directional drives have two lanes of ten (10) feet each. Unless otherwise specified within this section, access shall be provided by at least one (1) two-directional drive lane or two (2) one-directional drive lanes.

3.6 *Drainage and surfacing.*

(a) All open permanent parking areas and access drives shall be properly drained and all such areas shall be provided with paved asphalt, concrete or other hard, paved, dust–free surface.

(b) All permanent parking areas shall be enclosed with upright concrete curbing at least six inches in height. The Planning Commission may relax this requirement for a portion of a parking area when there is a demonstrated need to convey stormwater to a proposed or approved stormwater management area. Curbing shall not be required for loading areas, handicapped access and for parking spaces accessory to a one-family or two-family residence (see also article 6, section 5.3).

3.7 *Joint Facilities*. Required parking spaces, open or enclosed, may be provided in spaces designed to serve, jointly, two or more establishments, whether or not located on the same lot, provided that the number of required spaces in such joint facilities shall be not less than the total required for all such establishments.

3.8 *Combined spaces.* When any lot contains two or more uses having different parking requirements, the parking requirements for each use shall apply to the extent of that use. Where it can be conclusively demonstrated that one or more such uses will be generating a demand for parking spaces primarily during periods when the other use or uses is not or are not in operation, the planning commission may reduce the total parking spaces required for that use with the least requirement.

(a) Campus Parking Plan - When a new building or building addition is made to a campus involving multiple buildings under common ownership where one or more of the uses will be generating demand for parking when the other use or uses are not in operation, the applicant shall present a campus parking plan as a part of the site development plan that includes an analysis of the parking needs based on the provisions of section 3.8 of this article.

3.9 *Adjustments to parking requirements.* The planning commission may reduce, in an amount not to exceed 50 percent (except as stated in Section 3.9d(1)), the number of parking spaces required when, in the opinion of the commission, it has been demonstrated that the use is adequately served by transportation and parking alternatives, including but not limited to:

(a) Site plan proposals within the downtown redevelopment target area, as described in appendix C of the Dover Code of Ordinances, may be granted a 20 percent reduction in the amount of off-street parking normally required, due to the availability of mass transit, municipal parking and existing pedestrian amenities.

(b) Designated off-street parking reserved for car pools, van pools, and bicycle parking facilities, in accordance with the following schedule:

(1) Each carpool space shall be equivalent to three (3) standard parking spaces.

(2) Each vanpool space shall be equivalent to five (5) standard parking spaces.

(3) Every group of five (5) bicycle parking spaces shall be equivalent to one (1) standard parking space.

(c) Employer participation in a traffic mitigation plan approved by the Delaware Department of Transportation.

(d) Cash-in-lieu of parking contributions toward the capital construction or improvement of municipal parking facilities that are proposed. The cash-in-lieu of parking contribution shall be in a monetary amount equivalent to the estimated cost of construction for the number of standard surface parking spaces for which the reduction is sought. To take advantage of this option, the developer shall submit to

the city engineer a cost estimate for the parking requested to be waived. The city engineer shall examine the estimate for accuracy in current prevailing costs of construction at the time of proposal and shall report to the planning commission his/her findings.

(e) Proposals involving superior urban design which contribute to an enhanced pedestrian environment and which include such features as pedestrian plazas and pocket-parks, pedestrian-way connections with existing sidewalk systems and community facilities, park benches and other street furniture, mass transit connections and shelters, and landscaping and shade tree plantings.

In all areas, except the downtown redevelopment target area, the development plans shall have an area of open space designated where parking could be constructed equal to the number being reduced and the plan shall bear a note which explains that the petitioner, in accepting a parking reduction, agrees to construct such additional parking as is otherwise required under the provisions of the zoning ordinance [this appendix], if the planning commission, after a hearing, determines that the reasons for granting said reduction no longer exist. In all such instances where the planning commission determines that the reasons for granting a reduction no longer exist, the owner of record for the subject property for which a reduction was previously granted must construct the parking required to meet the regulations of the city during the next construction season.

3.10 Bicycle Parking. Bicycle parking shall be provided for parking spaces at a rate of one (1) bicycle parking space for every twenty (20) parking spaces or a fraction thereof.

3.11 Maximum number of parking spaces. The maximum number of parking spaces shall not exceed 25% over the number of parking spaces required by the code.

ADOPTED: SEPTEMBER 14, 2009

UTILITY COMMITTEE REPORT - AUGUST 24, 2009

The Utility Committee met on August 24, 2009 with Chairman Ruane presiding.

Update on Federal Energy Stimulus Funds *(Tabled by Committee on 8/10/09)*

Due to the lack of information on the subject, this item was left on the table.

Revised Net Energy Metering Tariff

During their meeting of November 13, 2006, members recommended the acceptance of the Green Energy Program Net Metering Tariff. Mr. Ron Lunt, Public Utilities Director, advised members that on July 9, 2009, the 145th General Assembly approved amendments to the network energy metering standards, Delaware Code - Title 26, Chapter 10, § 1014. He stated that the purpose of the amendment is to encourage private investment in customer-owned renewable energy generation facilities. Mr. Lunt explained that the amendments required staff to modify the Net Energy Metering Tariff and reviewed a summary of the proposed changes as follows: (1) Include the 100 kW system maximums for installation; and (2) Direct customer payment for excess kWh delivered to Dover. Mr. Lunt stated that previously, if a consumer produced more kWh than were used, excess kWh

credits were transferred to the Green Energy Fund; however, under the new legislation, excess kWh produced by a system will be credited to the consumer who produced the kWh. Mr. Lunt assured members that the proposed changes will bring the City of Dover into compliance with the Delaware Code.

In response to Mr. Hogan, it was Mr. Lunt's feeling that the adjustment was made to encourage consumers to install systems larger than required to meet their needs.

Responding to Maj. Kosior, Mr. Lunt indicated that average residential consumption is approximately 1,000 kWh per month, and farm consumption varies according to the size of the farm.

In response to Mr. Ruane, Mr. Lunt stated that Dover currently has approximately 11 photovoltaic systems in place.

Responding to Mr. DePrima, Mr. Lunt indicated that he was unaware of any systems that are currently producing more energy than they are consuming. In addition, he stated that the City will be responsible for maintaining a monitoring system to track energy credits.

Staff recommended approval of the revised Net Energy Metering Tariff, to be effective upon Council approval.

The committee recommended approval of staff's recommendation.

By consent agenda, Mr. Slavin moved for approval of the Revised Net Energy Metering Tariff (*Exhibit #1*), as recommended by the Committee. The motion was seconded by Mr. McGiffin and carried by a unanimous roll call vote.

By consent agenda, Mr. Slavin moved for acceptance of the Utility Committee Report, seconded by Mr. McGiffin and carried by a unanimous roll call vote.

LEGISLATIVE, FINANCE, AND ADMINISTRATION COMMITTEE REPORT - AUGUST 24, 2009

The Legislative, Finance, and Administration Committee met on August 24, 2009 with Chairman McGlumphy presiding.

Review and Recommendation - Filling of Critical Positions - System Operator I

During their meeting of February 23, 2009, members recommended approval of the Hiring Freeze for Fiscal Year 2008-2009, but to allow the hiring of critical positions through the review and approval of the Legislative, Finance, and Administration Committee and City Council. It was suggested that there be a "standing" agenda item to consider the filling of critical positions and, if there are no positions to consider, the item could be removed.

Mr. Anthony DePrima, City Manager, reviewed a request to recruit and the hiring justification outline to fill the position of System Operator I in the Public Utilities Department. Mr. DePrima explained that the incumbent of this position responds to incoming calls regarding problems and

complaints at the Dispatch Center, which operates 24 hours per day, 7 days per week. He stated that if the position is not filled, the work will be performed by other employees who must be paid at the overtime rate of time-and-a-half, and that it would be more cost effective to fill the position than to pay the overtime.

In response to Mr. Salters, Mr. DePrima stated that the position is currently occupied and that the incumbent is planning to retire. He noted that several weeks of on-the-job training, as well as ongoing formal training, will be required for the selected applicant. Mr. DePrima stated that similar vacancies have previously been filled by in-house applicants with field experience who have technical knowledge of the City's electrical and water systems. If this occurs, Mr. DePrima noted that a new vacancy would occur for a field position, and members would then have to determine whether that position would be filled. He added that, under the IBEW contract, the position must be offered first to IBEW members. Mr. DePrima noted that the incumbent of this position is required to have the ability to remain calm in emergency situations, as well as a strong technical background.

In response to Mr. Leary, Mr. DePrima stated that an amount equal to approximately half of the position salary would be required if current employees performed the duties of this position at an overtime rate, possibly more if weekend hours are needed. He noted that excess overtime could also create fatigue among current workers.

Mr. Ruane requested that members be informed whether vacant positions are budgeted in the current year when a permission to recruit is brought before the Committee, and that a plan for funding the position be provided if not accounted for in the budget.

Mr. McGlumphy noted that the starting salary for the position is $52,000 per year and that System Operators' earnings in 2008 ranged from $69,000-$77,000 per year, including overtime pay. Mr. McGlumphy felt that this was a relatively high rate of pay and requested staff to analyze the position to determine if the salary is appropriate and develop a position description that reflects the level of technical knowledge required.

Mr. DePrima noted that the salary rate for this position is established in the IBEW contract and that any adjustment would require negotiation with the union.

It was Mr. Salters' feeling that $52,000 was an acceptable salary for the position, since the incumbent functions as an electrical systems operator and is responsible for ensuring that a high level of service is maintained throughout the City.

The committee recommended that staff be granted permission to recruit for the position of System Operator I, as requested.

By consent agenda, Mr. Slavin moved for approval of the committee's recommendation, seconded by Mr. McGiffin and carried by a unanimous roll call vote.

Proposed Ordinance - New Business License Categories and Associated Fees/Adjustments

Mr. Scott Koenig, Public Services Manager, presented members with proposed amendments to Chapter 26 - Businesses, Article II - License, Section 26-35 - Licenses Required; Fees, of the Dover Code.

Mr. Koenig proposed the elimination of the following unused business license categories:

- Bowling Alley Operator
- Dental Lab
- Outdoor Music Festival Promoter
- Taxidermist
- Parking Lot or Garage Operator
- Television Repairman
- Telephone Answering Service

Mr. Koenig stated that if an application is received for one of the above businesses, it will be grouped in the "All Other" category, with an associated fee linked to the number of employees, as identified in the ordinance. He indicated that if a need did arise in the future for licenses in these categories, staff would approach Council to request to add them back into the ordinance.

In addition, Mr. Koenig stated that staff is proposing the addition of the following business license categories:

• ATM Machines (off Bank Premises)	$49.00
• Fitness Trainer	$67.00
• Home Day Care	$25.00
• Real Estate Development Corporation	$333.00

Mr. Koenig estimated that the revenue generated by licensing these categories would be $7,000-$15,000, based on current conditions.

In addition, Mr. Koenig stated that, in preparation for the recently expanded gaming venues authorized by State legislators, staff is proposing the addition of the following business license categories:

- Sports Betting and Horse Racing (simulcast) - Mr. Koenig noted that sports betting and horse racing activities would be licensed separately, and the licensee would incur a fee at a rate of $0.00046 of the aggregate gross receipts of the activity, with a minimum license fee of $121. He indicated that these fees would amount to approximately $460 per $1 million of aggregate gross receipts. Mr. Koenig estimated an annual revenue of $2,300-$4,600 per activity (sports betting and Simulcast), if Council adopts these licensing fees, which would place fees for these activities at a level comparable to those assessed to contractors and manufacturers.

- Gaming Positions - Mr. Koenig reported an error in the Committee Action Form (CAF) related to this item and explained that the intent of the CAF is to create a Gaming Position License category at $150 per position; however, the video lottery license fee would remain at $121 per machine. Mr. Koenig stated that there were 3,129 video lottery machines licensed in FY 2010, which have generated fees of $378,609. He stated his understanding that Dover Downs plans to remove 340 of the existing 3,129 slot machines and to install 311 seated and standing gaming positions. Under the proposed amendment, he estimated that the 311 positions would generate a revenue of $46,650 per year for the City in future years, with total revenue generated by both activities estimated at $384,119, representing a net revenue increase of $5,510 for the City.

In response to Mr. Hogan, Mr. Koenig noted that eliminating the proposed licensing categories should not cause a decrease in revenue because, if received, these types of applications would be placed in the "Other" category, which generates fees based on the number of employees. In addition, he noted that the new licensing categories added would either generate fees that are not presently being captured (as in the case of ATM machines and home day care providers who are not currently licensed), or create increased fees (in the case of fitness trainers and real estate developers which are currently taxed at $49 in the "Other" category, but would be increased to $67 and $333 respectively under the new ordinance).

Responding to Mr. Hogan, Mr. DePrima, City Manager, stated that the licensing fee for the gaming positions was established at a level that would offset the City's anticipated loss from the proposed removal of the 340 slot machines. In addition, he explained that when slot machines were first introduced in Dover, Council opted to group them in the existing category with coin-operated electronic video machines with an established fee of $121 per machine, rather than to develop a new category specific to this enterprise.

In response to Mr. Ruane, Mr. Koenig stated that the fees for the proposed new categories were developed by comparing these categories with existing comparable business activities.

Responding to Mr. Ruane, Mr. DePrima explained that, while the laws of other states typically authorize the hosting municipality to receive a percentage of gross proceeds from casinos, Delaware State law makes no such provision. He stated that the business license tax is authorized by the State and is the appropriate mechanism to capture this type of revenue, and that Dover Downs should be charged licensing fees, just as other local businesses are charged.

Mr. Slavin stated his understanding that the video machines are owned by the State rather than Dover Downs and expressed discomfort with charging a fee to an entity who is not the owner. He stated his appreciation for the City's efforts to identify new revenue streams, but believed the proposed fees amounted to a "tax on success". He noted that Dover Downs is the largest private employer in the City of Dover, employs a number of Third District constituents, and affects the lives of many residents of the Dover community. He believed that this type of "overtaxing" is bad for the overall business climate. He stated that, although he is not a voting member of the Committee, he is opposed to the proposed change and plans to vote against it if it appears before Council.

Mr. Koenig stated his belief that video games in arcades are also typically leased rather than owned.

Mr. DePrima felt that business license fees should be required for new ventures at Dover Downs out of a sense of fairness and equity to other business owners who must be licensed, and that the new licensing fees were not oppressive.

Mr. Edward Sutor, President of Dover Downs, stated that Dover Downs and Dover Motor Sports have been good citizens to the City of Dover and would like to continue this relationship. He stated that Dover Downs is in agreement with the current amounts proposed for business licensing, but the company is concerned about setting a precedent for collecting revenue and the possibility that the City may raise rates in the future. Mr. Sutor explained that Dover Downs is the largest taxpayer in the City of Dover and Kent County, paying over $720,000 to the City of Dover in real estate taxes and slot fees, $2.9 million in electric fees, and $361,000 in water fees per year, and over $1.8 million per year in taxes and fees to the City of Dover and Kent County. He stated that the company is three (3) times larger than the second largest taxpayer in Dover (Dover Mall), and ten (10) times larger than the third largest (General Foods). In addition, Mr. Sutor noted that the categories being proposed for licensing apply to no other entity than Dover Downs and Dover Motor Sports and believed that, from a legal standpoint, these fees might be considered arbitrary.

Mr. Sutor requested that members consider table games, sports betting, and horse racing as separate enterprises when establishing licensing fees, as each activity is unique. He emphasized that sports betting will not generate a large amount of revenue for Dover Downs, as funds are deducted from profits to pay for a risk manager (hired by the State), the remainder is split 50/50 between the company and the State, and 10% of the total goes to the horsemen, leaving less than 39% of profits for Dover Downs. He requested that the commission that Dover Downs receives from the State be taxed, rather than the company's gross profits. He stated his willingness to discuss with the City's administration those details regarding the company's revenues that are subject to public disclosure as specified by the U. S. Securities Exchange Commission (SEC).

In regards to horse racing, Mr. Sutor noted that Dover Downs offers racing activities both locally and out of State. He explained that there are live races held at Dover Downs and that clients at Dover Downs can also bet on races that are held out of State. He acknowledged that it is appropriate that these local activities are subject to City tax. However, the company also receives approximately 3% of the revenue generated by out-of-state customers who bet on races that take place in Dover. Mr. Sutor did not feel that this activity should be subject to local tax, stating that imposing this tax would be analogous to charging General Foods for goods that are produced in factories outside of Delaware.

Mr. Sutor stated that he had been informed by his attorney that if the City attempts to "cut in" on lottery revenues, the City may be required to obtain a license, as the State mandates that no one participate in sports betting without a license. He reiterated his desire for Dover Downs to remain a good citizen and requested Council to evaluate the licensing process fairly.

In response to Mr. Hogan, Mr. Sutor expressed his disappointment with the recent Federal Appeals Court ruling which states that sports betting in Delaware would violate a 1992 federal ban on such wagering. Mr. Sutor stated that a great deal of money has been expended and a number of employees hired by Dover Downs in anticipation of initiating sports betting. He indicated that the company had not, as yet, officially received a copy of the ruling. Mr. Sutor noted that the company has had nine (9) straight quarters of declining revenue and 2% of the workforce has been laid off due to the sagging economy and marketplace competition. He also noted that they have had to "shelve" approximately $100 million of potential expansions until such time as a more favorable administration and legislature in the State will consider reducing gaming taxes, as has been done in Florida, Illinois, and New York.

In response to Mr. Ruane, Mr. Sutor stated that the revenue generated by each slot machine amounts to approximately $210 per day. Mr. Ruane expressed an interest in dialoging with Dover Downs to discuss ways that the casino and the City could partner together to benefit the community and the company. He noted that the City provides policing and other services to Dover Downs, and that perhaps the company would be interested in discussing making a commitment to community redevelopment in an area of need as an alternative to collecting fees that amount to approximately 0.34¢ per video machine per day. Mr. Sutor stated his willingness to pursue this discussion; however, he noted that the company pays approximately half a million dollars every year for police services and pays for a variety of other City services as well.

Mr. Leary stated his opposition to the proposed changes, indicating that he did not find this proposal in keeping with Council's stated instructions to staff at the time the budget was prepared to avoid increasing fees or taxes during the challenging economic times.

Staff recommended adoption of the proposed changes to Chapter 26 - Businesses, Article II - License, Section 26-35 - Licenses Required; Fees, of the Dover Code and requested authorization to put these changes in ordinance form for Council action.

The committee recommended adoption of Proposed Ordinance #2009-20, with the amendment to the Committee Action Form, as specified by Mr. Koenig.

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

Proposed Amendment - Related to Charter Amendments

Ms. Cheryl Russell, Tax Assessor, provided members with Ordinance #2009-17, proposed amendments to the Dover Code that will implement the recommendations of the International Association of Assessing Officers (IAAO) and the City of Dover Charter amendments that were adopted by City Council during their meeting of January 26, 2009. Ms. Russell reviewed the proposed amendments to the ordinance as follows:

Chapter 2 – Administration, Article IV - Officers and Employees, Division I - Generally - Section 2-201 - Compensation and Expenses for Mayor, Council, Employees and Other Elected or Appointed Officials

This portion of the amendment refers to changes in the Tax Appeals Committee, Section 47 of the Charter, and would change the title of the Assessment Appeals Committee to the Board of Assessment Appeals and allow civilian members to hear appeals.

Article I - In General, Section 102-1 - Annual Valuation and Assessment

Ms. Russell explained that this portion of the ordinance refers to changes made to include the annual assessment date and to strike the requirement that property valuation and assessment be performed by a certified independent appraiser. She indicated that the audit recommended the addition of a property being valued as to its status, its ownership, and its current market value. She noted that if a property is 50% complete by the annual assessment date, the Assessor's Office will be allowed to add the amount to the Assessment Role, and if the building is partially complete by the billing date, the Assessor can bill on the percentage complete as of January 1.

Taxation, Article VI - Exemptions; Tax Appeals Committee, Section 102-181 - Tax Appeals Committee

Ms. Russell stated that this amendment refers to the changes made to the Tax Appeals Committee (Section 47 of the Charter). The name of the committee, appointment term, number of members, and qualifications of Board Members are outlined in this ordinance amendment. She noted that qualifications for Board members, including a real estate, property appraisal, property law, or accounting background, were added at the suggestion of contacts from other jurisdictions and the IAAO.

Article VI - Exemptions; Tax Appeals Committee, Section 102-182 - Authority to Exempt Real Property from Taxation

Ms. Russell noted that this amendment states that City Council will no longer be the sole and final authority for exemption of real property and that this authority will lie with the Board of Assessment Appeals or Superior Court. The amendment also gives the Assessor the authority to grant exemption to common tax-exempt entities without approval of the Board of Assessment Appeals; however, notification will be given to Council when these approvals are given. Ms. Russell explained that the IAAO audit advocated saving time for the Board of Assessment Appeals by granting the Assessor authority to exempt property owned by the U. S. Government, the State of Delaware, Kent County, and the City, which are exempt under the Delaware Code. In addition, she stated that Title 9, § 8110 of the Delaware Code states that no parkland owned by civic organizations is liable to taxation and assessment, and Title 9, § 9105 exempts property owned by governmental, religious, educational, or charitable organizations; therefore, she noted that the Assessor's Office added provisions to grant the Assessor authority to grant exemptions for properties in these categories. She noted that disputed cases would be presented to the Board of Assessment Appeals and that, under this proposal, she would grant exemption and inform Council of the amounts removed from tax rolls.

Article VI - Exemptions; Tax Appeals Committee, Section 102-185 - Appeals
This amendment states that the Board of Assessment Appeals or Superior Court shall be the sole and final authority to increase or decrease the value of real property in the City.
In response to Mr. Salters, Ms. Russell stated that the proposed ordinance would grant the Assessor final authority to grant tax exemption to entities such as the City and County, who are exempt under Delaware Code. She stated this would save time by eliminating the need for these requests to be heard by the Board of Assessment Appeals.

Mr. Ruane suggested that the per diem amount of $50.00 listed in Line 30 be changed to $75.00 to remain consistent with the rate of reimbursement for members of other committees.

Referring to Line 102 of the proposed ordinance, Mr. Ruane felt that the role of the Board of Assessment Appeals should not be broadened to be the "sole and final authority to exempt real property located within the City from municipal property taxes", believing that this authority should be retained by Council. He stated that if the intent was to allow the Board of Assessment Appeals to participate in the exempting of properties, this should be specifically stated. He agreed that the City Assessor should be empowered to grant tax exemption to those properties that are exempt by federal and state law, provided that those properties are used for the purposes that underlie the exemption, and recommended that the proposed ordinance be reworded accordingly. Mr. Ruane suggested that an outline should be prepared for Council as to the different kinds of exemptions and who will have a role in them.

In addition, Mr. Ruane stated his belief that Line 136 of the proposed ordinance is unnecessary and exceeds the intent of the role of the Board of Assessment Appeals. He stated that City Council should continue to set the value of real property through its annual adoption of a tax roll, and that the role of the Board of Assessment Appeals is to rule in instances where there is a challenge to the value that has been set for a property, not to set, increase, or decrease the value of real property.

Mr. McGlumphy suggested that Ms. Russell review the proposed ordinance in light of Mr. Ruane's suggestions and make the recommended revisions. Ms. Russell stated she would review the amended ordinance with Mr. Nicholas Rodriguez, City Solicitor, and bring it back to the Committee for review.

Revenue/Cost Saving Ideas Submitted for Consideration (Items #21 - 30)
Due to time constraints, agenda item # 3, Revenue/Cost Saving Ideas Submitted for Consideration (Items #21-30), was deferred by the committee until a subsequent meeting.

By consent agenda, Mr. Slavin moved for acceptance of the Legislative, Finance, and Administration Committee Report, seconded by Mr. McGiffin and carried by a unanimous roll call vote.

SAFETY ADVISORY AND TRANSPORTATION COMMITTEE REPORT - AUGUST 26, 2009

The Safety Advisory and Transportation Committee met on August 26, 2009 with Chairman Hogan presiding.

Waiver Request - Leander Lakes Apartments - Appendix B - Zoning, Article 5 - Supplementary Regulations, Section 17 - Emergency Access Requirements

In accordance with Appendix B - Zoning, Article 5 - Supplementary Regulations, Sections 17.3 and 17.5(a), a request for waiver was received by Jireh Christian Center (equitable owner, Rinnier Development Company) for property located on the south side of Forrest Avenue west of Artis Drive. The applicants have requested a waiver for the elimination of the requirement for a 16-foot alley or an 18-foot secondary fire lane and an 18 foot subgrade emergency access lane for two (2) and three (3) story apartment buildings.

Mrs. Dawn Melson-Williams, Principal Planner, advised members that this waiver request is for the proposed project known as Leander Lakes Apartments, a 240-dwelling unit apartment complex consisting of ten (10) buildings. She mentioned that there was a representative from the design professional team of Landmark Engineering in attendance if members had any questions.

Mrs. Melson-Williams advised members that the Planning Commission recommended approval of the waiver for the elimination of the emergency rear access. Members were provided a summary of the requested waiver, as follows:

Zoning Ordinance	Required	Proposed	Waiver
Emergency Rear Access for Two-Three story apartment buildings	16 ft alley or 18 ft secondary fire lane and an 18 ft subgrade emergency access lane	None	Elimination of the required alleys

Responding to Mr. Hogan, Mrs. Melson-Williams explained that the 24' fire lane includes the main drive isle for traffic circulation. She advised members that neither the Fire Department nor the Police Department provided written comments. She also noted that the Fire Marshal's Office has no issues with the waiver request since the apartment buildings will have sprinklers and there is a 24' fire lane in front of the buildings.

The committee recommended approval of the requested waiver, as recommended by the Planning Commission.

By consent agenda, Mr. Slavin moved for approval of the committee's recommendation, seconded by Mr. McGiffin and carried by a unanimous roll call vote.

Request of Central Delaware Chamber of Commerce (CDCC) - Temporary Residential Parking Permits for Governors Avenue Shopping Center

During the July 29, 2009 Safety Advisory and Transportation Committee meeting, Mr. Anthony DePrima, City Manager, advised members that he was contacted by the CDCC requesting temporary parking permits for employees of the businesses in the shopping center on Governors Avenue, as the parking lot will be compromised during construction.

Members were provided a written request from Ms. Judy Diogo, President of the CDCC, for 12 temporary parking passes. Ms. Diogo stated that she was representing members of the Chamber of Commerce who are business owners on South Governors Avenue. She noted that the purpose of the request for temporary parking passes is to allow the employees of these businesses to park on South Bradford Street during road construction, freeing parking spaces on South Governors Avenue for customer use. Ms. Diogo noted that the initial request was for 12 parking passes; however, another business has since submitted an additional request, bringing the total to 17. She emphasized that the passes would be issued by the City and terminated at the time of completion of the road construction.

In response to Mr. Davis, Mr. Scott Koenig, Public Services Manager, noted that the character of South Bradford Street varies considerably as it is traversed from Wyoming Avenue at the south end to Hope Street in the north. He noted that the southern area, near the Wyoming Avenue intersection, is primarily residential with few cars parked on the street during the day and going north towards Waples Avenue, there are more businesses and consequently more vehicles parked in that area. Mr. Koenig advised members that at the north end, close to the hospital, there are many cars parked on South Bradford Street. He stated that additional cars parked on the southern portion of the street could affect residents, whereas, on the northern portion of the street, businesses could be impacted. Mr. Koenig noted that South Bradford Street is marked as a two (2) hour parking district from Hope Street to Wyoming Avenue, as is Dover Street; however, he did not believe that Waples Avenue or Gooden Street had parking restrictions.

Ms. Joyce Breasure, owner of For Dreamer's Gallery, located on South Governors Avenue, stated that she was the originator of the request for temporary parking because the bulk of the customer parking in the shopping center where her business is located is in front of the store and will be severely impacted by construction. She noted that there is minimal parking in the back and most of it is used by herself and her employees, leaving five (5) to six (6) spots available for customers.

It was Mr. Davis' feeling that 12 temporary permits seemed reasonable; however, 17 additional cars parked on the north end of South Bradford Street could impact parking for the hospital, the dentist's office, and other businesses in the area.

Mr. Art Geary, President of Halpern Eye Associates, stated that the additional five (5) permits requested were for his company, which is located near the Wyoming Avenue intersection, and noted that they had just been informed about the Chamber's request.

Responding to Mr. Hogan, Ms. Diogo stated that the Chamber's suggestion would be that the City would issue the passes to business owners who would then distribute them to their employees.

In response to Mr. Hogan, Mr. Koenig stated that the current parking ordinance does not address temporary parking permits. He noted that residential permits are stickers, which are color coded by district. Mr. Koenig advised members that businesses on South Bradford Street, by ordinance, are only allowed one parking permit and that permit is affixed to a car. He stated that if the temporary permits were granted, a mechanism would have to be set up to give permits to the owner, who would then dispense them. The permits would have to be properly displayed so that parking enforcement officers could monitor parking.

Responding to Mrs. Russell, Mr. Koenig stated that he envisioned that the temporary parking permits would be similar to those currently issued in residential areas where there is a time limit on parking.

In response to Mr. Slavin, Mr. Koenig stated that the Dover Parking Authority issues removable, portable, "windshield permits" that are used in parking lots. He believed that this type of permit would be more appropriate than a parking sticker.

It was Mrs. Russell's feeling that a maximum number of permits to be issued should be established and she expressed concern regarding how subsequent requests beyond the 17 at hand would be handled. Mr. Slavin suggested that a motion be made authorizing 17 permits initially and authorizing staff to issue a total of 25 permits without returning to the Committee. He noted that permits would only be issued to businesses who present a need.

Responding to Mr. Hogan, Mr. Koenig explained that there is a two (2) hour parking restriction on Dover Street, Bradford Street, and possibly Waples Avenue. Mr. Hogan felt that the permit should indicate the exact streets where parking is permitted so that the permits are not used elsewhere in the City. Mr. Koenig indicated that the streets would be listed on the permit or, alternatively, it could be color-coded for a specific area.

Mr. Koenig stated that he did not know if the entire business district area was surveyed and he was unsure as to the number of temporary permits that would be needed. He believed that 25 permits would be adequate at this time; however, he stated that there could be a need for the Committee to consider any additional requests. Mr. Slavin noted that the motion was made without specifying a number of permits and he felt that this matter should be left to the discretion of staff.

Mr. Koenig advised members that the residential community had not been notified of this proposal and that negative comments may be received.

Mr. Hogan suggested that the motion be amended to authorize staff to issue temporary parking permits, rather than the Chamber of Commerce.

The committee recommended that staff be authorized to issue a limited number of temporary portable parking permits to businesses for their employees' use. *(City Clerk's Office Note: Staff recommended adoption of Resolution No. 2009-18 authorizing the Public Services Manager to issue temporary residential parking permits to businesses).*

Since the committee meeting, Mr. Koenig advised members that additional requests have been received for a total of 22 permits and that he anticipates additional requests will be forthcoming. He also noted that a letter has been sent to property owners of Bradford Street that may be affected by action that may be taken this evening regarding this issue. As a result, he stated that correspondence (***Exhibit #2***) has been received and that the nature of these responses indicates opposition to the request without strict conditions and, in certain instances, indicate opposition with strict conditions. He indicated that the residents have submitted ideas which staff feels are worth pursuing prior to the issuance of any permits in the area. Mr. Koenig also indicated that there have been 23 residential permits issued as of the 10th. There may be additional permits requested if the residents feel that there is a parking problem, noting that each residence is entitled to three (3) parking permits and each business is entitled to one (1) parking permit.

Mr. Koenig reviewed a memorandum dated September 14, 2009 regarding this issue (***Exhibit #3***), and a map depicting parking counts on Bradford Street (***Exhibit #4***). Based on information received from both businesses and residents, as well as internal discussions, staff recommended that if Council adopts the proposed Resolution, that there be additional parameters related to the issuance of these permits, as follows:

1) Number of permits issued to businesses shall not exceed the number of off-street parking spaces lost during the construction project or the number of employees, whichever is less.
2) Permits should not be issued until the parking is lost due to construction.
3) Staff will work with businesses and property owners to develop alternative arrangements that minimize the impact on the residential parking district, such as the removal of "no parking" signs on the south side of Dover Street.

Mr. Hogan moved to waive the rules to allow public comments on this issue, seconded by Mr. Ruane and unanimously carried.

Ms. Judy Diogo, Central Delaware Chamber of Commerce, 435 N. DuPont Highway, advised members that businesses have been affected by the construction in the area. Due to the amount of construction, merchants are losing some of their permanent parking in their lots; therefore, they are requesting temporary permits.

Mr. Bruce Littleton, 1063 South Bradford Street, noted that he has sent a letter and email indicating his opposition to the request. He advised members that the residents have had to tolerate the construction, as well as the additional traffic and speeding, and now there is the possibility of them losing parking. He stated that the residents will be greatly affected by the request. Mr. Littleton indicated that some of the businesses have made other arrangements for parking and that there is off-street parking available to them at The Grange, which is not being used by the businesses. He felt that there were other alternatives that should be considered. Rather than having several residents speak who concur with the statements made by Mr. Littleton, they were requested to stand *(City Clerk's Note: 10 residents stood, introduced themselves, and provided their address)*.

Ms. Joyce Brazier, For Dreamers business owner, 743 S. Governors Avenue, advised members that the business has already been blocked for six (6) days. She stated that she has been told that the roadway will be opened up for clear access during the evening; however, this does not solve the problem during the day. She stated that all spaces will be lost in front of their property and, as a result, they have requested that the customers utilize the back parking lot. She advised members that, unfortunately, their back parking lot has been simultaneously blocked with the front parking. Ms. Brazier stated that her request is to allow employees to park on Bradford Street in order to allow customers to utilize the back parking lot. She requested consideration for those businesses in specific areas that will be totally blocked.

Mr. Steve Lediger, 904 South Bradford Street, advised members that what he had planned to state has already been stated. He noted his recommendation for parking on South New Street and Monroe Terrace. Referring to item #3 on the memorandum submitted by Mr. Koenig, which suggested the removal of "no parking" signs on the south side of Dover Street, Mr. Lediger noted that this is a narrow street that is utilized by tractor trailers for deliveries and he felt that if parking is provided on both sides, it could create a hazard.

Ms. Sandra Crew, 814 South Bradford Street, stated her main concern is living on a street with several businesses and that if this request is granted, there will be more similar request in the future. She advised members that she is already unable to park on her street nor are her visitors able to park on her street and, as a result, causes her to have to walk a distance in the dark to her vehicle. She also questioned the ability to differentiate between the residential parking permits and the proposed temporary permits.

Dr. Joel Halpern, 885 S. Governors Avenue, advised members of problems he has had with construction vehicles blocking his parking lot. He also apologized to Mrs. Townshend and Mr. Koenig, explaining that he began this scenario with the Governors Avenue construction, which became a "Joel" problem rather than a Governors Avenue problem. He stated that Mrs. Townshend and Mr. Koenig have tolerated the battle between he and the residents, which has caused a lot of undue stress.

Mr. Ruane acknowledged the correspondence received on this issue and requested that it be included as a part of the public record (*See Exhibit #2*).

Mr. Salters felt that a solution would be to allow for parking along New Street. Responding, Mr. Koenig stated that there are no restrictions on that portion of New Street; therefore, there would be no need to issue parking permits.

In response to Mr. Salters' suggestion, Mr. DePrima stated that, although it could be exercised by those businesses located on the New Street side of South Governors Avenue on the west side, he explained his concern for requiring parking on South New Street is that it would require people to cross what is already a busy street in the middle of a construction zone and would not be very safe for the businesses. Responding, Mr. Salters questioned the safety of the residents.

Responding to Mr. Hogan, Mr. Koenig suggested that a fourth item be added to the memorandum that would clarify that the intent would be to issue the permits either for 30, 60, or 90 days so that they expire soon after the construction goes by their business.

Mr. Ruane requested clarification regarding the possibility of eliminating the "no parking" along Dover Street. Responding, Mr. Koenig stated that he was not aware of tractor trailers utilizing the roadway and confirmed that there would be safety issues; therefore, he would recommend that item #3 included in the memorandum be amended to remove the suggestion of eliminating the "no parking" signs along Dover Street.

Mr. McGlumphy suggested that staff review the suggestions provided by the residents, indicating that reasonable solutions have been provided.

Mr. McGiffin moved for adoption of the Resolution, along with the four (4) conditions (three (3) included in the memorandum and the fourth item suggested by Mr. Koenig), seconded by Mr. Leary.

Mr. Ruane relayed his opposition, explaining his feeling that the residents have provided alternatives that should be explored prior to the adoption of the Resolution. He also reminded members that there are a number of existing businesses along South Bradford Street and that the Dover Code restricts the issuance of parking permits for these businesses to one (1). He explained that there are businesses that depend on parking availability on South Bradford Street for their customers and since they are currently only provided one (1) parking permit, they will be requesting additional permits.

Responding to Mr. Hogan, Mr. Koenig stated that the number of parking permits that would be issued will be equal to the number of parking spaces that the business would be losing as a result of the construction.

The motion for adoption of Council Resolution No. 2009-18, along with the four (4) conditions (three (3) included in the memorandum and the fourth item suggested by Mr. Koenig) was carried by a roll call vote of six (6) yes, and three (3) no (Mr. McGlumphy, Mr. Salters, and Mr. Ruane), as follows:

WHEREAS, the Delaware Department of Transportation is making significant changes to South Governors Avenue; and

WHEREAS, businesses along South Governors Avenue will experience impacts from the road and utility construction due to traffic diversion and congestion; and

WHEREAS, the City of Dover supports businesses and is sympathetic to the impacts of the road construction on the businesses community; and

WHEREAS, the road and utility construction may have an impact on access to both on-street and off-street parking for businesses at various points during construction; and

WHEREAS, the area of South Bradford Street between Hope Street and Wyoming Avenue has been designated as a residential parking district, limiting parking on the street to two (2) hours or less without a residential parking permit; and

WHEREAS, the area of Dover Street between South Governors Avenue and South Bradford Street has been designated as a residential parking district, limiting parking on the street to two (2) hours or less without a residential parking permit; and

WHEREAS, Dover Code, Chapter 106 Traffic and Vehicles, Section 106-135 Residential Parking, sets the parameters under which the City will issue residential parking permits; and

WHEREAS, Dover City Council has determined that the South Governors Avenue construction project presents circumstances that are unique and unanticipated by the provisions of Dover Code, Chapter 106 Traffic and Vehicles, Section 106-135 Residential Parking; and

WHEREAS, issuing permits for businesses' employees and patrons to park within the residential parking area on South Bradford Street and Dover Street as a temporary measure while construction is underway is a reasonable accommodation to these businesses based on the construction project.

NOW, THEREFORE, BE IT RESOLVED that:

1. Dover City Council authorizes the Public Services Manager to issue temporary residential parking permits to businesses along the east side of South Governors Avenue between Hope Street and Wyoming Avenue during the road construction project; and that

2. All such permits shall expire upon the completion of the road construction of South Governors Avenue.

ADOPTED: SEPTEMBER 14, 2009

Presentation - Survey Regarding North State Street Rebuild Project (*Gary Laing)*

During the June 24, 2009 Safety Advisory and Transportation Committee Meeting, Mr. Gary Laing, DelDOT Community Relations Officer and Public Relations Liaison, advised members that Bond Bill Regulations require that residents be surveyed whenever night work will be performed in their neighborhood. He advised members that DelDOT's Pavement Management Division sent a survey to the residents of State Street, Queen Street, Division Street, Walker Road, and Loockerman Street last fall asking them if they would be agreeable to having road construction performed during night time hours. Mr. Laing advised members that the public response was that they would not mind. He stated he would provide the survey results at a future Safety Advisory and Transportation Committee meeting.

Mr. Laing advised members that 80 letters were sent out to residences (no businesses, including bed and breakfasts, were surveyed as they are not typically open during the evening). He noted that, because of the difficulty getting responses from all of those surveyed, the letters stated that questionnaires not returned would be considered positive responses.

Responding to Mr. Slavin, Mr. Laing explained that certain assumptions are made when doing surveys and it was felt that someone who opposes night work would be more inclined to send the survey back than someone who has no opposition.

In response to Mr. Hogan, Mr. Laing stated that he expected DelDOT to have received more than the 12 negative responses that were returned. He further stated that this is a "rolling" type of project and work will not be in front of the same houses three (3) nights in a row; however, additional equipment "permits" will be needed to complete the other side of the road. Mr. Laing indicated that the hours of night work are from 9:00 p.m to 6:00 a.m; however, that does not mean work would take place during those hours.

Responding to Mr. Hogan, Mr. Laing stated that the milling would be done all at one time rather than having two sets of equipment going section by section. Mr. Koenig stated that this project will be a "loud and dusty" operation that will require several "permits" in front of residences.

Responding to Mr. Koenig, Mr. Laing concurred that the project could be stopped the same night it begins if one (1) complaint is received from a resident.

In response to Mr. Koenig, Mr. Laing explained that he has no knowledge of this project beginning in the Spring of 2010, as there is no funding available.

Mr. Slavin requested that Mr. Laing research the survey and find out how many positive responses were actually mailed back to DelDOT.

Mr. Slavin moved for acceptance of the Safety Advisory and Transportation Committee Report, seconded by Mrs. Russell and unanimously carried.

MONTHLY REPORTS - JULY 2009

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

Budget Report
Chief of Police Report
City Assessor Report
Planning and Inspections Report
Dover Fire Department Report (*June and July*)

Referring to the City Manager's Report, Mrs. Russell questioned why the amount of overtime for July 2008 was less than July 2009 when the City has instituted furloughs and cutbacks. Responding, Mr. DePrima, City Manager, stated that he would research this matter and report back. Mrs. Mitchell, Controller/Treasurer, indicated that there were three (3) pay periods for July 2009. Mrs. Russell also requested that staff provide the amount of money associated with the overtime.

Responding to Mrs. Russell regarding part-time employees, Mr. DePrima advised members that several part-time employees are permanent positions.

Mrs. Russell moved for acceptance of the City Manager's Report, seconded by Mr. McGiffin and unanimously carried.

PROPOSED RESOLUTION NO. 2009-19 AUTHORIZING THE ISSUANCE AND SALE OF UP TO $5,942,481 WATER AND SEWER REVENUE BONDS (REVOLVING LOAN FUND - DELAWARE POLLUTION CONTROL FINANCIAL ASSISTANCE BRANCH)

Members were provided a proposed Resolution authorizing the issuance and sale of up to $5,942,481 Water and Sewer Revenue Bonds. Mrs. Mitchell, Controller/Treasurer, explained that the Resolution would authorize the City to take out a loan with the State of Delaware.

Responding to Mr. Ruane, Mrs. Mitchell assured members that the existing budget (rates) will meet the covenant mandate, as long as members approve the model in the financial forecast. She confirmed that separate action of Council would be required to institute any rate increase.

Mr. Hogan moved for adoption of Resolution No. 2009-19 (*Exhibit #5*), seconded by Mr. McGlumphy and carried by a unanimous roll call vote:

AUTHORIZATION FOR ACCEPTANCE OF GRANT AWARD - POLICE OFFICER POSITION THROUGH THE COPS HIRING RECOVERY PROGRAM (CHRP)

In April 2009, City Council authorized the Police Department to apply for a Police Officer position through the COPS Hiring Recovery Program (CHRP). Chief Horvath explained that the grant funds one (1) police officer position for three (3) years with a match from City funds for the 4th year of the program. At the time of the grant application, the Police Department's authorized sworn officer strength was 93 positions; however, the department was anticipating the loss of one (1) position due to retirement. The goal of the application was to sustain sworn officer manning at 93 positions through the use of grant funds, and the City would sustain funding for the other 92 positions.

Chief Horvath advised members that, as a result of continuing economic pressures, the City was forced to implement a reduction in force of sworn officer positions in the budget, reducing the authorized funding level from 93 to 90 sworn officer positions. In addition, the actual Police Department manning decreased from 93 to 90 sworn officer positions through attrition. The funding level approved in the FY 2010 Budget does not include the funding provided by this grant because the status of its award was not known at the time the budget was passed by City Council. As a result, if the Council approves the acceptance of this grant award, Chief Horvath explained that the City will be obligated to sustain funding for the 90 positions approved in the FY 2010 budget. He noted that the grant funding will increase the number of personnel authorized to 91 and allow the Police Department to hire an additional officer immediately.

Members were provided details regarding the costs (salary and all benefits) for one (1) police officer. Chief Horvath also reviewed additional information from the Grant Program Guidelines.

Staff recommended approval of the award of the COPS Hiring Recovery Program grant as awarded on July 28, 2009 and to sustain Police Department sworn officer position manning at 91 positions (90 funded by the FY 2010 budget and one from the CHRP Grant).

Mr. Ruane questioned the implications of accepting the grant award in terms of budget constraints and as it would relate to the lay-off language included in the FOP Contract, which was just recently settled. Responding, Mr. DePrima, City Manager, reiterated that there are no lay-off plans for this year; however,

the grant involves three (3) years. He explained that his concern is with regards to how it would treat natural attrition through retirement or an officer quitting and if the acceptance of the grant would lift the hiring freeze for police officers. If this is the case, it would, in essence, serve as a "carve out" for the Police Department, which would place any fiscal problems that may arise to be resolved through staffing by other City departments.

Mrs. Mitchell, Controller/Treasurer, advised members that in speaking with the City's Labor Attorney, it has been explained that Council would need to make sure their intent is clear when making their motion and that they document budget constraints. She also advised members that it would not prohibit the City, should there be further erosion of revenues or a situation arises, from addressing the matter through layoffs; however, she emphasized that the position being paid for through the grant would have to be retained. Mrs. Mitchell stated that they indicated that the only downfall to that is that it may impact the City's ability to obtain future grants if the City were to implement a lay-off.

Responding to Mr. DePrima, Chief Horvath stated that, based on the information provided by Mrs. Mitchell, he does not anticipate the necessity of filling vacancies within the Police Department due to the acceptance of the grant. He explained that if there is a reduction in force, it must be a City-wide reduction in force.

In response to Mr. McGiffin's concerns, Chief Horvath read the following excerpt from the grant conditions *"... in addition, your agency must take active and timely steps pursuant to its standard procedures to fully fund law enforcement costs already budgeted as well as fill all locally funded vacancies resulting from attrition during the life of the grant"*. It was his opinion that, based on the information provided by the Controller/Treasurer, as long as the City can document that any reduction through attrition is not specific to the police force and that it is a city-wide reduction through attrition, then the City would not be in violation.

Mr. Slavin moved to accept the grant award of the COPS Hiring Recovery Program grant as awarded on July 28, 2009 and to sustain Police Department sworn officer position manning at 91 positions (90 funded by the FY 2010 budget and one from the CHRP Grant), seconded by Mr. Hogan and carried by a roll call vote of seven (7) yes and two (2) no (Mr. McGlumphy and Mr. Ruane).

REQUEST OF CITY MANAGER TO PARTICIPATE IN ACTUARIAL ANALYSIS FOR RE-ENTERING PENSION PLAN AT OWN EXPENSE

Mr. DePrima, City Manager, reminded members that during his evaluation last year, he had requested that Council consider allowing him to enter the City of Dover Pension Plan and buy back his "time of service" as City Manager, which is approximately seven (7) years. Subsequently, a similar but completely independent request was made by other employees to investigate the option of opening the pension plan. As a result of that request, City Council has agreed to fund a study for $4,500 ($2,500 for the base study and $400 per employee for five (5) sample employee records to be analyzed) by Al Pike and Associates. While Mr. Pike is doing the study, Mr. DePrima indicated that he would like to have his data analyzed and he would pay $400 directly to the City. He explained that Mr. Pike could use his evaluation as a part of the overall study if he would like a sixth data point; however, he would like to be provided his data independently so that he can further discuss his request with Council.

At the request of Mr. Ruane, Mr. McGlumphy stated that during the Legislative, Finance, and Administration Committee meeting held earlier in the evening, members were provided an analysis prepared by Mr. Pike of Pike Associates using a sample of five (5) employees to transfer from the 401(a) Plan to the Defined Benefit Pension Plan. He advised members that the committee recommended approval of staff's recommendation not to permit retro buy-in for prior service and to close the General Employee's Pension Plan to new hires.

Mr. Hogan moved for approval of the City Manager's request to participate in the actuarial analysis for re-entering the pension plan at his own expense, seconded by Mr. Salters and carried by a roll call vote of six (6) yes and three (3) no (Mr. McGlumphy, Mr. Ruane, and Mrs. Williams).

CITY COUNCIL TRAINING/CONFERENCE/TRAVEL BUDGET - CITY/COUNTY MEETING EXPENDITURES

Council President Williams advised members that it is time to schedule the next City/County Meeting. She reminded members that the City alternates payment for dinner with Kent County and that City Council's budget did not include funds for Training/Conference/Travel, which is where this expense is paid from. Prior to scheduling the meeting, staff is requesting direction from Council.

Responding to Mr. Ruane, Mr. DePrima stated that the expense for the dinner meeting is approximately $200-$300, which the City hosts 3-4 times per year. After speaking with the County Administrator, he stated that it was not felt that the County would object to holding the meeting at City Hall with pizza or sandwiches and indicated that the County would do something similar when they are responsible for hosting the meeting.

Mr. Slavin moved to request that members of the City/County Committee meet without food for this year, due to the nature of this year's budget. The motion was seconded by Mr. Ruane.

Mr. McGlumphy felt that there are other line items within Council's budget that have additional funds that are not utilized throughout the year. It was his feeling that the amount of funds required for a dinner meeting to discuss million dollar projects that may affect the City would be well worth the costs.

Mr. Hogan suggested that each member of the City/County Committee pay for their own meal.

Mr. Slavin indicated his opposition to treating the City/County Committee differently than any other City committee.

On a call for the question by Mr. Ruane, the motion to request that members of the City/County Committee meet without food for this year, due to the nature of this year's budget, was carried by a roll call vote of five (5) yes and four (4) no (Mrs. Russell, Mr. McGlumphy, Mr. Salters, and Mrs. Williams).

EVALUATION OF BIDS - GARRISON OAK INFRASTRUCTURE AND SITE DEVELOPMENT MASTER PLAN

The City of Dover's Economic Development Office solicited Requests for Proposals (RFP) for engineering services related to the future development of Garrison Oak. Following the review of Statements of Qualifications and conducting interviews with five (5) engineering teams, staff selected two (2) engineering firms to submit proposals through the RFP process. Becker Morgan Group and URS Corporation were selected to submit proposals for the project.

Members were reminded that Phase 1 of the project was awarded to Becker Morgan Group and Duffield Associates, and the work associated with this award is underway. The RFP related to the subsequent phases of site development, including the Site Master Plan Concept (Phase 2), Site Development Master Plan Preparation and Submittal to the Planning Commission (Phase 3), Construction Documents (Phase 4), and Road and Pump Station Design (if needed) (Phase 5).

Staff recommended that Becker Morgan Group be approved as the engineering firm to complete all phases of infrastructure and site planning for Garrison Oak and that Council authorize the City Manager to enter into an agreement with Becker Morgan Group at a cost not to exceed $322,100. The City Manager and Economic Development Director will jointly oversee the contract and report to Council at the completion of each phase.

Mr. DePrima, City Manager, explained that for the ease of administration, staff has broken the planning process into three (3) additional phases. At the conclusion of each phase, the subsequent phase may be ended, re-evaluated, or renegotiated as deemed necessary by staff. Any renegotiation of the phases would stay within the authorized amount of $322,100 unless brought back to City Council. Members were provided cost details regarding Phases 2 - 5, as follows:

Phase 2

1. Geotechnical Evaluation / Stormwater Ponds (fixed fee)	$10,500.00
2. Phase 2 Environmental Evaluations (fixed fee)	$ 5,500.00
3. Hydrology Analysis / Floodplain (fixed fee)	$10,000.00
4. Budget Estimating (fixed fee)	$ 8,000.00
5. Wetlands Permitting (fixed fee)	$18,000.00
6. Preliminary Land Use Service (fixed fee)	$ 2,500.00
7. Master Plan Concept / Preliminary (hourly)	$60,000.00

Phase 3

1. Site Development Master Plan/Submission Documents (fixed fee)	$25,000.00
2. Minor Subdivision Plat (if necessary) (fixed fee)	$ 5,000.00
3. Construction Field Survey (fixed fee)	$15,000.00
4. Flood plain Variance / Board of Adjustment (if necessary)	$10,000.00

Phase 4 Construction Documents (hourly) $120,000.00

1. Site Plan
2. Utility Plans
3. Grading Plans
4. Fire Protection Plan
5. Stormwater Management Plans

6. Entrance Plan and Maintenance of Traffic Plans
7. Site Lighting Plan
8. Landscape Plan
9. Construction Details

Phase 5 Elective Services (if necessary)

1. Geotechnical Evaluation / Roads (fixed fee)	$ 7,600.00
2. Sanitary Sewer Pump Station Design (fixed fee)	$25,000.00

Mr. Hogan moved for approval of staff's recommendation that Becker Morgan Group be approved as the engineering firm to complete all phases of the infrastructure and site planning for Garrison Oak and to authorize the City Manager to sign an engineering services contract to complete the Site Development Master Plan for the Garrison Oak Technical Park at a cost not to exceed $322,100.00. The motion was seconded by Mr. Ruane and carried by a unanimous roll call vote.

EVALUATION OF BIDS - REPLACEMENT OF 69KV BREAKERS

Members were advised that the Electric Engineering Division began a transmission breaker replacement program in FY 2006 whereby all the obsolete breakers are replaced with new breakers. This is a multi-year project scheduled to end in FY 2011. The program budgeted the replacement of four (4) breakers each year. This bid also envisioned the purchase of three (3) breakers for the Mid City Substation, which will be re-constructed this year. This bid price is within the engineering estimate for the breaker portion of both CIP projects.

Bids were solicited and advertised and two (2) bids were received. Staff required Siemens breakers in the bid specifications since the City has over 30 units currently in service and standardizing the manufacturer will minimize training and spare parts.

Staff recommended awarding the bid to the low bidder, Siemens Energy, Inc. c/o NTS, for the unit cost of $37,675 for the purchase of four (4) 69 Kv breakers for $150,700 (from account 487-8300-563-50-82) and three (3) 69 Kv breakers for $113,025 (from account 487-8300-563-70-27) for a total expenditure of $263,725.

Mr. Hogan moved for approval of staff's recommendation, seconded by Mr. Leary and carried by a unanimous roll call vote.

EVALUATION OF BIDS - MISCELLANEOUS CONCRETE REPAIR PROGRAM

In conjunction with the City of Dover's Capital Investments Plan, staff submitted a proposal to use a contractor to remove and replace sidewalks and perform miscellaneous concrete work at various locations throughout the City during Fiscal Year 2010. Staff developed tentative work locations and has prepared a work plan and bid specification package. Mr. Koenig, Public Services Manager, advised members that seven (7) contractors submitted unit price bids based on the tentative work plan and that the low bid was received from Melvin Ray's Masonry at a cost of $25,945.50.

Staff recommended awarding the unit price contract for the FY 2010 Miscellaneous Concrete Repair Program to Melvin Ray's Masonry in an amount not to exceed $40,000. It was noted that all work would be paid for at the unit prices bid for work completed and accepted by the City of Dover.

Mr. DePrima noted that due to the low bid received, staff will work with the company to perform work beyond what was originally thought could be accomplished within the budgeted amount.

Mr. Slavin moved for approval of staff's recommendation, seconded by Mr. Salters and carried by a unanimous roll call vote.

FIRST READING - PROPOSED ORDINANCE NO. 2009-20

Council President Williams 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 Second Reading during the Council Meeting of September 28, 2009.

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:

> ORDINANCE #2009-20 AMENDING CHAPTER 26 - BUSINESSES, ARTICLE II - LICENSES, SECTION 26-31 - DEFINITIONS, AND APPENDIX F - FEES AND FINES (NEW BUSINESS LICENSE CATEGORIES AND ASSOCIATED FEES/ADJUSTMENTS)

FIRST READING - PROPOSED ORDINANCE NO. 2009-21 - COMPREHENSIVE PLAN AMENDMENTS

Staff submitted a proposed Ordinance No. 2009-21 that would amend the 2008 Comprehensive Plan by replacing Table 12-1 - Land Use and Zoning Matrix and Map 12-1, Land Development Plan. Members were advised that these are technical corrections being made in concert with the 2009 Comprehensive Rezoning Project.

Council President Williams 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. Since the ordinance is an amendment to the Zoning Ordinance and Zoning Map, a public hearing is required. Staff recommended referral of the amendment to the Planning Commission on Tuesday, October 20, 2009 at 6:00 p.m. at a Special Planning Commission Meeting; that a public hearing be set for Monday, November 2, 2009 at 7:00 p.m. at a Special City Council Meeting; and that the Second Reading and Final Action by Council be scheduled to take place on Monday, November 23, 2009 at 7:30 p.m.

Responding to Mr. Ruane, Mrs. Townshend assured members that the map will be included as an attachment to the proposed ordinance. He also requested that members of Council be provided with the same information that was made available at the public review session.

Mr. McGlumphy moved to refer Ordinance No. 2009-21 to the Planning Commission on Tuesday, October 20, 2009 at 6:00 p.m. at a Special Planning Commission Meeting; that a public hearing be set for Monday, November 2, 2009 at 7:00 p.m. at a Special City Council Meeting; and that the

Second Reading and Final Action by Council be scheduled to take place on Monday, November 23, 2009 at 7:30 p.m. The motion was seconded by Mr. Hogan and unanimously carried.

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

> ORDINANCE #2009-21 - AMENDING THE 2008 COMPREHENSIVE PLAN BY REPLACING TABLE 12-1 LAND USE AND ZONING MATRIX AND MAP 12-1: LAND DEVELOPMENT PLAN

FIRST READING - PROPOSED ORDINANCE NO. 2009-22 - COMPREHENSIVE REZONING PROJECT 2009

Staff submitted a proposed Ordinance No. 2009-22 that would adopt a new zoning map that would bring the zoning map in conformance with the 2008 Comprehensive Plan, as required by Delaware Code.

Council President Williams 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. Since the ordinance is an amendment to the Zoning Ordinance and Zoning Map, a public hearing is required. Staff recommended referral of the amendment to the Planning Commission on Tuesday, October 20, 2009 at 6:00 p.m. at a Special Planning Commission Meeting; that a public hearing be set for Monday, November 2, 2009 at 7:00 p.m. at a Special City Council Meeting; and that the Second Reading and Final Action by Council be scheduled to take place on Monday, November 23, 2009 at 7:30 p.m.

Mr. McGlumphy moved to refer Ordinance No. 2009-22 to the Planning Commission on Tuesday, October 20, 2009 at 6:00 p.m. at a Special Planning Commission Meeting; that a public hearing be set for Monday, November 2, 2009 at 7:00 p.m. at a Special City Council Meeting; and that the Second Reading and Final Action by Council be scheduled to take place on Monday, November 23, 2009 at 7:30 p.m. The motion was seconded by Mr. Salters and unanimously carried.

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

> ORDINANCE #2009-22 - AMENDING THE ZONING ORDINANCE AND ZONING MAP OF THE CITY OF DOVER BY CHANGING THE ZONING DESIGNATION TO CONFORM WITH THE 2008 COMPREHENSIVE PLAN

COUNCIL MEMBERS ANNOUNCEMENTS

Mr. McGiffin reminded members to mark their calendar for June 26, 2010 for the next African American Festival. He also wished Mr. Hogan a happy birthday.

Mr. Salters announced that there will be a yard sale held on Saturday, September 19th from 7:00 a.m. to 4:00 p.m. and would appreciate any donations. Proceeds will benefit the construction of the Inner City Cultural Center building.

Mr. Hogan moved for adjournment, seconded by Mr. McGlumphy and unanimously carried.

Meeting Adjourned at 9:38 P.M.

TRACI A. McDOWELL
CITY CLERK

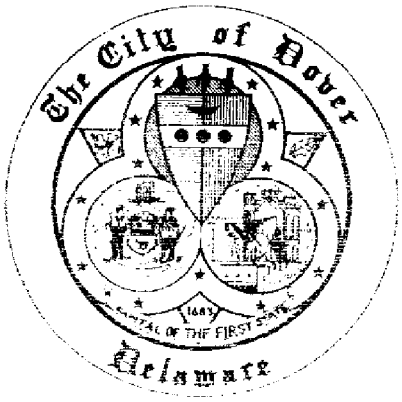
All orders, ordinances, and resolutions adopted by City Council during their Regular Meeting of September 14, 2009, are hereby approved.

CARLETON E. CAREY, SR.
MAYOR

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Exhibits Attached to Original Minutes and File Copy

Exhibit #1 - Revised Net Energy Metering Tariff
Exhibit #2 - Correspondence from Residents Regarding Request by S. Governors Avenue Businesses for Parking Permits for S. Bradford Street
Exhibit #3 - Staff Memo Dated September 14, 2009 Regarding Request by S. Governors Avenue Businesses for Parking Permits for S. Bradford Street
Exhibit #4 - Map Depicting Parking Counts on Bradford Street
Exhibit #5 - Resolution No. 2009-19 Authorizing the Issuance and Sale of up to $5,942,481 Water and Sewer Revenue Bonds



PROCLAMATION

WHEREAS, the City of Dover is committed to ensuring the safety and security of all those living in and visiting our city; and

WHEREAS, the National Fire Protection Association (NFPA) has documented through its research that cooking is the leading cause of home fires accounting for 40% of reported home fires and 36% of related injuries; and

WHEREAS, Dover's first responders are dedicated to reducing the occurrence of home fires and home fire injuries through prevention and protection education; and

WHEREAS, using proper care when cooking will have a positive effect on the home fire problem; and

WHEREAS, each cooking fire that is prevented in Dover is an opportunity to prevent painful injury and costly property damage; and

WHEREAS, the 2009 Fire Prevention Week theme, "Stay Fire Smart: Don't Get Burned," effectively serves to remind us all of the simple actions we can take to stay safe during Fire Prevention Week and year-round.

NOW, THEREFORE, I, CARLETON E. CAREY, SR., MAYOR, OF THE CITY OF DOVER, DELAWARE, do hereby proclaim October 4-10, 2009 as

Fire Prevention Week

and urge all citizens to heed the important safety message of Fire Prevention Week 2009, and to support the efforts of our fire and emergency services.

Carleton E. Carey Sr.

Carleton E. Carey, Sr.
Mayor

PARKS, RECREATION, AND COMMUNITY ENHANCEMENT COMMITTEE

The Parks, Recreation, and Community Enhancement Committee meeting was held on September 14, 2009, at 12:00 noon with Chairwoman Russell presiding. Members present were Mr. Ruane, Mr. Hogan, and Mrs. Horsey. Mr. Lewis was absent.

AGENDA ADDITIONS/DELETIONS

Mr. Hogan moved for approval of the agenda, seconded by Mr. Ruane and unanimously carried.

Benchmarks Established for the Economic Development Office

During the Parks, Recreation, and Community Enhancement Committee meeting of June 8, 2009, Mr. Anthony DePrima, City Manager, stated his desire to compile a report that includes meaningful economic statistics that can be monitored and that reflect factors that the Economic Development Office can influence. He felt it would be appropriate for this information to be submitted twice per year, or quarterly, and stated his intention to have such a report available to the Committee.

Mr. William Neaton, Economic Development Director, reviewed benchmarks which he stated were developed by Mr. DePrima and Mrs. Ann Marie Townshend, Director of Planning and Community Development, to chart the progress of the Economic Development Office and to give Council and the Committee an understanding of what the office does. He also reviewed a list of vacant and inactive properties in the downtown area.

In response to Mrs. Russell, Mrs. Townshend explained that there is an ongoing problem with property owners in downtown Dover who fail to maintain vacant properties and then express frustration because improvements must be made to make them eligible for occupation. She explained that the vacant building ordinance establishes a vacant building registration fee for properties that are not sale or lease ready, but does not require that property be brought up to occupiable standards. She noted that exterior violations can be addressed by inspectors, but interior problems cannot be enforced.

Referring to the economic benchmarks presented by Mr. Neaton, Mr. Ruane suggested that additional information be included when establishing measurement tools. He stated that there are numerous goals for the Economic Development Office that were included in the City of Dover Comprehensive Plan that were not reflected in the benchmarks listed which would be relevant in measuring the economic status of the Dover area, citing efforts to develop tourism as an example. He felt that the information that was provided regarding major employers was important but that additional statistics relating to smaller businesses are also vital and should be included. He stated his belief that statistics relating to various economic sectors, e.g., the financial and hotel industries, the arts, culture, and education would be useful. He suggested that staff look to national and local levels of statistical gathering that are currently being used, citing the statistics presented on the U. S. Department of Labor's website as an example of the type of information that is useful in developing an economic profile. He believed that efforts related to job retention, recruitment, and marketing should be reflected as well.

Mrs. Townshend stated that staff's goal was to provide these benchmarks to Council to allow members to provide feedback on the type of information that would be useful. She noted that she had received mixed responses from Council regarding the type of statistics that should be included, as she had previously been told that labor statistics from the State and Federal governments were not helpful. She agreed that additional measures should be included, but wanted to keep goals realistic as the organization was in its start-up year, and she felt it was important to be realistic in terms of the projects that can be managed. She noted that many of the activities of the office are anecdotal in terms of relationship building and are difficult to quantify.

Mr. DePrima suggested that tracking the square footage of space gained and lost in large industrial and office buildings in the City would be a useful measure.

In response to Mrs. Townshend, Mr. Ruane stated the vision for examining the economic well-being of the City should be expanded beyond the boundaries of the City of Dover. He noted that while, ideally, vacant commercial buildings within the City's boundaries would be occupied by new owners, which would maintain the value of the building and contribute to the City's tax base, residents of Dover still benefit when businesses are retained in the surrounding area and jobs are not lost.

In response to Mrs. Russell, Mr. Neaton explained that his office is working closely with Wesley College to facilitate their move into the building that the General Services Administration will be vacating. He stated that he and his staff maintain a good relationship with Delaware State College and Delaware Technical and Community College; however, they have not had good outreach to Wilmington College at this point.

Mr. Hogan stated that he felt that the number of events held in Downtown Dover is the most important measure of the Economic Development Office's success. It was his belief that people are not frequenting the downtown area due to the perception that there is "nothing to do" downtown.

Mr. Neaton invited members to attend the Downtown Dover Partnership One Year Anniversary Celebration scheduled for Thursday, September 17, 2009, at 5:00 p.m. He noted that a slide show will be presented which showcases events held downtown and includes photos that show hundreds of people in attendance. He also reminded members of the First Friday event sponsored monthly by the Downtown Dover Partnership.

Mr. Ruane emphasized that staff should consider quality rather than quantity in recruiting businesses for the downtown area. He felt the goal should be not just to fill empty buildings but to recruit enterprises and activities that will draw the public downtown. He suggested an appropriate measure of economic success would be to recruit businesses in targeted categories.

Mrs. Horsey stated that she felt that the City should enforce building codes more stringently. She felt that quality businesses are reluctant to locate to the downtown area because the storefronts and sidewalks are not maintained. She expressed frustration with property owners who "do not care enough" to apply for loans that have been made available through the efforts of the Design Committee to improve building facades.

Mrs. Townshend noted that these funds are available only for building exteriors and many of the buildings in the downtown area also need extensive interior repairs.

Mrs. Townshend stated that staff would look at national statistics that are available for the local area as a basis for comparison, track vacant building square footage in the City, and prepare a monthly analysis of statistics related to the City of Dover's economic health.

Mr. Ruane noted that more jobs are created nationally and locally by small businesses than large enterprises and request that this information be included in the analysis.

Mr. Neaton stated he would be working with the Director of the new Kent County Economic Development Office to develop economic health guidelines based on small businesses.

Mr. DePrima noted that the current budget will be going to print in the near future and that the benchmarks included are similar to those that the committee reviewed; however, he noted that the Committee's suggestions will be incorporated in the future.

Statistics Regarding Jobs and Businesses Gained and Lost in the City of Dover Since July 2008

Mrs. Ann Marie Townshend, Director of Planning and Economic Development, reviewed statistics on the number of jobs and businesses lost in Dover since July 2008. She noted that the report was based on figures that were provided by the Kent Economic Partnership and she was unsure of the methodology used to collect data, the cut-off dates used, or the criteria by which major employers were identified, and she was not confident that the numbers were completely accurate. She stated staff's intention to begin tracking numbers quarterly using a consistent methodology.

In response to Mrs. Russell, Mrs. Townshend noted that staff plans to track employment statistics for City, State, and County governments and school districts in the future. She also stated her intention to include information related to small businesses and various commercial sectors.

Updates

Members were provided the following updates:

Puncheon Run Watershed Action Team Update

Mr. Scott Koenig, Public Services Manager, presented an update on the Puncheon Run Watershed. He stated that the Governors Avenue Bridge project is approximately 95% complete. He noted that there have been two large rain events since the bridge was installed, and the bridge is functioning as it should. He noted that there were two properties that did have extensive flooding during the recent rainstorms; however, it was determined that the new bridge is not an impediment. He stated that Mr. Ruane had provided photos indicating that flooding appears to be related to problems with the Route 13 bridge. Mr. Koenig stated that construction debris on the west side of the Route 13 bridge, elevation differences in that area, and possibly the need to clear the stream between Governors Avenue and Route 13 may all be contributing factors. He noted that he plans to discuss these issues with the Delaware Department of Transportation (DelDOT), as well as Senator Brian Bushweller and Representative Bradford Bennett.

Mr. Koenig stated that he will be contacting the Delaware Department of Transportation (DelDOT) to determine if "as-built" drawings of the new Governors Avenue bridge are available or if they must be purchased. He indicated that it may be more cost effective and timely to obtain these drawings from the surveyor. He explained that the drawings will be reviewed by the Federal Emergency Management Agency (FEMA) to determine if a letter for map revision can be issued so that properties in the area can be removed from the flood plain. Mr. Koenig noted that this will eliminate the need for property owners to obtain expensive flood insurance, which is required for mortgaged properties located in a flood plain. He indicated that funds for consulting fees related to the revision are included in the current budget. He expected that all work required would be completed in late fall, with submission to FEMA around the first of the year.

Mr. Koenig indicated he would like to reconvene the Puncheon Run Action Team in October or November. At that time, he hopes to have further information regarding the Route 13 bridge obstructions and information regarding the letter of map revision to provide to residents.

In response to Mrs. Horsey, Mr. Koenig reported that the construction equipment currently being stored at the intersection of Wyoming and Governors Avenue will be used to perform storm drain work, utility tie-ins, and to run cable for an "intelligent" traffic signal system. He agreed that it is in everyone's interest to return the intersection to normal as soon as possible to avoid cut-through traffic in nearby neighborhoods; however, he stated the State has made it clear that they do not dictate the schedule of the contractor performing the construction.

Mr. Neaton noted that approval had recently been granted from DelDOT to put up City signs to indicate that the thoroughfare and businesses are open during construction. He also indicated that DelDOT and the contractor schedule monthly meetings at Bayhealth to discuss construction progress.

Planning and Funding for New Library

Ms. Margery Cyr, Library Director, reviewed an update on planning and funding for the new library. Ms. Cyr indicated the project was initially budgeted for $23.5 million, but through hard work, that figure has been reduced to $22 million, without compromising services or the structure of the building. She noted that staff met with the State Council of Libraries on September 9, 2009, and the Council agreed to recommend $5 million be placed for a library bond in the next fiscal year. Ms. Cyr noted that if the bond is approved, State contributions will total $10.6 million, which is slightly less than 50% of the projected cost of the library.

Ms. Cyr stated that Ms. Donna Stone, Manager of the TD Bank, has agreed to serve as the Chair of the library's Capital Campaign, and Mrs. Carla Markell will serve as Honorary Chair. The Capital Campaign Office at Wesley College is being prepared for occupancy. She stated that a new sign with a conceptual drawing representing the appearance of the new structure has been placed on Loockerman Street.

Ms. Cyr noted that staff is hosting a Green Summit for the public in the evening on September 30, 2009, to discuss plans for alternative energy and sustainable design for the library, and she hopes to schedule a separate event for Council on the same day so that they can be fully informed on the project.

CDBG Program

Mr. Neaton, Director of Economic Development, reported that he is working with attorney Gerry Street to develop a lease between the Dover Interfaith Ministry and the Downtown Dover Partnership and hoped that this will be finalized within the next two weeks.

Mrs. Townshend, Planning and Community Development Director, noted that the lease will be reviewed by the U. S. Department of Housing and Urban Development (HUD) to determine if $60,000 of CDBG funds can be expended for this purpose. Mrs. Townshend noted that if HUD determines these funds cannot be used to lease property, staff will encourage the Interfaith Ministry to utilize funds for building renovations, which is an approved use. She noted that this may be the best option in view of need to expend funds in a timely manner.

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

Mrs. Townshend, Planning and Community Development Director, noted that staff has worked with two families who are ready to purchase foreclosed properties. Mrs. Tracey Harvey, Community Development Manager, has been working with Mr. Van Temple, Chair of Diamond State Community Land Trust (DSCLT), and Ms. Ami Sebastian-Hauer, Executive Director of the Dover Housing Authority (DHA), and has identified foreclosed properties that these organizations would like to purchase. She indicated that the DHA has a contract on one property and is working on two others, and DSCLT has one contract.

During the meeting of February 9, 2009, the Parks, Recreation, and Community Enhancement Committee considered a proposal to partner with Discover Bank and others to leverage additional funds for the Neighborhood Stabilization Program (NSP) through the New Markets Tax Credit Program. The Committee recommended that Council approve a non-binding letter of intent to proceed with the leveraging program, which was approved at the City Council meeting of March 23, 2009. Mrs. Townshend indicated that the City has still not received a concrete proposal from the leveraging partners; however, the City is proceeding to obligate NSP funds due to the need to move forward expeditiously. She indicated that staff may request approval from the Committee and City Council to withdraw from the leveraging program, as the program appears not to be as lucrative as it initially appeared and the program is proceeding very slowly.

In response to Mrs. Russell, Mrs. Townshend stated that the foreclosed properties in question are in various states of repair. She noted that the City's role is to assist applicants with down payments and that the purchaser is responsible for locating the property. She explained that the Kent County Association of Realtors is part of the partnership and is facilitating transactions with prospective property owners.

Responding to Mr. Ruane, Mrs. Townshend stated she is not certain how many foreclosed properties have been identified within the City and where they are located. She stated that the City's program targeted eight (8) properties, six (6) are in progress and are situated in various locations throughout the City.

Mrs. Townshend noted that she spoke with representatives from Fannie Mae and was told that their foreclosed properties are open only to applicants using public funds (which would include buyers under the NSP program) for the first 15 days after being listed.

Youth Advisory Committee

Mrs. Russell stated that the Youth Advisory Committee met on September 10, 2009, with ten (10) members present. She noted that members of the Committee plan to volunteer at a number of upcoming community activities, including the Governor's Fall Festival, the Community Youth Party to be held at the YMCA, and the City of Dover Home for the Holidays celebration, and have shown interest in serving at the Salvation Army. Members have formed a planning subcommittee and are considering planning an event to "give back" to the community, possibly a food drive or a basketball fundraising benefit.

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

Meeting Adjourned at 1:18 P.M.

Respectfully submitted,

Sophia R. Russell
Chairwoman

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LEGISLATIVE, FINANCE, AND ADMINISTRATION COMMITTEE

The Legislative, Finance, and Administration Committee meeting was held on September 14, 2009 at 5:00 p.m. with Chairman McGlumphy presiding. Members present were Mr. Salters, Mr. Leary, Dr. Jones, and Mr. Shevock. Members of Council present were Mr. Hogan, Mr. McGiffin, Mr. Ruane, Mr. Slavin (arrived at 6:32 p.m.), and Mrs. Russell (arrived at 6:40 p.m.). Mayor Carey (arrived at 5:20 p.m.) was also present.

AGENDA ADDITIONS/DELETIONS
Mr. Leary moved for approval of the agenda, seconded by Dr. Jones and unanimously carried.

Review and Recommendation - Filling of Critical Positions
During their meeting of February 23, 2009, members recommended approval of the Hiring Freeze for Fiscal Year 2008-2009, but to allow the hiring of critical positions through the review and approval of the Legislative, Finance, and Administration Committee and City Council. It was suggested that there be a "standing" agenda item to consider the filling of critical positions and, if there are no positions to consider, the item could be removed.

Mr. McGlumphy noted that there were no critical positions to be considered; therefore, no further action was required.

Revenue/Cost Saving Ideas Submitted for Consideration (Items #21-#30)
During their meeting of May 19, 2009, Council reviewed the budget for Fiscal Year 2009/2010 which included a budget shortfall in the amount of $986,781 (across all three funds). In light of the shortfall, Mr. Kenneth Clendaniel, along with the IUE, provided a list of suggestions to save money and increase revenue throughout the City of Dover. Mr. McGlumphy had noted that the 30 suggestions would be considered by members 10 at a time. During their meeting of July 13, 2009, members began their review of a list (items #1-#10) of revenue/cost saving ideas developed by employees (items #11-#20 were reviewed during their meeting of August 10, 2009).

Mr. McGlumphy noted that responses to the ideas have been developed by staff and requested that everyone be provided a copy to provide a better understanding (***Attachment #1***).

Items #21 - #30 were discussed, as follows:

#21 - Put ALL unnecessary projects on hold until the City's financial situation is corrected - Especially the Library Project
Mr. DePrima, City Manager, explained the importance of the Library Project and how this project is not delving into this year's finances since funding is being provided by grants and past reserves. He also reminded members that most other projects have been shelved during the budget process, noting that the list was prepared prior to the completion of the budget process.

#22 - Discontinue all studies that do not directly involve the current financial problem with the City
Mr. DePrima advised members that he has eliminated the market study for downtown and that there are no current pending studies included in the budget.

#23 - Raise business licenses. Fees for vendors at Dover Downs... now $40.00, elsewhere it is on average $150

If supported by members, Mr. DePrima stated that staff would develop a proposal for Council's consideration for increasing the business license fees for vendors at Dover Downs.

#24 - Yard waste (branches, leaves, brush, etc...) that is collected should be mulched by the City and used by the City or sell. Should not be hauling to dump and paying large fees to do so

Mr. DePrima stated that there is an assumption that there would be a profit in collecting yard waste, which an analysis would be required to determine. He noted that it would require an increase in costs for manpower. He advised members that DNREC may be making this decision for the City, explaining that they may prohibit yard waste at the Sandtown Landfill.

Mr. Ruane relayed his desire for staff to further investigate this matter and suggested that it be presented to the Utility Committee for further consideration.

#25 - Cease using post card survey reminders at City inspections. Use emails and post in-house memos

Mr. DePrima indicated that there is not a clear understanding of what this idea is referring to and requested that Mr. Clendaniel obtain clarification to allow staff's consideration.

#26 - Start charging the public for lock jocks being performed by Police Officers and Animal Control Officer (unlock vehicles with keys locked in them). For many years there has never been a charge for this service. For 2009 so far from January 1st to May 14th, there have been 621 lock jocks. In 2008, there were 1,590 calls for service for lock jocks. With this service comes liability issues for damage while providing this service that could cost the City money. Most Locksmith companies charge on average $50 - $75 for this service. The City could issue a bill in the form of a DCO (add this service on the "other" line on the DCO), for the customer to send payment to the City within 72 hours just like parking summons', if not paid within that time, it doubles just like all the other City ordinances. This would be a substantial form of revenue for the City on an annual basis

Mr. DePrima explained that the Police Department is able to assist those that have locked their keys in their cars for older model vehicles. Although many Police Departments have eliminated providing this service, the City Police Department views this as a community service. Since the Police Department would not want to begin charging a fee for this service, the alternatives would be to either continue to provide this service free of charge or eliminate providing the service.

Should it be decided to eliminate this service, Chief Horvath advised members that whenever there is a child or animal involved, the Police Department would provide assistance.

Responding to Mr. Hogan, Chief Horvath confirmed that this services cannot be utilized on many of the newer modeled vehicles.

#27 - City inspections are currently using two systems to log inspections complaints. The HTE and the CRM. Both are accomplishing the same task duplicating work. It is suggested that utilizing the old complaint forms and doing away with the Customer Resource Management System would save the City a lot of money. Not only because of the man hours spent duplicating entries, but also the cost of keeping the on-line ysstem updated and running on a daily basis

Mr. DePrima noted that HTE and CRM are different programs with different purposes. It was his feeling that there may be the possibility of eliminating some duplication and he would request staff to look into this matter.

#28 - The City uses outside Companies to monitor alarm systems within the City. Rather than contracting other outside agencies, the City should use their own dispatch centers (Electric or PD) to monitor them. This would eliminate costs for Security systems

At the request of Mr. DePrima, Mr. Clendaniel explained that there are five (5) buildings that have fire alarms and sprinkler systems that are monitored by Delaware Electric Signal at a cost of approximately $4,000 per year. Noting that there are three (3) dispatch centers within the City, it was his feeling that the phone routers could be routed to the City's dispatch centers.

Mr. DePrima requested the opportunity to further investigate this idea.

#29 - There are a large number of extra phone lines within the City that are being paid for but are not in use. Eliminate costs for those lines by removing them altogether, and only adding lines, on an as needed basis

Mr. DePrima advised members that staff is in the process of determining which existing phone lines could be eliminated. He requested that if any employees are aware of a phone number, that they provide that information to him.

#30 - All standard vehicle maintenance work on City vehicles should be done by City mechanics, rather than contracting outside dealerships to do the work. However, all major warranty work should be done by the appropriate dealerships that apply. This is a huge expense for each department and can save a substantial amount of money annually. Even if the City were to hire another mechanic to share the new work load, the cost of this annual pay would be far less than the vehicle maintenance costs each year

Mr. DePrima advised members that most vehicle maintenance is provided by the City's Fleet Auto Shop mechanics, with the exception of the Police vehicles and specialty work. It has been determined by staff that additional personnel and capacity would be required to handle additional vehicles. He suggested that staff further investigate this matter to determine if it would be cost effective.

Mr. McGlumphy requested that staff meet with Mr. Clendaniel in an effort to clarify questions of staff regarding some of the recommendations.

Defined Benefit Pension Plan Analysis/Closure

During their Annual Meeting of May 11, 2009, Council approved a motion to authorize the Controller/Treasurer to spend $4,000 to conduct an analysis using a sample of five (5) employees to transfer from the 401(a) Plan to the Defined Benefit Pension Plan. There are currently 82 employees in the 401(a) Plan.

Mrs. Mitchell, Controller/Treasurer, advised members that the analysis has been completed by Mr. Al Pike, MAAA of Pike Associates. Mr. Pike assumed the transferring employee would be required to pay into the Defined Benefit Pension Plan, in a lump sum payment, the following amounts:

1. The amount of employee contributions they would have contributed to the Pension Plan (3½%) had they participated in that plan from date of hire,
2. The amount of past City Contributions to the Defined Contribution Plan (6% of Pay),
3. Interest at the interest rate assumed in the Pension Plan's actuarial valuations (7½%).

Mrs. Mitchell stated that Mr. Pike also included the average employee contribution percentage (11.5%) or an Equivalent Level Percentage based on the sample group. This percentage, when multiplied by current pay and years of past service, approximates the required buy back contribution.

The completed analysis of the sample group was provided to members for discussion which includes the estimated increase in the City's pension liability and budget using estimated July 1, 2009 payrolls. It was noted that the analysis is as of July 1 using current assumptions and historical retirement trends. Other factors noted by Mr. Pike that could serve to increase the liabilities illustrated include: 1) Employees live longer than anticipated; 2) Invested funds do not earn the assumed 7.5%; and 3) City grants post retirement COLA's.

Mrs. Mitchell advised members that there are regulations and ordinances that would need to be addressed to permit retroactive buy in of prior service. She explained that Transfers into the Defined Benefit Plan could potentially change the historical retirement levels with a sudden increase in the number of retirements. She stated that such a change would affect the future funding levels of the Pension Plan, as follows:

- Employee's requesting the retro buy-in will be subject to two different <u>early</u> retirement benefit levels based on their hire date.
  - If the employee's hire date is prior to 5/1/94 they will be eligible to receive an early retirement benefit with 25 years of service or at age 50 with 20 years and <u>no</u> reduction in benefits.
    Sixteen (16) of the eighty-two (82) employees in the 401(a) Plan would fall under this provision. Twelve (12) of the sixteen (16) would be eligible to retire in the next five years.

- If the employee's hire date is after 5/1/94 they will be eligible to receive an early retirement benefit at age 55, if their age plus years of service is greater than 80 with no reduction in benefits.
  Sixty-six (66) of the eighty-two (82) employees in the 401(a) Plan would come under this provision. Six (6) of the sixty-six (66) would be eligible to retire in the next five years.

- Hire date would not affect any other provision of the General Pension Plan, for example early retirement with reduced benefits or normal retirement.

Upon reviewing Mr. Pike's analysis, Mrs. Mitchell stated that she would not recommend that the City permit retro buy in of prior service. She reminded members that a separate presentation was made to the Legislative, Finance & Administration Committee on July 27, 2009 and that it was recommended to close the General Employee's Pension Plan to new hires. The committee did not make a recommendation to Council in this regard at that time pending the outcome of this analysis.

Concurring with Mr. Salters, Mr. DePrima suggested that an open workshop be held with interested employees to better explain the study and the results.

Mr. Hogan questioned the pay-out for the employees and, referring to the buy-in contributions, he questioned if the City has the ability to provide information regarding the number of years it would take for the employee to recoup their money.

Mr. Leary moved to recommend approval of staff's recommendation not to permit retro buy-in for prior service and to close the General Employee's Pension Plan to new hires. The motion was seconded by Mr. Shevock and carried with Mr. Salters voting no.

Mr. DePrima advised members that he had questions regarding this matter. Responding, Mr. McGlumphy stated that the committee's recommendation will be forwarded to Council for their consideration and suggested that any further discussion could be held at that time.

Phase II of the MAG Study

During their meeting of June 22, 2009, staff provided a handout containing an Organization of Recommendations related to Phase II of the MAG Study with proposed changes grouped according to subject area.

Mr. Leary moved to remove the matter from the table, seconded by Mr. Salters and unanimously carried.

A continuation of the review of the MAG study recommendations was presented by Mrs. Hawkins, Director of Human Resources, as follows:

Explanation of Awarding Salary Increases

Mrs. Hawkins explained that the MAG's recommendation for awarding salary increases eliminates the "below", "at" and "above" market reference. Pay increases would be awarded based upon the

mid-point of the salary range of the position the employee occupies and the employee's performance rather than the employee's placement within the salary range and performance. As a result, assuming employees performance is at the same level, employees at the beginning of the scale would receive a larger percentage increase in proportion to their salary. As the employee's salary moves along the salary range, the mid-point increase would reflect a smaller and smaller increase. She reviewed three (3) different examples provided to members.

Mr. McGlumphy reminded members of a report prepared by staff in previous years that provided a list of employees, salaries, and increases and requested that staff update and provide members with such a report. He explained that his concern is not just with the salaries, but with the cumbersome process of requiring supervisors to complete evaluations. It was his feeling that the evaluations are required for only the non-bargaining employees and not utilized by the other unions. Mr. McGlumphy requested that staff also provided members with the Class Evaluation Pay Grade and how it is determined.

Organization of Recommendations

MAG Recommendation #16 - Mrs. Hawkins noted that no action is required; however, she noted that staff would continue to complete performance evaluations.

MAG Recommendation #20 - Mrs. Hawkins noted that no action is required; however, she noted that staff would continue the current process for appeals.

Employee Recommendation #1 - Mrs. Hawkins stated that employees felt that the goals do not flow down in a timely manner. Staff has recommended that the City Council/City Manager and Mayor establish goals for department heads by March 31st of each year. Mrs. Hawkins explained that the change would allow department heads the time necessary to then set goals for their subordinates.

Employee Recommendation #2 - Mrs. Hawkins advised members that employees felt that goals are not realistic under the current work load. To resolve this issue, she stated that all supervisors are being requested to be mindful of the number of goals being assigned. She noted that employees can create their own goals for review by their supervisor. She also stated that the Human Resources Director will be more astute to the number of goals being assigned.

Employee Recommendation #6 - Mrs. Hawkins advised members that employees felt that high performers were not awarded. She explained that the salary matrix provides for additional compensation for employees who receive a higher than average performance score; however, employees are requesting verbal recognition. She assured members that an improved effort will be provided by supervisors in rewarding high performers with non-monetary incentives and actions.

Noting that members have completed their review of Phase II of the MAG Study, Mr. McGlumphy suggested that this matter be brought back to the committee for a final review prior to forwarding the recommendations to Council.

Nine Digital In-Car Video Cameras and Associated Equipment Grants

Members considered a request for approval of the Police Department's project to continue purchasing in-car cameras from ICOP Digital Inc., as well as the current purchase pending for nine (9) cameras, so the vendor can be paid for the equipment already received and in place. Members were advised that the purchase is classified as an allowable Sole Source Procurement because all the in-car camera equipment and accessories need to be compatible with the original cameras and server purchased in 2007 to minimize the operational and maintenance costs for the City. The first ten (10) digital cameras and server were purchased through a sealed bid process that was approved by City Council in January 2007. The purchase totaled $99,025 and included ten (10) digital in-car video cameras, the parts needed to install the cameras in the cars, extra hard drive storage devices, and the large capacity server for hosting the application and storage of the digital media collected, as prescribed by evidence storage procedures. The project was started to replace aging cameras using VHS tape technology and because the quality of the digital video is far superior.

Members were advised that the initial purchase was awarded to ICOP Digital Inc. because they had the only system that had sufficient safeguards for evidence purposes to prevent tampering with the digital media collected. In addition, due to the initial cost for the 10 cameras and server needed, the department always intended to continue to purchase additional cameras from this source because involving a second vendor would prove to be too costly, since an additional server would have to be purchased, as well as additional software and maintenance time, materials and contract costs.

Since the original purchase was made, the Police Department made additional purchases for several additional cameras (one to two cameras purchased at a time) as grant funds became available. In addition, the Police Department included a project in the FY10 CIP to document their intent to continue the practice of purchasing new digital cameras made by ICOP Digital Inc. to replace the older model VHS cameras made by Mobilevison as grant funds became available. The total budgeted over a three year period is $194,225 for the replacement of 17+ cameras. The Department submitted $40,000 in their original CIP submission for FY10, the first funding year, however, the funding was deferred a year in the CIP by the City because information regarding Federal Stimulus funding was not known at that time and other State Grant funding sources were less available.

Chief Horvath advised members of sufficient funding for this purchase upon the award of a Federal Stimulus Grant in April 2009. This funding was used in combination with additional funding already available from other sources, including Federal Justice Assistance Grants and a State Aid to Local Law Enforcement (SALLE) Grant to make the purchase when the items were ordered in mid-June 2009. Surprisingly, the cameras and associated equipment were delivered within a week of being ordered. Following is a breakout of the funds for this purchase:

Grant	Amount
2009 Federal Stimulus Grant	$ 9,814.16
SALLE Grant (S-16-09)	25,000.00
2008 Justice Assistance Grant	9,785.00
2007 Justice Assistance Grant	10,218.86
Total	$54,818.02

Staff recommended approval of the Police Department's project to continue purchasing in-car cameras from ICOP Digital Inc., as well as the current purchase pending for nine (9) cameras so the vendor can be paid for the equipment already received and in place.

Dr. Jones moved to recommend approval of staff's recommendation, seconded by Mr. Leary and unanimously carried.

Notification Requirements for Land Use and Zoning Applications

Mrs. Townshend, Planning and Community Development Director, advised members that, due to several recent rezoning and development applications, and the public comments associated with them, members of Council and others have requested that the Planning staff look into the City's public notification requirements and how they compare with other jurisdictions. Specifically, she stated that the question was raised as to whether the notification of property owners within 200 feet of the subject property included a wide enough area. During the Parks, Recreation, and Community Enhancement Committee Meeting of August 10, 2009, staff was instructed to look into this issue and bring forward information on how other jurisdictions handle public notification.

Mrs. Townshend reminded members that the City of Dover's current requirements include a mailed notice to all property owners within 200 feet of the subject parcel and a newspaper ad in a local paper to be completed at least 10 days prior to the public hearing for site plan, subdivision, conditional use, architectural review certificate, unified comprehensive sign plans, and variance applications. For a rezoning application, mailed notices are required to all properties within 200 feet of the subject property. For rezoning and zoning text amendments that are the result of a new, revised or amended Comprehensive Plan, public notice in two local newspapers is required 15 days prior to the Planning Commission public hearing.

Mrs. Townshend stated that staff contacted several local jurisdictions in Delaware and reviewed their requirements in this regard. After review of the information gathered, and in looking at the varying sizes of properties and the varying nature of applications considered before the Planning Commission, Board of Adjustment, Historic District Commission, and City Council, staff has determined that, in order to ensure that property owners and residents affected by an application are aware of the application, physically posting the property is the most prudent approach that would truly allow for those affected by an application to be aware of the application. If the 200-foot distance were to be expanded to something more, there will always be a property or more on the other side of that "line" where the owner feels they should have been made aware.

Mrs. Townshend indicated that if the City begins to require physically posting properties, this would be a requirement of the applicant and not City staff, just as applicants are currently required to complete all other public notice (except in the case of the Board of Adjustment). This new requirement would add to the requirements of the application process, and Council should be aware of this, as Council has made it a priority to streamline our processes. Staff also believed that if this new requirement were added, it should be clear that it does not apply to zoning text amendments and a comprehensive rezoning as a result of a new, revised or amended Comprehensive Plan.

Mrs. Townshend advised members that if Council approves the proposed change, staff would bring forward an ordinance amendment to address this issue.

Mr. Ruane suggested that the required notices should be sent to both residents, as well as the property owners. He also suggested that the 200 feet notification requirement sent to property owners and residents be increased based on the discretion of the Planning staff.

Responding, Mr. McGiffin relayed concerns regarding the possibility of liability issues if notification was determined by staff. Concurring, Mrs. Townshend indicated her concern with making decisions beyond the requirements of the Dover Code.

To resolve such concerns, Mr. Ruane noted that other jurisdictions require the developer to hold a pre-application meeting, particularly in residential areas, to meet with the residents. It was his feeling that this would resolve a lot of issues and allow the developer to obtain the support of residents.

Mrs. Russell relayed concern with any costs that a change could have on the City.

Mr. McGlumphy suggested that staff develop an action form (and any other documents) in order to allow staff to incorporate the suggestions to be brought back to the committee for further consideration.

Mr. Leary moved for adjournment, seconded by Mr. Shevock and unanimously carried.

Meeting Adjourned at 6:53 P.M.

Respectfully submitted,

William P. McGlumphy
Chairman

WPM/RR/jg/tm
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Attachment
Attachment #1 - List of Revenue/Cost Saving Ideas Submitted by Employees with Staff's Responses

List of Ideas for the City to Save Money or Bring in Revenue

1. For scheduled appointment no shows for inspections, fines should be issued ($50.00 fine 1st offense, $100.00 each additional offense) – SCOTT AND ANN MARIE - This is being done. Tim Taraila will firm up the policies.

2. Code Violations and Housing Inspections- If violation is not corrected within 30 days a $50.00 re-inspection fee should be assessed for second inspection in addition to any summonses issued. – ANN MARIE - I will draft an ordinance for future review.

3. Stronger collection method to collect unpaid summonses (60-65% of all summonses are unpaid) –ANN MARIE - Tim Taraila is working with the Finance Department and Customer Service to send unpaid summonses to a collections agency to collect on unpaid summonses.

4. More enforcement of fire lane and handicap parking. – JEFF AND RAY - Officers and two civilian employees already regularly enforce these violations. Law Enforcement is vested with authority to enforce laws for public safety and to deter violations. Law Enforcement is not a for profit entity, and must be careful not to cross the line of imposing fines intended for deterrent purposes and start misusing fines as a means of revenue generation.

5. Enact a yard sale/garage sale permit. (Most other communities charge $5.00 fee) – ANN MARIE - This would raise little revenue and would be costly to enforce, as yard sales typically take place during the weekend when code enforcement staff is not working. In order to enforce this appropriately, the City would have to have staff paid overtime or earning comp time to work on the weekend.

6. Enact chronic nuisance property ordinance that includes higher violations fees for those who are chronic violators. To include press releases of problem properties and also implement a program that will have the city repair the violation and place a tax lien on the property for the cost. Properties classified as "chronic nuisance" will not be able to re-new rental permits with large amounts of unpaid violations (this will avoid mailings and casework) –ANN MARIE – Tim Taraila is working on a policy to attach any unpaid fees or fines with the rental license renewal that is mailed out in December. If the fees/fines are not paid, then a license will not be issued.

7. All unpaid fines and fees should be paid through a tax lien on the property. – ANN MARIE WITH CONSULT OF BILL PEPPER - Bill Pepper is on vacation this week, so I will discuss this when he returns.

8. Charge additional fees for copies of violations, permits, maps ECT…. – TRACI We are currently seeking how other municipalities charge for additional fees for copies of violations, permits, maps, etc.

9. Increase late fees assessed for all rental and business licenses that are not renewed by the renewal date, in additions to any other fees or fines. – ANN MARIE - This would require a code amendment. For both of these, the code currently specifies 10 percent per month. If Council would like this increased, we will draft an amendment to increase the penalty.

10. Require merchant licenses at all events on the Green. (Old Dover days, African American Festival, 4th of July, Art festivals, or even Music Venues on the Green.) – ANN MARIE - This would require a code change. Currently the code specifies that if vendors are paying a fee to participate in an event organized by a non-profit, they do not need to have a City of Dover business license. This is one way that the City supports community events, and the revenue gained by changing this would be minimal in comparison to the perception that the City is withdrawing support from these events.

11. On-call personnel for the Water Department per week are now at three persons per week….needs to be changed to one person on call a week. – TONY DEPRIMA – I have discussed this idea with the Public Utilities Director and he agrees that we can bring this crew down to two men. A one person crew would not meet our safety standards.

12. Limit late notices for Electric bills to one instead of sending duplicate copies. (currently sending multiple notices) – TERRY - Currently there is only one late notice sent. It is blue. We are trying to work with H.T.E and IT to determine if the notice can go on the bills instead of the letter. This would mean extending our due date by six days. Until we resolve the notice on the bills this cannot be implemented. Cost savings are about $12,000.

13. Keep flower budget to a minimum for the upcoming year. – SCOTT AND BILL COOPER – We are keeping the flower budget to a minimum since there were no line item increases. In addition, we are considering eliminating some flower beds to save money but this equates to a service cut.

14. Sell pulled bulbs instead of giving them away each year – SCOTT AND TERRY - Staff is not in a position to sell pulled bulbs. It would require additional handling to get to an area to sell since we cannot sell on the side of the road for safety reasons. In addition, we would have additional cash handling requirements placed on us by Finance if Public Services staff handled the sale. Using the city's procurement officer would add additional costs. Changing the current practice would be viewed hostilely by the public and would likely cause a lot of negative feelings. I do not recommend pursuing this idea any further.

15. Do away with duplicate trash pickups on same street (example: Trash pickups on Loockerman St are done on Tuesday night, and then returns again on Wednesday morning.) – SCOTT - Staff has considered this suggestion. We currently budget 4 hours of scheduled overtime per week to provide this service to the businesses on and around Loockerman Street. This service was requested by the downtown businesses a number of years ago due to blowing trash and general uncleanliness when the trash was left on the street until the following morning. Staff runs the route again on Wednesday morning to get any trash that was placed out overnight.
    The nighttime collection also reduces conflicts with traffic on Loockerman Street on Wednesday mornings and generally improves the safety of staff due to less traffic conflicts related to the evening hours. Elimination of the nighttime collection on Loockerman Street is a reduction in the current level of service. There would be a cost savings but this savings will create additional concerns in the downtown area. A detailed cost analysis can be provided if requested.

16. Do away with Trash Collection pickups outside the City Limits. Residents outside the city limits who do not pay city Taxes should not be having trash collection.- SCOTT - Out-of-City customers currently pay $29.00 per month for the 90-gallon container service. We currently have approximately 980 customers in this classification. Elimination of the out-of-city customers will reduce total trash revenue by approximately $341,000 (980 X $29.00 X 12 months). There are no service contracts with these customers and service can be discontinued with relatively short notice if Council decides we should not perform this service.

17. Implement Volunteer Ambulance Service that is Non-Profit or start City run ambulance service that is not contracted out (long term goal). – WAYNE & TERRY - This is not recommended due to the costs associated with this service. The City would incur capital costs of two ambulances and equipment. Ambulances alone are estimated to be approximately $125,000 each. Also, the city would require at least an eight person staff to rotate 24/7. If you estimated entry staff at $30,000 and benefits at $15,000 annually, payroll would be $360,000. This does not include uniforms, administrative supplies, and material. The city would need to provide a location for staff and operations which would add additional expense. Billing would require at least one additional staff member or a contract expense. We may also be tied into a contract with our current ambulance service.

18. City residents currently pay only $5.00 for trash collection a month. Average rate for county pick up and private companies is around $22.75 a month. This could be a huge revenue increase even if it is only raised to $15.00 a month. – SCOTT - This proposal should be evaluated in greater detail and placed into the mix with the PAYT evaluation that is to be completed by city staff.

19. City currently maintains and cuts clearances in alleys. Residents should have to maintain their own properties. If not compliant with the city ordinance, they should be fined accordingly. The man hours as well as the expense it takes the city crews to clear these. Alley ways could be allocated to other jobs they need to do.- SCOTT & BILL COOPER - In some cases it is easier to cut the alley with city forces rather than try to rely on inspector to send violation notices and try and make endless follow ups with the property owners. In addition, when the city cuts the clearances the cuts are uniform.

20. City residents have not had a Tax increase in several years. With the city deficit, it is time –TERRY - The last tax increase was in July 2005 for FY 2006. This represented a two cent increase over the rollback rate for a new assessment. Currently a cent on the tax rate is estimated to generate $289,457. A taxpayer owing a $200,000 house would pay an additional $20 annually or $1.66 per month. For every$1,000 of assessment the tax would increase ten cents.

21. Put ALL unnecessary projects on hold until the city's financial situation is corrected. Especially the Library project. – ZACH & MARGIE- Would not recommend placing the Library Project on hold. By placing this project on hold the City would jeopardize the 5.6 million dollars that the State of Delaware has appropriated to the City for this project. Along with this funding we are anticipating receiving 5 million dollars in the State of Delaware FY11 Bond Bill budget. The City has also just started a Fund Raising Campaign to raise 6 million dollars for this project. This Campaign cannot take place if the project is on hold. The City has a Library Reserve Fund that has about 3.6 million dollars in the fund. This funding is necessary for the City to meet matching requirements for the State Bond Bill. Placing the project on hold risks the permanent loss of $11 million in state aid to build the new library. The library building project will bring jobs to the City of Dover; serve as a catalyst for downtown development; improve the quality of life for citizens by broadening access to educational and cultural development opportunities; take advantage of an ideal economic climate for construction due to lowered costs; position the City as a leader in alternative energy and demonstrate the City's real commitment to excellent services and quality of life.

22. Discontinue all studies that do not directly involve the current financial problem with the city. – TERRY - Studies are conducted for various reasons and should be judged on a case by case basis whether or not they are beneficial to the city.

23. Raise business licenses. Fees for venders at Dover Downs…now $40.00, elsewhere it is on average $150.00. ANN MARIE - Scott and I agree with this suggestion. We will research other locations and bring a proposal forward in the coming months.

24. Yard waste (branches, leaves, brush, ECT…) that is collected should be mulched by the city and used by the city or sell. Should not be hauling to dump and paying large fees to do so. –SCOTT - Separation of Yard Waste would be an increase in the level of service currently provided. While there would be a reduction in costs as the landfill, there would also be a increase in costs for manpower to provide additional handling of the materials. In addition, we would have to store the materials at a central location that may require permitting and additional facilities.

25. Cease using Post card survey reminders at city inspections. Use Emails and post in-house memos. – ANN MARIE - I am not sure what this is referring to.

26. Start charging the public for Lock jocks being performed by Police Officers and Animal control officer. (unlock vehicles with keys locked in them) For many years there has never been a charge for this service. For 2009 so far from Jan1 to May 14th, there have been 621 lock jocks. In 2008 there were 1590 calls for service for lock jocks. With this service come liability issues for damage while providing this service that could cost the city money. Most Locksmith companies charge on average $50.00-$75.00 for this service. The city could issue a bill in the form of a DCO (add this service on the "other" line on the DCO), for the customer to send payment to the city within 72 hrs just like parking summons', if not paid within that time, it doubles just like all the other city ordinances . This would be a substantial form of revenue for the city on an annual basis. – JEFF - The Dover Police Department is one of the few agencies in the state that still provides this service. In our ongoing effort to strive for public support and community policing, this one act that provides us a great deal of appreciation and praise. If, due to limited resources of manpower we may opt to discontinue this service, however there are private vendors that provide this service for a fee and once again, the Police Department is not a for profit entity.

27. City inspections are currently using two systems to log inspections complaints. The HTE and the CRN. Both are accomplishing the same task duplicating work. It is suggested that utilizing the old complaint forms and doing away with the Customer Resource Management system would save city a lot of money. Not only because of the man hours spent duplicating entries, but also the cost of keeping the on-line system updated and running on a daily basis. –ANN MARIE, KAY, TERRY - See comments below:

    Kay - As far as the CRM and HTE system are concerned, I am not familiar with the HTE System and what the requirements are. One thing that the CRM program does allow is to make sure issues are being responded to in a timely and professional matter. It allows someone to oversee what is being done that I do not believe the THE system would allow. I did find last year when some of the guys were complaining about the amount of time it was taking that the ones who complained had only had a couple (literally 2 or 3) in that month. Perhaps we could scale back on (saving time) all of the grass complaints etc that the guys find when out in the field, but then follow up using the CRM with the constituent complaints. I think things are being handled a little more timely, but that will not be much of a savings (other than time).

    Ann Marie - There is some double-entry involved in CRM and H.T.E., but CRM is complaint tracking, which we don't have in H.T.E. The purpose of each is different, and I don't think either can replace the function of the other. If it's important to track complaints, then I don't think we can eliminate CRM. I know we can't eliminate H.T.E.

28. The city uses outside Companies to monitor alarm systems within the city. Rather than contracting other outside agencies, the City should use their own dispatch centers (Electric or PD) to monitor them. This would eliminate costs for Security systems. –ED AND JEFF – The Police Department does not contract any outside vendor to monitor any alarm systems related to the Police Department. Our dispatch center has alarm and camera systems for our buildings that they regularly monitor. I believe that alarm companies charge fees to install, maintain, and monitor alarm systems and I don't know if there would be any cost savings associated with monitoring the alarms ourselves.

29. There are a large number of extra phone lines within the City that are being paid for but are not in use. Eliminate costs for those lines by removing them altogether, and only adding lines, on an as needed basis. – MARK CALLAN - We only add lines as requested by departments. I have started investigating which existing lines could be eliminated.

30. All standard vehicle maintenance work on City vehicles should be done by City Mechanics, rather than contracting outside Dealerships to do the work. However, all major warranty work should be done by the appropriate dealerships that apply. This is a huge expense for each Department and can save a substantial amount of money annually. Even if the City were to hire another mechanic to share the new work load, the cost of his annual pay would be far less than the Vehicle Maintenance costs each year. –ED & Police Dept - See comments below:
    Police Department - We have been in contact with Ed and advised that he does not have the personnel to accomplish this unless his workforce is increased.

    Ed Baker - The Fleet Auto Shop mechanics are currently performing all non-warranty work on City vehicles with the exception of the Police Department vehicles. The idea of the garage performing services on Police department vehicles was contingent upon hiring two mechanics to assist with the maintenance for the vehicles.

    Currently the shop does not have proper staffing, funding for additional equipment, or the required space to provide the necessary services for additional vehicles. With these factors being considered, this proposal would not be a cost effective measure.

31. For the future, have one City polling place. Since only 10% of registered voters actually come out and vote, there's no reason to have multiple polling places. – CITY CLERK - I agree that this would reduce the cost of elections; however, many council members feel strongly that it is very important for the district polling places to be convenient to the residents.

32. Blue letters – Don't send a blue letter to customers until their account is past due for 3 days. Only send one. – TERRY – Blue letters are timed to allow customers sufficient time to take any necessary action to avoid disconnection. We are currently trying to use a new software program that will be able to place disconnection information on a bill with a past due balance. This would eliminate the blue letter altogether. There are some issues with this method – the process is complicated by programmer knowledge of the software, and date of disconnection will need to be extended about a week.

33. Don't provide an energy audit to customers for free. I can't believe we're going to, for free, go into a customer's home to show them where and how to reduce our revenue. Charge something for the service. – RON - Senate Bill No. 106 was enacted by the State Legislature in 2009 that mandates a 2% electricity consumption savings and peak demand reduction by 2011, increasing to 15% by 2015. The energy audits are one of the tools that Dover will use to achieve this mandate and should be more cost effective that installing control equipment at each service location. Lastly, as a public entity we have the fiduciary duty to assist and educate our customers in energy consumption.

34. If we make the computers at the library "For Library Functions Only", we can reduce the number of necessary computers, power consumption, maintenance, etc. It's turned into an internet café. Very little "library" stuff is done on them. – MARGIE - A public library's core mission is to provide access to information, enrichment and reading. The provision of access to the Internet has become central to this mission in the years since the mid 1990's. Dover Public Library's computers are fully used by customers of all ages during all the hours of operation. Use of the computers for job seeking, resume creation, and resume submission has become increasingly in demand. So much so, that the Library is creating a twice weekly training program, beginning in September, to assist customers with learning how to do master these tasks. The computers are used for customer research, genealogical research, information seeking and communication. Later in the winter, the Library will implement a reader's advisory email service which will provide customers with suggestions for new books to consider. The computers located in the Children's Department are loaded with educational software which teaches, enriches, and develops cognitive and motor skills. Familiarity with computer hardware and software is increasingly a requirement for students of all ages and employers hiring personnel. The Library offers training classes in a variety of computer use and information seeking skills. Effective July 1, the Library eliminated the $1 per day of free printing for customers and increased the per page printing cost to $.15.

35. Take our pickup truck and the Crown Vic that the tax office obviously doesn't need and give us a more efficient HHR. Two for one? – CHERYL - I spoke with Ed Baker a couple of weeks ago. He had asked if I would be willing to "give" the Crown Vic to the IT Department. I agreed and to my knowledge, Mark Callan has also agreed. I will check Ed Baker on what I need to do to complete the process. As far as taking the pickup truck and the Crown Vic for a more efficient vehicle, I would like to defer to Ed Baker.

36. Install motion sensor lighting in more places – restrooms, lounges, computer room, mail room, etc. – ED - Have a memo or policy to have employees turn off lights in these areas, as opposed to purchasing and installing sensors. This would create a double cost savings.

37. Install low energy lighting fixtures city wide. This would be an initial expense, but it would save in the long run. – ED - This suggestion is already in force, fixtures are already being replaced (city-wide) to meet low energy requirements.

38. When library's training laptops are due for replacement, don't replace with City money. $40,000 and they're seldom used. Make them find more money if they have to have them. – MARGIE - The Library's laptop training lab is used several times each month. They are well attended by the public. A sampling of the classes recently held this spring and summer are: Computer Basics, On-line Health, Keyboarding Basics, Intro to Scanners, Microsoft PowerPoint, Searching the Internet, Email Basics, Online resources for Fund Raising. Computer hardware and software becomes obsolete quickly. Updating and replacement is essential to ensure operational and maintenance efficiencies.

City wide Ideas to save money

1. Christmas lights on Loockerman are lit from November until Feb/March….Should only be on from November just after Thanksgiving to Jan 1. (Huge electric expense) – TERRY - There is no way except by engineering estimate to know how much the lights cost. They are plugged into poles that are attached to unmetered street lights (meters would be cost prohibitive). The request seems like a fair suggestion, I do not see why the lights cannot be turned off after January 1. They do not go on until the Tree lighting ceremony in early December.

2. If the City Manager implements the 8 hr per month furlough for bargaining Units, ALL non-bargaining, as well as City Administration should also have to suffer a decrease in hours each month without pay to equal the percentage that is lost by everyone else. – DONE

3. Take home vehicles should be made available to employees from each Department only when they are on call. Take home vehicles have been issued to Department Heads who are NEVER on call, as well as issuing other City officials or administrators take home vehicles. Though there is no budget for new vehicles now, the take home vehicles that have already been issued still have expenses such as vehicle maintenance, and gas expenses, as well as car wash expenses. This can be eliminated by getting rid of them. By eliminating most of these take home vehicles, the City could sell or auction them to make money as well as saving all the other expenses that goes with keeping them. – TONY – A memo on this as already been submitted to City Council.

4. All Departments should shut down all computers at night when not in use. - YES

5. No more catering or serving food and refreshments at City Council meetings and upper management meetings/training events. –TRACI AND AMT – I have informed the Planning staff that the City will no longer provide refreshments for the Planning Commission quarterly workshops.

6. City council and committee/board members should pick up packets from City Hall. No more home deliveries. –TRACI AND AMT – I do not see this as a costly service. Members of the boards, commissions, committees and Council serve either as volunteers or for a very small stipend. Many have full time jobs that would preclude them from picking up packets. Inspectors spend most of their day on the road and can easily fit this service in with their routine trips.

7. Re-Evaluate all part time positions and lay off all Non-essential part time and temporary employees. – KIM AND TONY - I would prefer to discuss this cost saving idea in a face to face meeting. I have prepared a summary of part-time, temporary and committee members for review. I will provide it under separate cover.

8. All non-essential city services employees go to a 10hr days (City Hall/Reed Street ECT) and close on Fridays. Many State and County offices are currently under that schedule to save power and utility expenses. – TERRY - I have sent a memo to City Manager

9. Eliminate Medicare Part B for city management – ON THE TABLE

10. Do away with the City Employee Appreciation gift each year. – HR I agree. By eliminating the gift to the employees and the fire fighters this would result in an average savings of $8,500 per year.

Memorandum

To: City Manager

From: Terry Tieman

Date: 9/15/2009

Re: Employee Cost Saving Suggestion for Four Ten Hour Days

Pros

Savings on utilities, infrastructure
Employees save on gasoline
Reduced emissions and traffic congestion
Reduction in absenteeism
Increased productivity especially in areas involving construction projects
More family time for staff.

Cons

The longer work days cause child care problems for some employees. Child care expense often increases.
There would be one day less per week for the public to conduct business with the city.
Increased fatigue levels in staff.
Less family time for staff – not available for breakfast, or evening events.
Savings are not of the magnitude that would solve major budget gaps.

In the past year, going to four ten hour days has gained some popularity. Most notably, the State of Utah went to four ten hour days in August 2008. For Utah, the biggest savings came from reducing utility expenses. After six months Utah reported a 10-20 percent reduction in utility consumption at half the state buildings included in the report. The state expects to eventually save $3 million in energy costs. There were also marginal savings in janitorial costs.

Utah reports that a majority of employees prefer the new work schedule. Their customer satisfaction level is about the same as it has been before the switch. Utah has tried to improve e-commerce so that customers can conduct more business on line. They believe employees are getting more work done, using less overtime and fewer sick days.

Memorandum

Office of the City Manager
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To: **City Council**

From: **Anthony J. DePrima, AICP, ICMA-CM**
City Manager

Date: **September 16, 2009**

Subject: **Legislative, Finance, and Administrative Committee Recommendation Regarding Retroactive Buy-In into the Pension Plan**

During the last LFA meeting, the above matter came before the Committee and is now on your agenda for the September 28th, 2009 Council meeting. I am writing this memo because the LFA Chairman took a vote on the matter without asking if there were any questions on the motion. I was not given any opportunity to ask questions or make comments. Neither were any other employees in the audience who expected an opportunity to speak, as they had in the past. In addition, the actual study done by Al Pike and Associates was not provided to the LFA Committee, me, or any other employees to review.

I did get an opportunity to supplement Mr. Salters' comment that the employees who requested this study should have been given an opportunity to see it, discuss it, and understand it before submitting to the Committee. I have spoken to a number of employees who are very disappointed that they were not given an opportunity to see and understand the study before a recommendation was made.

I would like to express my concerns now and **recommend that this matter be sent back to the LFA meeting for further consideration after the employees are given an opportunity to consider the study and indicate their preferences**. I believe the following should be considered:

1. **The Actuary did not use the payment assumption requested by the employees.**

   Dave Carden the employee who spoke to the LFA originally, made it very clear that they wanted to know the cost of buying into the Pension Plan without impacting the pension fund. It was understood that increasing the liability of the fund was unacceptable. Unfortunately, the Actuary made an **assumption** about what the city would request of the employee and reported it as the "Employee Buy-In Contribution" (column #3). In fact,

the employee's contribution should have been reported as being equal to "Accrued Actual Liability" (column #2). Hence, the whole reported Net Liability (column #4 in Red) should not have shown up at all. I believe this misreported number heavily influenced the decision of the committee.

2. **The Budget Impact Report is not correct.**

   In the CAF, there was no background information or analysis given on the reported "Increase to Budget" (Column #6 in Red). In fact, reading the CAF leads one to believe that this column came from the Actuarial Study. Actually, it did not, it is a number developed and inserted by the Controller.

   The cost to the budget being reported is based on the City contributing 27% of the employee's salary to the Pension Fund to make up for the **past liability**. The employee already understands that they would pay cash up front for the past liability (Accrued Actuarial Liability Column #2). So why is the Controller double charging the City budget for a past liability that the employee is making up with a cash contribution?

   The City practice of charging about 27% of a defined benefit employee's salary to the employee's department is a contrived method of socializing the overall pension liability. It does not reflect the actual liability of any given employee. Nevertheless, if the retro "buy in" employee is paying their calculated fair share of the past liability in cash, **then they are not causing the budget to increase an additional 27% of their salary.** In fact, in accordance with the Pension Ordinance, the City must contribute up to a 6% match of an employee's salary if the employee is in the 401(A) plan, so there could be a saving to the city.

   If after the "retro buy in", the employee joins the pension and the pension does not perform as planned, then there will be additional liability. However, if there is reason to believe that the plan will not perform, we should change the performance assumption for all employees and re-calculate.

   Employees should be given time to consider the study and discuss options.

   While I will be presenting the results of the study to the employees, time is needed for them to digest the results and let City Council know whether they are further interested. In the study, various options are presented and the actuary mentions mitigating conditions that employees may be willing to accept. The ability to buy partial past service should also be explored through the results of the study. What we should not be doing is making assumptions for the employees.

Again, I am requesting that this matter be sent back to the LFA meeting for further consideration after the employees are given an opportunity to consider the study and indicate their preferences.

ACTION FORM

PROCEEDING: Legislative, Finance & Administration Committee
DEPARTMENT OF ORIGIN: Finance **DATE SUBMITTED**: 9/14/09
PREPARED BY: Donna Mitchell, Controller/Treasurer
SUBJECT: Defined Benefit Pension Plan – Retro Buy-In Analysis/Closure
APPROVALS: City Council
EXHIBITS: One attachment w/ Summary of Exhibits A, B, & C
EXPENDITURE REQUIRED: ($0 - $836,400) Dependent upon Council Action **AMOUNT BUDGETED**: $0 **FUNDING SOURCE (Dept./Page in CIP & Budget)**: To Be Determined
TIMETABLE: N/A
RECOMMENDED ACTION: Upon reviewing Mr. Pike's analysis it is not the Controller/Treasurers recommendation to permit retro buy in of prior service. In a separate presentation to the Legislative, Finance & Administration Committee on July 27, 2009 it was recommended to close the General Employee's Pension Plan to new hires. The Committee did not make a recommendation to Council in this regard at that time pending the outcome of this analysis.

During the meeting of May 11, 2009 Council approved a motion to authorize the Controller/Treasurer to spend $4,000 to conduct an analysis using a sample of five (5) employees to transfer from the 401(a) Plan to the Defined Benefit Pension Plan. Currently there are 82 employees in the 401(a) Plan.

This analysis has been completed by Mr. Al Pike, MAAA of Pike Associates. Mr. Pike assumed the transferring employee would be required to pay into the Defined Benefit Pension Plan in a lump sum payment the following amounts –

1. The amount of employee contributions they would have contributed to the Pension Plan (3 ½%) had they participated in that plan from date of hire,
2. The amount of past City Contributions to the Defined Contribution Plan (6% of Pay),
3. Interest at the interest rate assumed in the Pension Plan's actuarial valuations (7 ½%).

Mr. Pike also included the average employee contribution percentage (11.5%) or an Equivalent Level Percentage based on the sample group. This percentage when multiplied by current pay and years of past service approximates the required buy back contribution.

The completed analysis of the sample group is attached for discussion which includes the estimated increase in the City's pension liability and budget using estimated July 1, 2009 payrolls. Please note the analysis is as of July 1 using current assumptions and historical retirement trends.

Other factors noted by Mr. Pike that could serve to increase the liabilities illustrated include:

1. Employees live longer than anticipated
2. Invested funds do not earn the assumed 7.5%
3. City grants post retirement COLA's

Regulations and Ordinances that would need to be addressed to permit retroactive buy in of prior service.

- The Internal Revenue Code requires the receiving and transferring plan to have provisions allowing a transfer from one plan to another.
- The City General Pension Plan Ordinance does not have a provision for transfers from other plans.
- The City Deferred Compensation Ordinance Section 2-393 Eligibility of participants provides "Each eligible employee not drawing any retirement benefits from the city as of May 1, 1994, who makes an irrevocable decision to join the deferred compensation plan, shall, upon compliance with the provisions of this division, become a deferred compensation plan participant on May 1, 1994. Thereafter, each eligible employee who selects the deferred compensation plan upon employment shall become a participant in accordance with the plan."

Transfers into the Defined Benefit Plan could potentially change the historical retirement levels with a sudden increase in the number of retirements. A change such as this will affect the future funding levels of the Pension Plan.

- Employee's requesting the retro buy-in will be subject to two different early retirement benefit levels based on their hire date.
    - If the employee's hire date is prior to 5/1/94 they will be eligible to receive an early retirement benefit with 25 years of service or at age 50 with 20 years and no reduction in benefits.
      Sixteen (16) of the eighty-two (82) employees in the 401(a) Plan would fall under this provision. Twelve (12) of the sixteen (16) would be eligible to retire in the next five years.
    - If the employee's hire date is after 5/1/94 they will be eligible to receive an early retirement benefit at age 55, if their age plus years of service is greater than 80 with no reduction in benefits.
      Sixty-six (66) of the eighty-two (82) employees in the 401(a) Plan would come under this provision. Six (6) of the sixty-six (66) would be eligible to retire in the next five years.
- Hire date would not affect any other provision of the General Pension Plan, for example early retirement with reduced benefits or normal retirement.

City of Dover
Defined Benefit Plan
Sample Analysis for Retro-Buy-In
Actuarial Valuation Based on Age, Years of Service & FY10 Rate of Pay

Exhibit A - Less than 50% retire when eligible

Sample Employee	Accrued Actuarial Liability	Employee Buy In Contribution	Net Surplus (Liability)	Percent Funded	Increase to City Budget	Equivalent Level Percent
A	$ 47,788	$ 49,652	$ 1,864	104%	$ 12,183	10.9%
B	194,237	131,155	(63,082)	68%	12,780	11.1%
C	276,737	222,172	(54,565)	80%	22,717	10.8%
D	106,802	73,144	(33,658)	68%	8,801	11.2%
E	186,738	152,002	(34,736)	81%	20,015	12.0%
Total	$ 812,302	$ 628,125	$ (184,177)	77%	$ 76,496	
Average	$ 162,460	$ 125,625	$ (36,835)	77%		11.5%

Exhibit B - All retire when first eligible to retire (earliest retirement age)

Sample Employee	Accrued Actuarial Liability	Employee Buy In Contribution	Net Surplus (Liability)	Percent Funded	Increase to City Budget	Equivalent Level Percent
A	$ 60,973	$ 49,652	$ (11,321)	81%	$ 12,183	10.9%
B	256,640	131,155	(125,485)	51%	12,780	11.1%
C	395,818	222,172	(173,646)	56%	22,717	10.8%
D	112,417	73,144	(39,273)	65%	8,801	11.2%
E	219,640	152,002	(67,638)	69%	20,015	12.0%
Total	$ 1,045,488	$ 628,125	$ (417,363)	60%	$ 76,496	
Average	$ 209,098	$ 125,625	$ (83,473)	60%		11.5%

Exhibit C - All have to work at least 5 years before eligible to retire

Sample Employee	Accrued Actuarial Liability	Employee Buy In Contribution	Net Surplus (Liability)	Percent Funded	Increase to City Budget	Equivalent Level Percent
A	$ 60,973	$ 49,652	$ (11,321)	81%	$ 12,183	10.9%
B	211,014	131,155	(79,859)	62%	12,780	11.1%
C	395,818	222,172	(173,646)	56%	22,717	10.8%
D	106,829	73,144	(33,685)	68%	8,801	11.2%
E	219,640	152,002	(67,638)	69%	20,015	12.0%
Total	$ 994,274	$ 628,125	$ (366,149)	63%	$ 76,496	
Average	$ 198,855	$ 125,625	$ (73,230)	63%		11.5%

Potential Impact Overall City Budget - All three Exhibits	Avg. Increase	$ 10,200
30 Participants		$ 306,000
60 Participants		$ 612,000
82 Participants		$ 836,400

Mitchell, Donna

From: DePrima, Tony
Sent: Monday, September 21, 2009 4:19 PM
To: Mitchell, Donna; Hawkins, Kim
Cc: William Pepper; TSNYDER@ycst.com
Subject: RE: City of Dover Civilian Pension Plan - Buy In of Prior Service Credits

Donna, I copied the text of Mr. Snyder cometns below and I have imbedded my questions to him in CAPITALS, they are throughout the text . He can call me if he does not understand my questions.

Donna,
Here is the language from the 401(k) Regulations that we discussed yesterday

PLEASE EXPLAIN HOW 401(K) REGULATIONS RELATE TO OUR 401(A) PLAN.

ALSO CAN YOU PLEASE PUT IN QUOTES WHERE THE REGULATIONS START AND STOP AND WHERE YOUR COMMENTARY BEGINS.

-- Certain one-time elections not treated as cash or deferred elections. A cash or deferred election does not include a one-time irrevocable election made no later than the employee's first becoming eligible under the plan or any other plan or arrangement of the employer that is described in section 219(g)(5)(A) (whether or not such other plan or arrangement has terminated), to have contributions equal to a specified amount or percentage of the employee's compensation (including no amount of compensation) made by the employer on the employee's behalf to the plan and a specified amount or percentage of the employee's compensation (including no amount of compensation) divided among all other plans or arrangements of the employer (including plans or arrangements not yet established) for the duration of the employee's employment with the employer, or in the case of a defined benefit plan to receive accruals or other benefits (including no benefits) under such plans. Thus, for example, employer contributions made pursuant to a one-time irrevocable election described in this paragraph are not treated as having been made pursuant to a cash or deferred election and are not includible in an employee's gross income by reason of §1.402(a)-1(d). In the case of an irrevocable election made on or before December 23, 1994-

(A) The election does not fail to be treated as a one-time irrevocable election under this paragraph (a)(3)(v) merely because an employee was previously eligible under another plan of the employer (whether or not such other plan has terminated); and

(B) In the case of a plan in which partners may participate, the election does not fail to be treated as a one-time irrevocable election under this paragraph (a)(3)(v) merely because the election was made after commencement of employment or after the employee's first becoming eligible under any plan of the employer, provided that the election was made before the first day of the first plan year beginning after December 31, 1988, or, if later, March 31,1989.

THIS LANGUAGE ABOVE AGAIN LEADS ME TO BELIEVE THAT THIS IS RELATED TO PRIVATE SECTOR PLANS, NOT 401(B). IS IT?

The import of this language is that if an employee can elect in and out of various plans of the employer, those plans are at risk of becoming 401(k) plans subject to all of the testing that is required of 401(k) Plans and which the plans will not be able to satisfy and will therefore, be disqualified.

THERE SEEMS TO BE AN ASSUMPTION HERE THAT WE WOULD ALLOW EMPLOYEES TO ELECT IN AND OUT OF VARIOUS PLANS AS THEY CHOOSE WHEN THEY CHOOSE. THIS IS NOT THE CASE. WHAT IS BEING COMTEMPLATED AND REQUESTED IS A ONE TIME PROVISION TO LET EXISITNG EMPLOYEES BUY INTO THE

PLAN USING THERE 401(A) FUNDS BEFORE THE PLAN IS PERMINATELY CLOSED. CAN YOU PLEASE PROVIDE ME YOUR EXACT UNDERSTANDING OF WHAT THE CITY HAS BEEN REQUESTED BY THE EMPLOYEES?

THIS DOES NOT UNDO THE IRREVOCABLE ELECTION, THE EMPLOYEE WHO MAY WANT TO TAKE THIS ONE TIME OFFER WOULD PAY INTO THE PENSION MORE CASH THEN THEY WOULD HAVE IF THEY STAYED IN THE PLAN, THESE EMPLOYEES WOULD PAY IN THE FULL ACCRUED ACTURIAL LIABILITY. HAD THEY STAYED IN THEY WOULD ONLY BE PAYING IN 3.5% OF SALARY. THIS ELECTION HAPPENS AT A SUBSTANTIAL COST TO AN EMPLOYEE AND IS REALLY A NEW OPTION BEING OFFERED. DOES THIS ALTER YOUR OPINION?

Also, governmental entities cannot sponsor 401(k) Plans. Thus, allowing individuals multiple "irrevocable" elections among the two plans offered by the City of Dover could jeopardize the tax exempt status of the plans with the consequence of the benefits becoming immediately taxable to all participants.

Timothy J. Snyder
Young Conaway Stargatt & Taylor, LLP
The Brandywine Building
1000 West Street, 17th Floor
P.O. Box 391
Wilmington, DE 19899-0391
Phone: 302-571-6645
Facsimile: 302-576-3336
TSNYDER@ycst.com

To ensure compliance with requirements imposed by the Internal Revenue Service in Circular 230 on tax practitioners, we inform you that, unless we expressly state otherwise in this communication (including any attachments), any federal tax advice contained in this communication is not intended or written to be used, and cannot be used, for the purpose of (i) avoiding penalties under the Internal Revenue Code or (ii) promoting, marketing, or recommending to another party any transaction or other matter addressed herein.
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Anthony J. DePrima, AICP, ICMA-CM
City Manager
City of Dover
P.O. Box 475
Dover, DE 19903
(302) 736-7005

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-----Original Message-----
From: Mitchell, Donna
Sent: Monday, September 21, 2009 2:35 PM
To: Hawkins, Kim

Cc: DePrima, Tony
Subject: FW: City of Dover Civilian Pension Plan - Buy In of Prior Service Credits

Below is the email from Bill Pepper as we discussed.

I also have the minutes from 3/29/94 attached and Mr. Snyder's email. These will be included in the packets along with the letter to Mr. Marlin Farnsworth with the decision on the Union grievance dated November 25, 2003.

-----Original Message-----
From: wpepper@schmittrod.com [mailto:wpepper@schmittrod.com]
Sent: Thursday, September 17, 2009 4:04 PM
To: Mitchell, Donna
Cc: nrodriguez@schmittrod.com; William Pepper; McDowell, Traci
Subject: Re: City of Dover Civilian Pension Plan - Buy In of Prior ServiceCredits

Donna:

While we are not experts in this area of the law, we agree with the analysis of Messr. Pike and Snyder that Tony cannot buy-in to the plan without jeopardizing the tax-exempt status of the plan.

William W. Pepper Sr., Esquire
SChmittinger and Rodriguez, P.A.
414 South State Street
P.O. Box 497
Dover DE 19903-0497
wpepper@schmittrod.com

> Nick & Bill,
>
> As you know requests have been presented to City Council to permit
> employee's to transfer from the Deferred Comp Plan into the Defined
> Pension Plan.
>
> In researching the IRC, I found that the Define Benefit Plan and the
> Deferred Comp Plan both have to have transfer provisions. I don't see
> in the Defined Pension Plan a transfer provision for a transfer from
> another plan. It is my belief, that when the Define Plan was first
> created, there was no thought about the City having a 401 Plan in the
> future, so something like this would not have been incorporated. I
> did confirm the transfer provision requirement with the Internal
> Revenue Service Office of General Counsel and have emails documenting
> this if you would like to have them.
>
> Monday evening, Council approved the City Manager's request to have
> the pension actuary calculate what he would need to pay to the plan to
> buy in prior service credits. I contacted our actuary to have this
> request completed. Mr. Pike believes if we do this it violates the
> discrimination rules for highly compensated employee's. So I again
> researched the IRC to determine if it meets the test for highly
> compensated employee's. My determination was Mr. Pike was correct,
> however I called our labor attorney's office (Young, Conaway, Stargatt
> & Taylor) that just assisted us with the FOP negotiations and asked
> them if I was correct. I wasn't certain if the City Manager's
> contract is considered the same as a collective bargaining agreement when reading the Code.
>

> Tim Snyder explained to me the Section of the Code I was referring to
> did not apply to governments. He also explained that they have worked
> on this matter for another City Manager that wanted to buy in service
> credit to their municipalities plan, but it was a different situation.
> This City Manager came from another employer with an existing deferred comp plan.
> This City Manager did not choose the deferred comp plan by making an
> irrevocable election. He stated irrevocable is "irrevocable" and you
> can't willy nilly change this. If Council approves the retro buy in
> for anyone who has made an irrevocable election we will lose our tax
> exempt status of the Pension Trust. I have requested him to send me
> this in writing and his email is attached.
>
> Employee's in the Deferred Comp Plan have signed such a statement
> acknowledging their understanding that this is an irrevocable decision
> which cannot be changed. I can provide copies if you would like to
> see them.
>
> Mr. Pike, the Pension Actuary, also mentioned the fact that the IRS is
> stepping up its audits on Defined Benefit Plans and is concerned about
> the risk we are taking. I explained I was aware of the step up and
> have communicated that to Council in the past.
>
> Can you please let me know if you disagree with Tim Snyder's comments
> before I share this information with the City Manager. Attached is
> his email.
>
> Thank you,
>
> Donna S. Mitchell, CPA
> Controller/Treasurer
> City of Dover
> 5 E. Reed Street
> Weyandt Hall, Suite 300
> Dover, DE 19901
> Office (302) 736-7018
> Fax (302) 760-4930
>
>

DePrima stated that very little research went into the projected amount and offered to review the bonding requirements of other cities.

Mr. Daryl Rabold of the Western Surety Company explained the benefits of contractor bonding and relayed that the typical cost to a contractor for a $15,000 bond would be $100 per year. He explained that bonding qualifications are determined by the local reputation of the contractor, past work history and length of time in business.

Mrs. Malone stated her opinion that contractor bonding would provide customer security, especially for senior citizens that are prime targets for scams, and for first time home buyers that are not experienced in contractor workmanship. Mr. Christiansen stated that although the City does not wish to impose unfair restrictions on contractors, he felt that precautions must be taken to ensure that the few unethical contractors do not take advantage of our citizens.

Mr. DePrima requested that the committee approve the proposed ordinance amendments #1 through #11 and that amendment #12 (Bonding Requirements for Contractors) be referred back to him for further review.

Mr. Hare moved to recommend approval of proposed ordinance amendments #1 through #11 **(Attachment #1)**, as recommended by Mr. DePrima and that amendment #12 be referred back to staff for further review. The motion was seconded by Mr. Leary and unanimously carried.

PROPOSED AMENDMENTS - PENSION PLANS – LF+A 3/29/94

Proposed amendments to the Civilian Pension Plan were explained by Mr. O'Connor. He stated that the proposal adds a benefit to the employee's benefit plan, at a cost of approximately 2% of which the employees will pay 1% and the City will pay 1%. The amendments revise the Defined Benefit Plan and create an optional Defined Contribution Plan which will be tied to Deferred Compensation arrangements. All new employees will be required to participate in one of the Plans. Essentially, for the Defined Benefit Plan, the proposal will:

(1) Improve the retirement formula for persons who retire on or after 1/1/95.

(2) Increase the mandatory employee contribution rate from 2.5% to 3.5% of salary, effective May 1, 1994, and allow employee contributions to be on a pre-tax basis. (The employee contribution on a pre-tax basis will be an amendment to both the Civilian and Police Pension Plans.).

(3) Changes the eligibility for an unreduced benefit from no minimum age to a new standard of at least age 55 and age and service must equal 80 for employees hired after May 1, 1994.

(4) Change the definition of eligible employee to be for full time employees only.

For the Defined Contribution Option, the basic provisions of the Plan are:

(1) The minimum employee contribution rate is 2.0%. Employees may contribute pre-tax dollars up to the legal limit of the plan as defined by the tax code.

(2) The City will make a 100% matching contribution up to a maximum of 5% of the employee's pay.

(3) The individual employee may select from two retirement plan sponsors and will direct the investment of the contribution to their own accounts.

(4) Withdrawal from the account is only possible at time of retirement, termination of employment, or unforeseeable emergency as defined by the IRS.

All current and future active employees will have an option to make a one-time, irrevocable decision to join the deferred compensation plan or remain in the current defined benefit plan. If a current employee decides to transfer to the deferred compensation plan, his employee contributions, with interest from the defined benefit plan, will be paid out and the employee will forfeit any future benefits from the defined benefit.

Administrative changes proposed will:

(1) Add a new section which will assure that upon the death of a member or retiree that a beneficiary or the estate will receive all of the members' contribution.

(2) Retired persons may now be re-employed by the City in a temporary capacity so long as the compensation does not exceed social security limitations.

(3) The Board will be expanded from six to seven members by the addition of the Finance Director/Treasurer.

Mr. O'Connor stated that since the proposal will require increased employee contributions, an employee vote was taken on the proposal, with 243 employees voting in favor of the changes and five voting in opposition. He stated that the employees will reap an additional benefit from the amendments, but at the same time, the City will be minimizing its exposure. Also, the City will offset some of its costs with the savings from the new retirement age/service requirements and the unfunded liability exposure should be substantially reduced in this area.

Mr. Leary, Chairman of the Pension Board, stated that the Pension Board is charged with protecting the funds of the taxpayers and also with providing adequate pension measures for our employees. He stated that the proposal will benefit the City by reducing the potential increase in its unfunded liability, and it provides City employees with an opportunity to participate in an excellent pension plan.

Mr. Hare moved to recommend approval of the proposed amendments **(Attachments #2 and #3)**, seconded by Mr. Leary and unanimously carried.

FINANCIAL INFORMATION OF INVESTORS

The City has $92.5 million of bonds as of June 30, 1993, of which $52 million are defeased, with $40.5 million of the bonds on our books as the City's liability. It is extremely important to maintain

CITY OF DOVER
LEGISLATIVE AND FINANCE COMMITTEE
AGENDA ITEM

Proposed Amendments - Pension Plans

Prepared by: Mike Karia

INTRODUCTION

At the present time, the employees pension contributions are deducted from the paychecks after the Federal and State income taxes are paid on the amount. As a result, when the employees start receiving their pension, they don't pay income taxes on this portion of their pension checks. Employees' pension contributions can be made "tax deferred" as per the provisions of the IRS code. This report provides the information related to making the contributions tax deferred.

PROPOSED AMENDMENT

Under the proposed amendment, the employees' pension contribution will be made on a tax deferred basis after the FICA taxes are paid. The employees' will pay the income taxes on these deductions when they start receiving the pension. Such arrangements are allowed under the provisions of the IRS code.

For accomplishing this change in deduction, we need to amend the City's pension codes. We had worked with the City attorney and are proposing the changes through the attached ordinance.

Section 1 relates to the City of Dover Employees' Pension Plan and Section 2 relates to the Police Pension Plan.

The intent and the language for both of these sections are identical.

REQUEST FOR ACTION

We request that the Committee recommend to the City Council the adoption of the attached ordinance.

ORDINANCE

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

Section 1. Amend Section 2-196(a) of the City of Dover Code of Ordinances by adding the following subsections:

"(1) The City, pursuant to the provisions of section 414(h)(2)of the United States Internal Revenue Code, shall pick up and pay the contributions which would otherwise be payable by the employee under this section. The contributions so picked up shall be treated as employer contributions for purposes of determining the amounts of federal income taxes to be withheld from the employee's compensation.

"(2) Employee contributions picked up by the City shall be paid for the same source of funds used for the payment of compensation to an employee. A deduction shall be made from each employee's compensation equal to the amount of the employee's compensation picked up by the employer. This deduction, however, shall not reduce the employee's compensation for purposes of computing benefits under the retirement system pursuant to this Article.

"(3) Employee contributions shall be credited to a separate account within the employee's individual account so that the amount contributed prior to the effective date for the pickup of employee's contributions may be distinguished from the amounts contributed on or after the effective date.

"(4) The contributions, although designated as employee contributions, are being paid by the employer in lieu of the

contributions by the employee. The employee will not be given the option of choosing to receive the contributed amounts directly instead of having them paid by the employer to the retirement system."

Section 2. Amend Section 18-24(a) of the City of Dover Code of Ordinances by adding the following subsections:

"(1) The City, pursuant to the provisions of section 414(h)(2)of the United States Internal Revenue Code, shall pick up and pay the contributions which would otherwise be payable by the employee under this section. The contributions so picked up shall be treated as employer contributions for purposes of determining the amounts of federal income taxes to be withheld from the employee's compensation.

"(2) Employee contributions picked up by the City shall be paid for the same source of funds used for the payment of compensation to an employee. A deduction shall be made from each employee's compensation equal to the amount of the employee's compensation picked up by the employer. This deduction, however, shall not reduce the employee's compensation for purposes of computing benefits under the retirement system pursuant to this Article.

"(3) Employee contributions shall be credited to a separate account within the employee's individual account so that the amount contributed prior to the effective date for the pickup of employee's contributions may be distinguished from the amounts contributed on or after the effective date.

"(4) The contributions, although designated as employee contributions, are being paid by the employer in lieu of the contributions by the employee. The employee will not be given the option of choosing to receive the contributed amounts directly instead of having them paid by the employer to the retirement system."

Synopsis

This amendment to the current ordinance provides that the employee's pension contributions to all City administered plans shall be picked up and paid by the City (employer) pursuant to the provisions of 414(h)(2) of the United States Internal Revenue Code. A deduction shall be made from each employee's compensation equal to the amount of the employee's contributions picked up by the employer provided that such deduction shall not reduce the employee's compensation for the purposes of computing benefits under the applicable pension plan. The contribution so picked up shall be treated as employer contributions for purposes of determining the amounts of Federal and State income taxes to withhold from the employee's compensation.

Ms. Kathy Stiller
Department of Natural Resources and Environmental Control
Site Investigation and Restoration Branch
391 Lukens Drive
New Castle, Delaware 19720

Re: USEPA Brownfield Coalition Assessment Grant Application for Dover, Delaware
Confirmation of Coalition Membership

Dear Ms. Stiller,

I am writing to confirm that the City of Dover is proud to be a coalition member for the USEPA Brownfield Coalition Assessment Grant. We understand that Delaware Department of Natural Resources and Environmental Control (DNREC) will be lead Agency for this Coalition. The City of Dover and the Downtown Dover Partnership and DNREC have formed this Coalition to apply for a $1,000,000 assessment grant to assist in the identification and assessment of properties in the Dover area to support redevelopment initiatives, economic growth and to protect public health and the environment.

As lead Agency, we understand that DNREC will assume the administrative and financial tracking responsibilities required under the Grant and Cooperative Agreement with the USEPA and for appropriately reporting to the USEPA. As Coalition members we have all proven our dedication to improving the living conditions of so many in the Dover community and in DNREC's case, protecting the public health, welfare and the environment in the State of Delaware. The City of Dover looks forward to working with the Coalition members to continue to address environmental issues in the Dover study area and to continue our efforts in redevelopment, job creation and improving the lives of our citizens.

We strongly believe that our Coalition, if awarded the USEPA Brownfield Assessment Grant, will be able to address long standing environmental issues and concerns that have been affecting our citizens and our community and hindering positive redevelopment. We are prepared to enter into the Brownfield Assessment Coalition Memorandum of Agreement with our Coalition partners. Please feel free to contact this office if you have any questions regarding our participation in this Coalition.

Sincerely,

William G. Neaton
Economic Development Director

DRAFT

BROWNFIELDS ASSESSMENT COALITION
MEMORANDUM OF AGREEMENT
BETWEEN THE FOLLOWING PARTIES:
DELAWARE DEPARTMENT OF NATURAL RESOURCES & ENVIRONMENTAL CONTROL,
CITY OF DOVER AND DOWNTOWN DOVER PARTNERSHIP

PLEASE NOTE: The following eight items are the MINIMUM elements that must be included in an Assessment Coalition Memorandum of Agreement (MOA). Applicants are responsible for adhering to these elements and signing this MOA prior to the expenditure of any assessment funds. Members may choose to add elements to this MOA. The MOA is required per the Brownfields Assessment Grant Terms and Conditions and must be reviewed by the EPA Project Officer to ensure (1) all required MOA elements are included; (2) all coalition members have signed the MOA; and (3) any additional MOA elements are legal under the Brownfields Law and do not contradict Assessment Grant Terms & Conditions.

This Memorandum of Agreement documents the roles and responsibilities of the various parties involved in the Assessment Coalition with regard to EPA Cooperative Agreement No: BFxxxxxxxxx.

1. On _____EPA awarded the Cooperative Agreement to the Lead Coalition Member, Delaware Department of Natural Resources and Environmental Control (DNREC). The grant period is _____. DNREC is responsible to EPA for management of the cooperative agreement and compliance with the statues, regulations, and terms and conditions of the award, and ensuring that all members of the coalition are in compliance with the terms and conditions.

2. It is the responsibility of DNREC to provide timely information to the other Coalition Partners regarding the management of the cooperative agreement and any changes that may be made to the cooperative agreement over the period of performance.

3. The Coalition Partners are the City of Dover (City) and the Downtown Dover Partnership (DDP). The contact information is as follows:

   City of Dover
   William G. Neaton
   14 The Plaza, Dover DE 19901
   302-678-4858
   wneaton@dover.de.us

   Downtown Dover Partnership
   William G. Neaton
   14 The Plaza, Dover DE 19901
   302-678-4858
   wneaton@dover.de.us

4. Activities funded through the cooperative agreement may include inventory preparation, site selection criteria development, assessments, planning (including cleanup planning) relating to brownfield sites, and outreach materials and implementation, and other eligible activities.

DRAFT

DNREC may retain consultant(s) and contractors under 40 CFR 30.36 to undertake various activities funded through the cooperative agreement and may award subgrants to other coalition members under 40 CFR 31.37 for assessment projects in their geographic areas. Subgrantees are accountable to DNREC for proper expenditure of funds.

5. The Lead Coalition Member will procure the consultant(s) in compliance with 40 CFR 31.36 requirements. The Lead Coalition Member will issue the Request for Proposals or Request for Qualifications and will be the entity responsible for receipt of the submitted proposals and selection and award of contracts. DNREC will consult with other coalition members in making selections of consultants and contractors and negotiating the terms of agreements.

6. The Lead Coalition Member in consultation with the Coalition Partners, will work to develop a site selection process based on agreed upon factors and will ensure that a minimum of five sites are assessed over the life of the cooperative agreement. Selected sites will be submitted to EPA for prior approval to ensure eligibility. Note: *Lead Coalition Member and each of the Coalition Partners may agree upon a minimum number of sites assessed per member at the start of the cooperative agreement to ensure equitable distribution of funds across all members' jurisdictions.*

7. Upon designation of the specific sites, it will be the responsibility of DNREC to work with the coalition member in whose geographic area the site is located to finalize the scope of work for the consultant or contractor. It will be the responsibility of this member to obtain all required permits, easements, and/or access agreements as may be necessary to undertake assessments at the selected site. If this member does not have the capacity to perform these activities, DNREC may assist in securing necessary site access agreements and permits.

8. The Lead Coalition Member is responsible for ensuring that other activities as negotiated in the workplan, such as community outreach and involvement, are implemented in accordance with a schedule agreed upon by DNREC and the coalition member in whose geographic area the site to be assessed is located.

Agreed:

_____
DNREC/Date

_____
City of Dover/Date

_____
Downtown Dover Partnership/Date

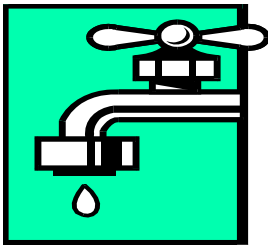
CITY OF DOVER

FINANCE DEPARTMENT

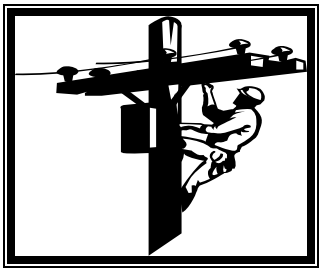
MONTHLY BUDGET REPORT

JULY 2009









PREPARED BY: FINANCE DEPARTMENT

PLEASE NOTE – THIS REPORT PROVIDES TOP LINE INFORMATION ON THE THREE MAJOR OPERATING FUNDS. IF YOU WOULD LIKE ADDITIONAL INFORMATION, PLEASE FEEL FREE TO CONTACT THE FINANCE DEPARTMENT.

City of Dover
Finance Department
Monthly Budget Report
July 2009

Strategic Objectives for Fiscal Year 2009 – 2010

1. Coordinate audit program with the Legislative, Finance & Administrative Committee. Meet all deadlines as established in the audit program.

2. Fortis training and implementation for Payroll and Accounts Payable.

3. Each staff member will take three (3) in house Sungard training sessions.

ACTIVITY LEVELS

	FY09 YTD			FY10 YTD		
BANK TRENDS						
Number of Deposits Made	169			116		
Total Amount of All Deposits	$ 17,790,972			$ 11,047,995		
PAYROLL						
	Hours	%	Amount	Hours	%	Amount
Gross wages per registers	**66,627**	**100.0%**	**$ 1,546,392**	**110,737**	**100.0%**	**$ 2,345,920**
Wages and Hours Worked						
Regular	57,916	86.9%	$ 1,292,409	92,698	83.7%	$ 1,900,206
All over time	2,332	3.5%	$ 88,108	3,452	3.1%	$ 136,752
Other Paid or Unpaid Wages and Hours						
Vacation	4,928	7.4%	$ 126,494	7,010	6.3%	$ 180,130
Sick	1,343	2.0%	$ 28,688	2,317	2.1%	$ 53,302
Furlough	-	0.0%	$ -	1,256	1.1%	$ -
Terminal Leave - Retiree Vacation/Sick Payout	-	0.0%	$ -	1,240	1.1%	$ 34,734
Comp Time (Police)	-	0.0%	$ -	815	0.7%	$ 24,353
Personal	61	0.1%	$ 1,533	120	0.1%	$ 2,930
Leave Without Pay	-	0.0%	$ -	880	0.8%	$ -
Other (description below)	48	0.1%	$ 9,159	951	0.9%	$ 13,513

Other includes: pay adjustments, military differential pay, committee meetings, worker comp tracking/adjustments, on call pay etc.

Other Activity		
Number of Pay Periods	2	3
Number of Payroll Checks Issued	867	1,409
Number of Pension Checks Issued	224	225
Total Pension Benefits Paid - Defined Benefit Plan	$ 343,548	$ 349,760

ACCOUNTS PAYABLE		
Number of Check Vouchers	892	762
Number of EFT Vouchers	278	144
Vouchers Dollar Amount Disbursed	$ 15,646,099	$ 12,670,672

City of Dover
Finance Department
Monthly Report – July 2009

General Fund Summary

	Budget	YTD	Balance	8% of Budget
Receipts				
Beginning Balance	$ 2,816,763	$ 3,621,157	$ (804,394)	128.6%
Court of Chancery Fees	745,000	-	745,000	0.0%
Fines & Police Revenues	965,000	59,729	905,271	6.2%
Franchise Fees	486,000	-	486,000	0.0%
Grants	734,000	10,000	724,000	1.4%
Intrafund Services	4,475,714	349,465	4,126,249	7.8%
Library & Recreation Revenues	668,008	9,353	658,655	1.4%
Licenses & Permits	2,334,000	1,368,707	965,293	58.6%
Property Taxes (Includes BID Revenue)	10,237,938	9,571,655	666,283	93.5%
Sanitation Revenues	1,420,000	100,804	1,319,196	7.1%
Other Miscellaneous Revenues	348,785	11,497	337,288	3.3%
Transfers-In from Other Accounts & Utilities				
Civil Traffic Penalties	700,000	-	700,000	0.0%
Municipal Street Aid Fund	775,200	328	774,872	0.0%
Transfer Taxes	1,400,000	-	1,400,000	0.0%
Water/Wastewater Fund	548,020	-	548,020	0.0%
Electric Fund	6,758,100	-	6,758,100	0.0%
Total	$ 35,412,528	$ 15,102,695	$ 20,309,833	42.6%
Expenditures				
City Clerk & Council	$ 403,264	$ 20,631	$ 382,633	5.1%
Mayor, City Manager & Human Resources	1,074,989	67,746	1,007,243	6.3%
Police & Police Extra Duty	12,188,986	850,579	11,338,407	7.0%
Public Services	4,532,477	315,607	4,216,870	7.0%
Central Services	2,520,269	148,616	2,371,653	5.9%
Planning & Inspections	1,970,626	122,985	1,847,641	6.2%
Finance, Info Tech & Customer Services	2,557,920	318,251	2,239,669	12.4%
Library & Recreation	1,906,183	131,260	1,774,923	6.9%
Fire Department	750,445	104,058	646,387	13.9%
Assessor	572,526	19,772	552,754	3.5%
Debt Service	328,410	295,960	32,450	90.1%
Insurance	600,000	45,320	554,680	7.6%
Retirees' Health Care	1,014,820	73,560	941,260	7.2%
Street Lights	985,000	82,835	902,165	8.4%
Transfer to CDBG	11,000	-	11,000	0.0%
Provision for Uncollectibles	10,000	10,000	-	100.0%
Transfers Out				
Capital Projects Fund	344,802	-	344,802	0.0%
Police Pension Fund	620,000	-	620,000	0.0%
Budget Bal-Working Capital	3,020,811	-	3,020,811	0.0%
Total	$ 35,412,528	$ 2,607,180	$ 32,805,348	7.4%
Reserve Balances				
Contingency	$ 645,254	$ 745,626		
Encumbrances FY 09:				
Police - Lawmen Supply Co of NJ for Bullet Proof Vests	$ 30,215			
Human Resources - Pike Associates for actuary services	4,000			
	$ 34,215			

City of Dover
Finance Department
Monthly Report – July 2009

Water/Wastewater Fund Summary

	Budget	YTD	Balance	8% of Budget
Revenue				
Beginning Bal-Water	$ 662,079	$ 658,670	$ 3,409	99.5%
Beginning Bal-Wastewater	307,112	326,701	(19,589)	106.4%
Beginning Bal-Kent Co Sewer Adj.	100,194	(397,473)	497,667	-396.7%
Water Fees	4,499,000	359,063	4,139,937	8.0%
Water Tank Leases	293,669	2,535	291,134	0.9%
Wastewater Fees	3,045,560	196,429	2,849,131	6.4%
Impact Fees - Water	280,000	4,200	275,800	1.5%
Impact Fees - Wastewater	475,000	5,700	469,300	1.2%
Kent County Treatment Fees	3,435,390	310,586	3,124,804	9.0%
Miscellaneous	149,600	5,006	144,594	3.3%
Total	$ 13,247,604	$ 1,471,417	$ 11,776,187	11.1%
Expenses				
Engineering & Inspection	$ 697,783	$ 46,211	$ 651,572	6.6%
Water	458,333	30,328	428,005	6.6%
Water Treatment Plant	1,517,663	92,147	1,425,516	6.1%
Wastewater	988,455	74,323	914,132	7.5%
Water Meter Reading	72,533	4,589	67,944	6.3%
Construction & Inspection	410,338	31,413	378,925	7.7%
Kent County Treatment Fees	3,435,430	286,286	3,149,144	8.3%
Retiree's Health Care	134,680	10,383	124,297	7.7%
Debt Service	832,951	34,585	798,366	4.2%
Intrafund Services	1,262,456	93,972	1,168,484	7.4%
Transfers Out				
General Fund	548,020	-	548,020	0.0%
Water/Wastewater I & E Fund	700,000	-	700,000	0.0%
Impact Fee Reserve	110,062	-	110,062	0.0%
Budget Bal-Working Capital - Water	1,136,086	-	1,136,086	0.0%
Budget Bal-Working Capital - WW	842,660	-	842,660	0.0%
Budget Bal-Working Capital - KSA	100,154	-	100,154	0.0%
Total	$ 13,247,604	$ 704,237	$ 12,543,367	5.3%
Reserve Balances				
Contingency-Water	$ 122,431	$ 118,898		
Contingency-Wastewater	$ 136,910	$ 132,959		
Impact Fee Reserve - Sewer	NO BUDGET	$ 3,528,078		
Bond Coverage Ratio (Covenant 1.20)	3.22	3.30		

City of Dover
Finance Department
Monthly Report – July 2009

Electric Revenue Fund Summary

	Budget	YTD	Balance	8% of Budget
Revenue				
Beginning Balance	$ 8,219,350	$ 11,411,380	$ (3,192,030)	138.8%
Sales to Customers	99,533,042	8,599,297	90,933,745	8.6%
Utility Tax	1,781,500	150,357	1,631,143	8.4%
Weyandt Hall Rents	186,816	38,541	148,275	20.6%
Miscellaneous Revenues	1,621,284	81,815	1,539,469	5.0%
Intrafund Service Receipts Water/Wastewater	270,626	12,383	258,243	4.6%
Total	$ 111,612,618	$ 20,293,773	$ 91,318,845	18.2%
Expenses				
Power Supply & Generation				
Power Supply	$ 55,619,481	$ 5,929,094	$ 49,690,387	10.7%
Power Supply Management/Incentive	3,000,000	260,275	2,739,725	8.7%
Capacity Charges	13,469,528	1,154,394	12,315,134	8.6%
Rate Stabilization Credit	(3,000,000)	-	(3,000,000)	0.0%
PJM Charges - Load	13,943,413	486,701	13,456,712	3.5%
Total Power Supply	83,032,422	7,830,464	75,201,958	9.4%
Plant Operations	5,798,710	562,897	5,235,813	9.7%
Generation Fuels	1,275,251	8,211	1,267,040	0.6%
Capacity Credits	(12,133,285)	(1,032,361)	(11,100,924)	8.5%
PJM Credits	(1,701,066)	(5,487)	(1,695,579)	0.3%
Total Generation	(6,760,390)	(466,740)	(6,293,650)	6.9%
Total Power Supply & Plant	76,272,032	7,363,724	68,908,308	9.7%
Electric Operating Divisions				
Transmission/Distribution	3,318,622	253,302	3,065,320	7.6%
Electrical Engineering	1,500,012	84,900	1,415,112	5.7%
Administration	640,535	44,189	596,346	6.9%
Meter Reading	289,103	25,746	263,357	8.9%
Systems Operations	624,520	33,835	590,685	5.4%
Utility Tax	1,781,500	150,357	1,631,143	8.4%
Interest on Deposits	54,500	3,245	51,255	6.0%
Retirees Health Care	567,430	43,249	524,181	7.6%
Green Energy Payment to DEMEC	137,600	11,746	125,854	8.5%
Bond Issuance Costs	-	-	-	0.0%
Intrafund Services	3,483,884	267,876	3,216,008	7.7%
Accounts Receivable Write-Offs	135,000	135,000	-	100.0%
Inventory write-offs	175,000	175,000	-	100.0%
Contractual Services 2030 Committee	497,250	-	497,250	0.0%
Debt Service	3,956,600	338,884	3,617,716	8.6%
Transfers Out				
Electric Improvement & Extension Fund	2,500,000	-	2,500,000	0.0%
General Fund	6,758,100	-	6,758,100	0.0%
Contingency Reserve	83,500	-	83,500	0.0%
Budget Bal. - Work. Capital	8,837,430	-	8,837,430	0.0%
Total	$ 111,612,618	$ 8,931,053	$ 102,681,565	8.0%
Reserve Balances				
Contingency Reserve	$ 1,036,069	$ 929,596		
Insurance Reserve	$ 395,002	$ 385,493		
Rate Stabilization Reserve	$ 1,718,613	$ 4,655,131		
Bond Coverage Ratio (Covenant 1.25)	1.60	1.23		
Megawatt Hours Sold & Purchased				
Sales to Customers MWh (excluding Street Lights)	747,193	63,796		
Sales per MWh	$ 135.594	$ 64.674		
Purchased/Generated MWh	788,808	70,640		
All In MWh Supply & Generation	$ 96.693	$ 104.243		

City of Dover
Finance Department
Monthly Report – July 2009

General Capital Project Fund Summary

	Budget	YTD	Balance	8% of Budget
Revenue				
Beginning Balance - Projects	$ 375,408	$ 462,692	$ (87,284)	123.3%
Transfer from General Fund for Projects	344,802	-	344,802	0.0%
State Grant - Library	4,000,000	-	4,000,000	0.0%
Library Bond Issue/Contributions	1,912,433	-	1,912,433	0.0%
Transfer from Library Reserve	3,000,000	-	3,000,000	0.0%
Interest Earnings	2,700	2,322	378	86.0%
Income from Sale of Assets	-	21,103	(21,103)	0.0%
Total	$ 9,635,343	$ 486,117	$ 9,149,226	5.0%
Expenditures				
Fire	$ 292,210	$ -	$ 292,210	0.0%
Library	8,912,433	-	8,912,433	0.0%
Police	73,700	662	73,038	0.9%
Streets	350,000	-	350,000	0.0%
Information Technology	7,000	-	7,000	0.0%
Facilities Management	-	63	(63)	0.0%
Total	$ 9,635,343	$ 725	$ 9,634,618	0.0%
Reserve Balances				
Capital Asset Replacement Reserve	$ 242,074	$ 242,210		
Library Reserve	$ 3,426,400	$ 3,557,783		
Parkland/Recreation	$ 192,735	$ 218,467		

Encumbrances & Project Carry-forwards for FY 09:

Library - Holzman Moss Architecture LLP	$ 15,042
Library - Holzman Moss Architecture LLP	345,427
Recreation - Daisy Construction Basketball Court	30,000
Police - Warnock Automotive 1 Police Car equiped	21,006
	$ 411,475

City of Dover
Finance Department
Monthly Report – July 2009

Water/Wastewater Improvement & Extension Fund Summary

	Budget	YTD	Balance	8% of Budget
Revenue				
Beginning Balance-Water [1]	431,400	1,633,859	(1,202,459)	378.7%
Beginning Balance-Wastewater [1]	219,375	614,667	(395,292)	280.2%
Interest Earned	-	2,899	(2,899)	0.0%
State Loan-Water	2,404,017	-	2,404,017	0.0%
State Loan-Wastewater	5,942,481	-	5,942,481	0.0%
Transfer from Water Operating Fund for Water	500,000	-	500,000	0.0%
Transfer from Wastewater Operating Fund for Wastewater	200,000	-	200,000	0.0%
Transfer from Impact Fee Reserve	518,230	-	518,230	0.0%
Total	$ 10,215,503	$ 2,251,425	$ 7,964,078	22.0%
Expenses				
Water	$ 2,987,317	$ 30,702	$ 2,956,615	1.0%
Wastewater	6,539,110	-	6,539,110	0.0%
Water Treatment Plant	39,000	-	39,000	0.0%
Budget Bal-Working Capital - Water	309,100	-	309,100	0.0%
Budget Bal-Working Capital - WasteWater	340,976	-	340,976	0.0%
Total	$ 10,215,503	$ 30,702	$ 10,184,801	0.3%
Reserve Balances				
Capital Asset Replacement - Water	$ 184,698	$ 205,820		
Capital Asset Replacement - Wastewater	$ 87,357	$ 64,625		

(1) Includes FY 09 balances on projects that will be completed in FY 10.

City of Dover
Finance Department
Monthly Report – July 2009

Electric Improvement & Extension Fund Summary

	Budget	YTD	Balance	8% of Budget
Revenue				
Beginning Balance [1]	$ 1,461,547	$ 7,629,164	$ (6,167,617)	522.0%
Beginning Balance Bond Proceeds [1]	1,378,257	4,240,034	(2,861,777)	307.6%
Bond Proceeds	1,958,107	-	1,958,107	0.0%
Interest Earnings	33,700	6,799	26,901	20.2%
Transfer from Electric Revenue Fund	2,500,000	-	2,500,000	0.0%
Total	$ 7,331,611	$ 11,875,997	$ (4,544,386)	162.0%
Expenses				
Power Plant	$ 1,254,000	$ 8,051	$ 1,245,949	0.6%
Transmission/Distribution	1,127,147	15,769	1,111,378	1.4%
Electrical Engineering	3,525,536	46,737	3,478,799	1.3%
Budget Bal. - Work. Capital	1,424,928	-	1,424,928	0.0%
Total	$ 7,331,611	$ 70,557	$ 7,261,054	1.0%
Reserve Balances				
Depreciation Reserve	$ 7,991,763	$ 7,797,890		
Future Capacity Reserve	$ 8,900,651	$ 8,772,751		

(1) Includes FY 09 balances on projects that will be completed in FY 10.

ACTION FORM

PROCEEDING: City Council
DEPARTMENT OF ORIGIN: City Clerk's Office
PREPARED BY: Traci A. McDowell, City Clerk
DATE SUBMITTED: 09-28-2009

SUBJECT: Letter of Support for Wesley College - Acquisition of Allen Frear Building
RELATED PROJECT: N/A
APPROVALS: City Council
EXHIBITS: N/A
EXPENDITURE REQUIRED: $ N/A **AMOUNT BUDGETED**: $ N/A **FUNDING SOURCE (Dept./Page in CIP & Budget)**: N/A
TIMETABLE: Approval 09/28/2009

RECOMMENDED ACTION: Approval of Draft Letter of Support

BACKGROUND AND ANALYSIS

Wesley College has a tremendous opportunity to obtain the Allen Frear Federal Building, located at 300 S. New Street in Dover. The college has formally request acquisition of the property from the federal government, and they intend to relocate their nursing education program to the site. The Frear Building will also enable Wesley to house some graduate programs and create new health-related majors. This would occur at a time that the city, state and country are in great need of additional health care professionals. In addition, it would have a very positive economic development impact on Dover, with 200-300 students and 15-25 faculty in the building daily. Architecturally, and considering the square footage available within the facility, the Frear Building would nicely meet the needs of Wesley College.

Wesley College President, William N. Johnston, has requested Council to provide a letter of support for their request to acquire the Allen Frear building (Attached).

City of Dover

MAYOR AND COUNCIL

September 28, 2009

To Whom it May Concern:

The Board of Trustees and the Administration of Wesley College, a 501(c)(3) organization in Dover, Delaware, has been informed that the Allen Frear Federal Building, 300 S. New Street, Dover, Delaware, is to be taken out of service for Federal purposes and that the General Services Administration is responsible for the disposal of that facility. Wesley College has formally expressed interest in acquiring that facility and property for adaptive re-use to house their nursing and graduate programs.

Established in 1873, Wesley College is the oldest private College in Delaware. The nursing program has a current undergraduate enrollment of 230 full-time students and 40 Masters of Nursing students, with plans to grow the nursing program by 100-200 students to better meet the increased demands for health care providers. The Frear Building has the square footage vital to house the current and expanded needs of the program.

Located on the third block of South New Street, the Frear Federal Building is an ideal setting for this purpose. It is adjacent to Old Downtown Dover and sits four blocks from Wesley College and 1.5 blocks from Kent General Hospital, which is a primary clinical site for Wesley nursing students. The facility will be wholly devoted to the graduate and undergraduate educational experience.

On behalf of the City Council, we would like to express our support for Wesley College's request to acquire the Allen Frear Federal Building, 300 S. New Street, Dover, Delaware, for adaptive re-use.

Sincerely,

BEVERLY C. WILLIAMS
COUNCIL PRESIDENT

CARLETON E. CAREY, SR.
MAYOR

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ACTION FORM

PROCEEDING: Council	**AGENDA ITEM NO.:**
DEPARTMENT OF ORIGIN: Public Utilities	**DATE SUBMITTED**:
PREPARED BY: Stephen Enss	
SUBJECT: General Electrical Engineering Services	
REFERENCE: Engineering Services Evaluation (attached)	
RELATED PROJECT: N/A	
APPROVALS: City Manager, Controller	
EXHIBITS: Point Analysis	
EXPENDITURE REQUIRED: As Needed	**AMOUNT BUDGETED**: $ N/A
FUNDING SOURCE (Dept/Page in CIP & Budget): Funding is provided within the project budget and the operations budget.	
TIMETABLE: N/A	
RECOMMENDED ACTION: Staff recommends awarding a three (3) year contract to Pike Electric Inc.	

BACKGROUND AND ANALYSIS

The City of Dover is consistently working on future capacity and future growth projects. These projects take numerous hours of engineering and estimating. Over the past three years, Pike, formally Shaw Group, has been providing the services to Dover. In an effort to maintain the electrical system and future growth of our system, an RFQ (10-0007D) for engineering services was advertised according to the purchasing policy. Five (5) bids were received, reviewed, and analyzed. The department established a procedure using a point analysis to determine the most qualified candidate. Staff chose the twelve most important items in the requirements to review: experience and qualifications. Pike, who currently perform all of the requirements presented in the proposal appeared to have substantial experience. Downs Associates Inc presented the second best proposal and had experience in all the requirements but did not score as high as Pike. Booth & Associates presented the third best proposal but did not clearly give experience with the requirements; therefore, not completely meeting the request for proposals. The fourth proposal was provided by Altran Solutions and met most of the requirements but, they too did not provide enough experience to meet all the requirements. Lastly, we received a proposal from Schweitzer Engineering Laboratories that provided no experience in the proposal; therefore not meeting the request for proposal.

Staff found the most qualified candidate in Pike Electric Inc, based on their experience and the ability to meet all aspects of Electrical Engineering Services. Funding will be coupled to the appropriate Operations or Capital project for which the work is being performed.

Total cost during the contract will exceed $25,000, however; costs will be reflected in the appropriate project budget.

2010 Engineering Services evaluation

Criteria

Point factor 1-10

Experince with:	**Altran**	**Booth**	**DAI**	**Pike**	**SEL**
ABB Relays	3	0	6	8	0
SEL Relays	8	7	6	8	10
Substation Design	5	6	7	10	0
Transmission Design	0	7	3	10	0
Distribution Design	1	5	7	10	0
Field Survey	0	5	5	8	0
Prepare project specifications	0	0	7	8	0
Assist with assembling, evaulating and awarding Bids	0	0	4	8	0
Analyze and make recommendations for relaying	4	0	7	7	0
Provide Technical field services when required.	5	0	8	9	0
Provide necessary research and field surveys.	4	5	7	7	0
System Modeling	4	5	7	7	0

Evaluated by SAE

Experince with:	**Altran**	**Booth**	**DAI**	**Pike**	***SEL**
ABB Relays	5	2	7	7	0
SEL Relays	7	7	7	7	0
Substation Design	5	9	8	9	0
Transmission Design	2	9	5	9	0
Distribution Design	4	9	8	9	0
Field Survey	0	5	5	7	0
Prepare project specifications	0	9	8	9	0
Assist with assembling, evaulating and awarding Bids	0	0	5	9	0
Analyze and make recommendations for relaying	5	2	8	7	0
Provide Technical field services when required.	5	2	9	9	0
Provide necessary research and field surveys.	5	2	7	8	0
System Modeling	4	7	8	7	0

Evaluated by JLJ

JJ - * SEL's bid is incomplete and unacceptable.

Altran	**Booth**	**DAI**	**Pike**	**SEL**
76	103	159	197	10

Using a existing design bill and the rates provided by each proposal the following cost would be submitted to Dover.						
	Total Hours	**Altran**	**Booth**	**DAI**	**Pike**	**SEL**
Cad Tech 2	34.5	$2,242.50	$2,139.00	$2,242.50	$2,070.00	$2,242.50
Project Manager	10	$1,600.00	$850.00	$1,400.00	$1,230.00	$1,250.00
Seinor Engineer	41.5	$4,357.50	$4,440.50	$5,810.00	$4,980.00	$5,602.50
Engineer 2	145	$13,050.00	$9,425.00	$16,675.00	$12,325.00	$16,675.00
Consultant Engineer	2	$260.00	$168.00	$360.00	$276.00	$500.00
Designer 2	83	$6,474.00	$4,897.00	$6,225.00	$5,810.00	$7,055.00
Total Cost for simular project being performed under current contract.		$27,984.00	$21,919.50	$32,712.50	$26,691.00	$33,325.00

FINAL READING

CITY OF DOVER ORDINANCE #2009-20

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

That Chapter 26 – Businesses, Article II - Licenses, Sec. 26-31 – Definitions, be amended by inserting the text indicated in bold, blue and deleting the text indicated in red strikeout as follows:

Sec. 26-31. Definitions.

The following words, terms and phrases, when used in this article, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

Advertising agency means every person engaged in the business of displaying advertising matter by billboards, posters or circulars, signs or window displays, or undertaking the writing or composition of advertisements for other persons on a commission, rental or flat fee basis.

Amusement operator means every person or company engaged in the business of exhibiting public amusements, such as rides, games, demonstrations, and sideshows. This category shall include circuses, amusement parks, and carnivals, but shall not include persons defined as *Entertainers*.

Architect means every person engaged in the business of designing, planning and technically supervising the construction of any building, edifice or other structural unit.

ATM Machines (third party or off bank premises) means each machine that offers limited or full banking services.

Attorney-at-law means every individual duly admitted to the bar of any court of this state and engaged in the active practice of such profession, whether self-employed or a member or employee of a law firm or private corporation.

Auctioneer means every person engaged in the business of crying sales of real or personal property on behalf of other persons for profit, except as otherwise provided by this article. No auctioneer shall be authorized by virtue of the license granted to employ any other person to act as auctioneer in his behalf, except in his own store or warehouse or in his presence, nor shall the term "auctioneer" apply or extend to a judicial or executive officer making sales in pursuance of any execution, judgment or decree of any court, nor to public sales made by executors or administrators.

Automobile race operator includes every person in the business of conducting motor vehicle races for profit, including competition involving all recognized classes of stock, modified or sports car, midget racers, drag racers and every type of motor vehicle in any form of race, competition or time trial. For purposes of this license, motorcycle races shall be included in such definition.

Bank and *loan and trust company* mean each bank, or building and loan association or trust company, including nondeposit and limited service banks.

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Barber means every person operating a business of shaving the beard and cutting, trimming, washing, waving or otherwise dressing the hair of human beings.

Beautician means any person operating a business of doing work which is generally and usually performed by so-called hairdressers, cosmetologists, beauticians or beauty culturists and however denominated in so-called hairdressing and beauty shops, which work is for the embellishment, cleanliness and beautification of women.

Bottler means any person engaged in the business of bottling from the bulk all beverages commonly known as soft drinks, whether the beverages shall be prepared in whole or in part by the bottler.

~~***Bowling alley operator*** **includes every person in the business of operating public facilities for the sport of bowling.**~~

Broadcasting station includes every person engaged in the business of transmitting radio or television communications over assigned frequency and wave lengths and subject to the jurisdiction of the Federal Communications Commission.

Broker means every person operating a business of buying and selling for the account of other persons for a commission or for profit, stocks, bonds, currency, negotiable paper, securities and any other intangible personal property.

Car wash includes every person operating a continuing business of cleaning, washing or waxing motor vehicles for profit and not for charitable or educational purposes.

Certified public accountant means every individual qualified and registered under the laws of the state to practice as a certified public accountant and engaged in the active practice of such profession, whether self-employed or a member or employee of a firm or private corporation.

Cesspool cleaner means every person engaged in the business of cleaning cesspools for profit or reward.

Chiropodist and *podiatrist* mean every person engaged in the practice of caring for the feet of human beings.

Chiropractor means every person engaged in the practice of treating human ailments by means of muscular or bone manipulation.

Clinical social worker includes every person qualified under the laws of the state to practice social work and engaged in active practice of such profession.

Coin-operated amusement machine owner means any person engaged in the business of owning and operating, on his own account or by his agent, or leasing to or placing with another on a commission or other basis, any coin-operated machine, device or table upon or by means of which games are played

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by the general public for amusement and entertainment, but not for the purpose of obtaining any money or other thing of value.

Coin-operated vending machine owner means any person engaged in the business of owning and operating, on his own account or by his agent, or leasing to or placing with another on a commission or other basis, any coin-operated vending machine, contrivance or device which, upon the insertion of a coin, slug, token, plate, disc or key into any slot, crevice or other opening, or by the payment of any price, operates or may be operated for the emission of goods or services. Coin-operated stamp vending machines owned by the United States government and any pay telephone shall be exempted from any taxation.

Coin-operated video machine means any person engaged in the business of owning and operating, on his own account or by his agent, or leasing to or placing with another on a commission or other basis, any coin-operated video machine, device or table upon or by means of which games are played by the general public for amusement and entertainment, but not for the purpose of obtaining any money.

Commercial sign business includes all persons engaged in an outside sign advertising business consisting of the erection, construction, maintenance or leasing of outside signs, bulletin boards and poster boards.

Computer related services includes persons or companies engaged in computer program related services, system designing and consulting, computer processing and data preparation and processing, information retrieval, computer facilities management, and computer maintenance and repair.

Consultant means every person operating a business, not more specifically defined otherwise in this section, who gives expert advice for profit or reward.

Contractor means any person or company, whether operating from a place within the city or not, engaged in the business of the construction, alteration, repairing, dismantling or demolition of buildings, roads, bridges, sewers, water and gas mains and every other type of structure within the definition of real estate, including all subcontractors.

Day care operator means any person or company that provides care, supervision, and guidance for six or more children or dependent adults.

~~***Dental lab*** **includes any person engaged in the business of preparing dental work for dentists by prescription.**~~

Dentist means every person qualified under the laws of the state to practice dentistry and engaged in active practice of such profession.

Distributor means every person engaged in the business of distributing samples, handbills or posters for compensation or on commission.

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Drayperson and *mover* mean every person operating a business of transporting for profit tangible personal property of other persons.

Eating establishment means any restaurant, coffee shop, cafeteria, short order cafe, luncheonette, tavern, sandwich stand, soda fountain, drink stand and all other public eating establishments where food is prepared, handled and served to the public at wholesale or retail prices or for no price at all, as well as kitchens and other places in which food is handled or prepared for sale elsewhere to the public, provided that food processing and distributing establishments that do not sell prepared food to the public directly are not included in such definition.

Eating establishment operator means any person engaged in the business of operating a public place for the sale of food prepared or consumed on the premises for the accommodation of casual visitors.

Employment agent means every person operating, for profit, a business of hiring laborers or securing positions for other persons to be employed within the limits of the state.

Entertainer means every person or group of persons, whether operating from within the city or not, performing together and engaged in the business of entertaining the public in the city through live or recorded music, theater, or dance.

Entertainment agent or operator means persons or companies in the business of collecting fees or commissions, or other payment for furnishing live or recorded music, theater, or dance entertainment, whether in their own place of business or in the place of another.

Finance or small loan agency includes every person engaged in the business of lending money, with or without security, to other persons, with repayments of the loans to be made by installments or otherwise, but shall not include, either in reference to future or past transactions, banks or trust companies.

Fitness Trainer means every person operating a business, whether full-time or part-time, of providing physical training services to paying clients.

Funeral director means every person engaged in the business and qualified under the laws of the state to be so engaged as funeral directors and in active conduct thereof.

Gaming position means every individual space or seat, whether standing or sitting, authorized to conduct gaming activities as identified on an approved floor plan.

Gas, light, and power company and *cable TV and telephone company* include the license fee for utilities, provided that this license does not cover sales of appliances or equipment for which a separate license shall be required.

General repairman means every person operating a business of repairing, reconditioning or otherwise restoring to useful service personal property of every kind and description not otherwise provided for under this section.

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Health spa and *health club* include every person engaged in the business of operating private health, weight control or physical culture facilities designed to establish and maintain the optimum weight or physical conditioning of other persons.

Hotel includes every person engaged in the business of operating a place where the public may, for a consideration, obtain sleeping accommodations and meals and which, within city limits, has at least ten permanent bedrooms for the use of guests.

Home day care operator means any person that provides care, supervision, and guidance for six or fewer children in an occupied residence excluding dependents of the operator or close relatives.

Income tax consultant means every person, not licensed as an attorney or accountant under this section, engaged in the business of providing federal or state income tax assistance to other persons for a fee.

Incorporator includes every person operating a business or procuring corporate charters or acting as resident, registration or transfer agent of domestic corporations, except attorneys-at-law having a license to practice such profession in this state.

Insurance adjustor office includes any person engaged in the business of settling claims for any insurance company or for any other purpose where insurance is involved and a fair appraisal must be made of the loss, injury or damage.

Itinerant merchant means any person, whether as owner, agent, or employee, who engages in a temporary business of selling and delivering goods, prepared foods, beverages, wares, or merchandise within the city who is not located within a licensed "open market," as defined by this article, or participating in a "nonprofit sponsored event," as defined in this article, shall be required to obtain an itinerant merchant's license for each event or holiday season during which the itinerant merchant operates. The term "event" means any three-week period during which a special occurrence or holiday falls.

Janitorial and cleaning service includes persons or companies engaged in the business of maintaining and cleaning building and structures, including pool maintenance services, in-house rug and carpet cleaners, and house washing businesses.

Landscape services includes persons or companies, whether operating from a place within the city or not, engaged in the business of designing or maintaining lawns, trees, bushes or other ornamental plants, including but not limited to tree surgeons, grass cutting services, and landscape architects.

Laundry service operator means every person engaged in the business of operating a laundry, including coin-operated self-service laundries, and/or of securing goods or fabrics to be so laundered, whether the actual work of laundering such goods or fabrics is done within or without the state.

Linen supplier means every person actively engaged in holding himself out to do the business of supplying, furnishing or making available coats, caps, aprons, uniforms, towels, dresses, diapers, industrial wipers, smocks, linens or other like articles and laundering and otherwise renewing such supplies for profit.

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Manicurist means every person operating a business of caring for the appearance of hands.

Manufacturer means any person, as owner or agent, in the practice, conduct, pursuit or carrying on the business of working raw materials into products of a different character, finished or unfinished, or of effecting any combination or composition of material, the nature of which is changed; or of finishing, by hand or machinery, goods, wares, or merchandise, or any article or material.

Manufacturer's agent or representative means every independent contractor in the business of representing one or more manufacturers for purposes of promoting the sale of the goods, product or line of goods or products of such manufacturer or manufacturers within the city.

Mercantile agency and *collection agency* include every person operating a business or investigation of financial ratings and credit and/or the collection of commercial accounts for other persons, except attorneys-at-law having a license to practice such profession in this state.

Merchant means any person, as owner or agent, in the business of buying and selling merchandise for cash or by barter, or engaged in prosecuting, following or carrying on a retail or wholesale business by purchasing and selling produce, goods, wares or any property of whatever description.

Mobile home park includes every person engaged in the business of providing space and facilities for rent or lease to owners of mobile home units, on a permanent or semipermanent basis.

Motel includes every person engaged in the business of furnishing, for a consideration, transient guests with sleeping accommodations, private bath and toilet facilities, linen service and a place to park an automobile and who is not in the business of operating a "hotel" or "tourist home," as such terms are defined in this section.

Motion picture theater includes every person engaged in the business of displaying motion pictures for public entertainment, regardless of the physical location of the projection facilities, and shall include drive-in theaters.

Motor vehicle serviceman means every person operating a business of repairing, rebuilding, repainting or otherwise reconditioning motor vehicles or their parts.

NAICS means the North American Industry Classification System developed by the United States Census Bureau and published as a manual. The NAICS was developed for use in the classification of establishments by type of activity in which they are engaged. The licensing officer shall use the NAICS to assist in the determination of license classes for this article and shall keep a current copy of the NAICS on file in the licensing office.

Nursing, rest or convalescent home (private) includes every person engaged in the business of operating any institution, building or agency in which accommodation is maintained, furnished or offered for any fee, gift, compensation or reward for the care of aged, infirm, chronically ill or convalescent persons.

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Open market operator means any person or company primarily engaged in the business of renting space, on a temporary or limited basis, to persons or businesses selling products and services. This category shall include but not be limited to flea markets, bazaars, farmers' markets, and common areas of shopping malls available for lease. Persons or businesses operating from open markets shall not be required to obtain licenses under this Code.

Optometrist includes every person qualified under the laws of the state to practice optometry and engaged in active practice of such profession.

~~***Outdoor musical festival promoter*** **means every person engaged in the business of organizing, operating, producing or staging musical entertainment in open spaces, and not in a permanent structure, for a gathering of 1,000 or more persons who pay a consideration or admission charge to view or hear such musical entertainment.**~~

~~***Parking lot or garage operator*** **means every person engaged in the business of operating any motor vehicle parking facility, whether open or enclosed, with space for ten or more vehicles.**~~

Pawnbroker means every person operating a business of lending money on pledge of tangible personal property or purchasing the same on the condition of returning it to the seller at a stipulated price and of selling the property in default of the pawner.

Payment means the annual license taxes paid by persons engaged in the occupations listed and defined in this section, at the rates specified in section 26-35(d). In addition to the annual license fee indicated in such section, each such person shall pay a fee for each additional separate branch or business location.

Pest control services includes persons or companies engaged in the business of exterminating or controlling vermin from structures or properties.

Pharmacist means every person qualified under the laws of the state to practice pharmacy and engaged in active practice of such profession.

Photographer means every person operating a business of taking, making and/or developing photographs or pictures by action of light, for profit or reward.

Physical therapist means every person operating a business of practicing physical therapy as defined in 24 Del. C. § 2601 et seq.

Physician and *surgeon* mean every individual qualified under the laws of the state to practice medicine, osteopathy, and surgery, and engaged in active practice of such profession, whether self-employed or a member or employee of a firm or private corporation.

Plant nursery and *florist* include every person in the business of operating a place where trees, shrubs, plants, flowers and the like are cultivated, grown or propagated from seed or otherwise for transplanting, for use as stock, for grafting and for sale. Persons purchasing trees, shrubs, plants, flowers and the like for resale are subject to the appropriate license fee in this article.

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Pool table operator means every person operating a business of maintaining pool or billiard tables for public use.

Printer means any person engaged in the business of impressing letters or characters upon paper or other substance by mechanical act.

Private investigator agency includes every person engaged in the business of practicing as a private investigator as defined in 24 Del. C. § 1301 et seq., provided nothing in this definition shall be construed to include any person exclusively employed as a guard, security officer or private patrol officer.

Professional counselor means every person qualified under the laws of the state to practice counseling and engaged in active practice of such profession.

Professional engineer means every individual qualified under the laws of the state to practice professional engineering and is engaged in active practice of such profession, whether self-employed or a member or employee of a firm or private corporation offering professional engineering services to the general public.

Professional land surveyor means every individual who is a professional specialist in the techniques of the principles of mathematics and the related sciences; is experienced in the application of the principles of mathematics and the related sciences; understands the relevant requirements of law for the presentation of adequate assistance relating to property descriptions and the surveying of real property; is efficient in the practice of land surveying; and holds a valid certificate to practice land surveying as defined by the state.

Psychologist means every person qualified under the laws of the state to practice psychology and engaged in active practice of such profession.

Public accountant means every person actively operating a business of general public accounting, who is not qualified and registered under the laws of the state to practice as a certified public accountant.

Public stenographer means every person operating a business, whether full-time or part-time, of providing stenographic services to the general public.

Publisher includes any person engaged in the business of manufacturing, promulgating or selling books, pamphlets, magazines, newspapers or other literary productions, or issues or causes to be issued books, pamphlets, magazines, newspapers or other literary productions from the press, for sale or for circulation.

Real estate brokers of record, appraisers and *property managers* mean and include every person or company, whether operating from the city or not, either certified by the state real estate commission as brokers or appraisers engaged in the real estate business and/or those engaged in real estate property management, whether owned by the management company or when acting as an agent. The term includes those among such persons who deal exclusively or partly with rental property. Persons or companies that combine one or more of these services shall pay for one license only.

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Real estate development corporation means every person or company in the business of real estate development.

Real estate property manager means every person or company, whether operating from the city or not, in the business of real estate rental property management and not required to be licensed as a real estate broker of record, appraiser, or real estate agent by the state real estate commission.

Real estate salesperson or associate broker means every person, whether operating from within the city or not, certified as such by the state real estate commission, and engaged in the real estate business. Such term includes those among such persons who deal exclusively or partly with rental property.

Rental services includes persons or companies engaged in the business of renting equipment, motor vehicles, machinery, tools, furniture, video tapes and games, electronic sound, computer or video systems, tents, and any other article.

Sales representative means every person, whether operating from a place within the city or not, who works selling or supplying goods, commodities or merchandise from place to place, including fuel, food, services, goods, wares and other articles. The term shall include peddlers, home demonstrators, solicitors, and hucksters.

Schools and educational services (nonvocational) includes persons or companies engaged in the business of providing instruction in areas of knowledge and skill not intended or principally designed to provide a career. This definition shall include but is not limited to nonvocational art, music, dance, driving, charm and athletic instruction.

Schools and educational services (vocational) includes persons or companies engaged in the business of providing instruction in areas of knowledge and skill intended or designed to provide a career. This definition shall include but is not limited to barber, beautician, and modeling instruction.

Scientific laboratory includes every person who operates, as a private business for a profit, a scientific or medical laboratory offering testing, research, analytical and other such technical services to the public.

Scrap and waste material dealer includes every person or company engaged in assembling, breaking up, sorting and distributing, either wholesale or retail, scrap or waste material of all compositions, including but not limited to junkyards, salvage yards, and recycling centers.

Security services includes every person or company engaged in the business of providing private security services, including security officers, guards, or private patrol officers.

Shoe repairman means any person engaged in the business of repairing or rebuilding shoes.

Tailor and *garment services* include persons or companies who make repairs and alterations to clothes and other fabric products, including textile renovators.

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Taxicab or bus operator means every person in the business of the operation of motor vehicles in transporting persons for hire in the accommodation of the general public. The tax shall not apply, however, in the operation of school buses used solely in the transportation of children to and from kindergarten, grade school, vocational school and high school.

~~***Taxidermist*** **means every person who prepares, stuffs or mounts, for hire, the skins of birds, quadrupeds, fish or other animals.**~~

~~***Telephone answering service*** **includes every person operating a business of providing private operators or automatic equipment for answering private or business telephones in order to take the messages from and/or provide information to callers on the lines thereby served.**~~

~~***Television repairman*** **means every person operating a business of installing, adjusting, repairing or reconditioning television receivers.**~~

Tourist home includes every person who operates a place where tourists or transient guests, for a consideration, may obtain sleeping accommodations and which has at least two permanent bedrooms for the use of tourists or transient guests and who is not in the "hotel" or "motel" business as defined in this section.

Trailer park, recreational vehicle park and *tenting recreation park* include any person engaged in the business of operating any place where space is furnished for units to park and hook up to or use sanitary and/or electrical facilities. This definition shall not apply to mobile home parks.

Travel agency includes every person who operates a full service travel bureau which assists in the planning and acquisition of tickets for trips of its customers by land, sea or air and for related accommodation, and includes transportation agents who sell tickets on behalf of others, for commission, and airline ticket sales offices.

Veterinarian means every person qualified under the laws of the state to practice veterinary medicine and engaged in active practice of such profession.

Warehouseman means every person operating a business of public storage of tangible personal property, including all services in connection therewith.

Wholesale news agency includes every person engaged in the business of conducting a wholesale news agency, except any such person who is licensed as a merchant under city ordinance. (Code 1968, § 18-34; Ord. of 4-24-1980; Code 1981, § 11-1; Ord. of 5-23-1994; Ord. of 2-23-1998(2); Ord. of 12-11-2000)

BE IT FURTHER ORDAINED THAT Chapter 26 – Businesses, Article II - Licenses, Sec. 26-35 – License required; fees, Subsection (d) – Businesses licensed, be amended by inserting a new subsection (4) as indicated in bold, blue text, as follows:

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(4) Sports betting and horse racing (Simulcast) shall be licensed for each activity and shall pay a license fee as provided for in Appendix F – Fees and fines.

BE IT FURTHER ORDAINED THAT Appendix F – Fees and Fines, be amended by inserting the text indicated in blue, italic and deleting the text indicated in red, strikeout, as follows:

Chapter 26 - Businesses, Article II - Licenses			
Fines not paid within 14 days of the day the fine was issued, including the day the fine was issued, shall be automatically doubled in amount.			
Sec. 26-35	License required; fees		
	Subsec. (d)(1)	Businesses licensed	
		Advertising agency	$92.00
		Amusement Operator	$152.00
		Architect	$242.00
		Attorney-at-law	$303.00
		ATM machines (third party or off bank premises)	***$49.00***
		Auctioneer	$152.00
		Automobile race operator	$363.00
		Bank, or loan and trust company	$303.00
		Barber	$61.00
		each additional chair over two	$4.00
		Beautician	$61.00
		each additional chair over two	$4.00
		~~**Bowling alley operator**~~	~~**$182.00**~~
		Broadcasting station	$303.00

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	Broker	$152.00
	Car Wash	$182.00
	Certified Public Accountant	$242.00
	Cesspool cleaner	$121.00
	Chiropractor	$303.00
	Clinical Social Worker	$93.00
	Coin-operated amusement machine owner	
	per machine	$3.00
	Coin-operating vending machine owner	
	per machine	$3.00
	Coin-operated electronic video machine	
	per machine	$121.00
	Commercial sign business	$121.00
	Computer related services	$121.00
	Consultant	$49.00
	Day care operator:	
	Home based provider with six or fewer children	$0.00
	Center or home provider with greater than six children	$49.00
	~~**Dental lab**~~	~~**$182.00**~~
	Dentist	$303.00
	Distributor	$61.00
	Dray person or mover	$121.00

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	Eating establishment and/or eating establishment operator	$121.00
	Employment agency	$121.00
	Entertainer:	
	One - three entertainers per group	$49.00
	Four - nine entertainers per group	$92.00
	Ten or more	$121.00
	Entertainment agent	$182.00
	Finance or small loan agency	$242.00
	Fitness trainer	***$67.00***
	Funeral director	$242.00
	Gaming position	***$150.00***
	Gas, light, power, cable TV and telephone company	$908.00
	General repairman	$61.00
	Health spa or health club	$182.00
	Home day care operator	***$25.00***
	Hotel:	
	Per room	$9.00
	Per suite	$12.00
	Income tax consultant	$182.00
	Incorporator	$121.00
	Insurance adjustor office	$121.00
	Itinerant merchant, per event	$40.00

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	Janitorial and cleaning service:	
	One - three employees	$49.00
	Four - nine employees	$92.00
	Ten or more employees	$121.00
	Landscape service company:	
	One - three employees	$49.00
	Four - nine employees	$92.00
	Ten or more employees	$121.00
	Laundry service operator:	
	Primary facility	$121.00
	Additional drop-off locations	$49.00
	Linen supplier	$121.00
	Manicurist	$31.00
	Manufacturer's agent or representative	$121.00
	Mercantile agency or collection agency	$121.00
	Mobile home park, per space	$7.00
	Motel, per room	$7.00
	Motion picture theater	$182.00
	Motor vehicle serviceman	$92.00
	Nursing, rest or convalescent home	$182.00
	Open market operator:	
	First 20 spaces, per rented space	$22.00
	21st - 50th space, per rented space	$11.00

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	Each space over 50, per rented space	$6.00
	Outdoor tables, per table	$6.00
	Optometrist	$303.00
	~~**Outdoor music festival promoter**~~	~~**$1,210.00**~~
	~~**Parking lot or garage operator**~~	~~**$61.00**~~
	Pawnbroker	$182.00
	Pest control services	$92.00
	Pharmacist	$182.00
	Photographer	$121.00
	Physical therapist	$182.00
	Physician and/or surgeon	$303.00
	Plant nursery and florist	$92.00
	Podiatrist	$303.00
	Pool table operator, per table	$61.00
	Maximum fee	$183.00
	Printer	$121.00
	Private investigator agency	$182.00
	Professional counselor	$61.00
	Professional engineer	$242.00
	Professional land surveyor	$242.00
	Psychologist	$303.00
	Public accountant	$182.00
	Public stenographer	$37.00

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	Publisher	$303.00
	Real estate broker, appraiser, and manager	$152.00
	Real estate development corporation	***$333.00***
	Real estate property manager:	
	One - three units managed	$49.00
	Four - ten units managed	$121.00
	Ten + units managed	$121.00
	Real estate salesperson or associated broker	$49.00
	Rental service	$121.00
	Sales representative	$49.00
	School and educational service (non-vocational)	$61.00
	School and educational service (vocational)	$121.00
	Scientific laboratory	$242.00
	Scrap and waste material service	$121.00
	Secondhand dealer of precious metals	$121.00
	Security service	$182.00
	Self-service laundry or dry cleaner	$121.00
	Shoe repairman	$49.00
	Sound truck, per hour	$31.00
	Tailor and garment service	$49.00
	Taxicab or bus operator:	
	First vehicle	$25.00

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		Each additional vehicle	$25.00
		~~**Taxidermist**~~	~~**$121.00**~~
		~~**Telephone answering service**~~	~~**$121.00**~~
		~~**Television repairman**~~	~~**$92.00**~~
		Tourist home, per room	$7.00
		Trailer park, per space	$7.00
		Travel Agency	$121.00
		Veterinarian	$303.00
		Warehouseman	$242.00
		Wholesale news agency	$61.00
		All other businesses not listed:	
		One - three employees	$49.00
		Four - nine employees	$92.00
		Ten - 50 employees	$121.00
		51 - 100 employees	$303.00
	Subsec. (d)(2)	Manufacturers/contractors rate: $0.00046 of aggregate gross receipts	minimum fee $121.00
	Subsec. (d)(3)	Merchants/bottlers rate: $0.00046 of aggregate gross purchases for resale	minimum fee $61.00
	Subsec. (d)(4)	***Sports betting and horse racing (Simulcast), each activity: rate of $0.00046 of the aggregate gross receipts (defined as commission) for the activity***	***minimum license fee $121.00***
Sec. 26-42	Penalty for late payment of license fee		a penalty fee in the amount of ten percent per month of the amount of the

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		licensee fee until the same is paid

ADOPTED: *

Actions History:
September 14, 2009 – First Reading - Council
August 24, 2009 – Considered at LF&A

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