COUNCIL COMMITTEE OF THE WHOLE
AGENDA

JUNE 11, 2019 - 5:00 P.M.

CITY HALL COUNCIL CHAMBERS
15 LOOCKERMAN PLAZA
DOVER, DELAWARE

PUBLIC COMMENTS ARE WELCOMED ON ANY ITEM AND WILL BE PERMITTED AT APPROPRIATE TIMES. WHEN POSSIBLE, PLEASE NOTIFY THE CITY CLERK (736-7008 OR E-MAIL AT CITYCLERK@DOVER.DE.US) SHOULD YOU WISH TO BE RECOGNIZED.

COUNCIL COMMITTEE OF THE WHOLE

ADOPTION OF AGENDA

1. **ETHICS TRAINING**

PARKS, RECREATION, AND COMMUNITY ENHANCEMENT COMMITTEE

ADOPTION OF AGENDA

1. **PRESENTATIONS**
   - A. **POSTLETHWAIT MIDDLE SCHOOL BUSINESS PROFESSIONALS OF AMERICA**
   - B. **PARTNERSHIP WITH THE CITY AND RESERVES THROUGH INNOVATIVE READINESS TRAINING (IRT) - MAJOR JOHN RUNDLE**

2. **PROPOSED LAND SWAP - CITY OF DOVER AND CAPITOL BAPTIST CHURCH/MAYFAIR PARK**
   (STAFF RECOMMENDATION: AUTHORIZE THE CITY MANAGER AND STAFF TO EXECUTE THE PROPOSED LAND SWAP AGREEMENT BETWEEN THE CAPITOL BAPTIST CHURCH AND THE CITY OF DOVER USING OPTION #1. AS A PART OF THE LAND SWAP AGREEMENT, CAPITOL BAPTIST CHURCH HAS AGREED TO INCUR ALL LEGAL EXPENSES NECESSARY TO FINALIZE THE TERMS AND CONDITIONS OF THE AGREEMENT THAT INVOLVES THE PUBLIC OPEN SPACE KNOWN AS MAYFAIR PARK.)

3. **ADJOURNMENT OF PARKS, RECREATION, AND COMMUNITY ENHANCEMENT COMMITTEE MEETING**

UTILITY COMMITTEE

ADOPTION OF AGENDA

1. **EVALUATION OF PROPOSAL - BRADFORD STREET HYDROLOGIC AND HYDRAULIC FEASIBILITY STUDY**
   (STAFF RECOMMENDATION: AWARD THE CONTRACT TO MCCORMICK AND TAYLOR TO PERFORM THE HYDROLOGIC AND HYDRAULIC FEASIBILITY STUDY FOR BRADFORD STREET FOR THE AMOUNT OF $112,500)

2. **RENEWAL OF POWER SUPPLY CONTRACTS AND AUTHORIZATION FOR MCKEE RUN GENERATING STATION DECOMMISSIONING STUDY**
   (STAFF RECOMMENDATION: 1) EXTEND THE NORTH AMERICAN ENERGY SERVICES CONTRACT THROUGH JUNE 30, 2021; 2) EXTEND THE ENERGY AUTHORITY CONTRACT THROUGH JUNE 30, 2022; AND 3) AUTHORIZE STAFF TO ENGAGE NAES TO PERFORM THE MCKEE RUN GENERATING STATION DECOMMISSIONING STUDY)

3. **ADJOURNMENT OF UTILITY COMMITTEE MEETING**

LEGISLATIVE, FINANCE, AND ADMINISTRATION COMMITTEE

ADOPTION OF AGENDA

1. **EVALUATION OF BIDS - DOVER POLICE IMPOUND LOT**
   (STAFF RECOMMENDATION: AWARD THE CONTRACT TO GATEWAY CONSTRUCTION, INC. TO CONSTRUCT A NEW DOVER POLICE DEPARTMENT IMPOUND LOT, BID #19-0021PD, FOR THE AMOUNT OF $200,614)

2. **EVALUATION OF PROPOSALS - JANITORIAL SERVICES CONTRACT**
   (STAFF RECOMMENDATION: AWARD A THREE (3) YEAR CONTRACT WITH THE OPTION FOR TWO (2) ONE (1) YEAR EXTENSIONS TO MID ATLANTIC SERVICES A-TEAM CORPORATION AS PER THE PROPOSAL SUBMITTED IN RESPONSE TO RFP #19-0020CS)

3. **DISCUSSION - FISCAL YEAR 2020 AUDIT PROGRAM**

4. **BOND COUNSEL CONTRACT**
   (STAFF RECOMMENDATION: AUTHORIZE THE CONTROLLER/TREASURER TO ENTER INTO A CONTRACT WITH BALLARD SPAHR, LLP FOR CAPITAL PROJECT FINANCING WHEN NEEDED)

5. **PROPOSED AMENDMENTS TO FINANCIAL POLICIES**
   (STAFF RECOMMENDATION: APROVAL OF THE PROPOSED AMENDMENTS)

6. **DOWNTOWN DOVER BUSINESS IMPROVEMENT DISTRICT (BID) BUDGET AND ASSESSMENT (TAX) RATES FOR FISCAL YEAR 2019-2020**
   (STAFF RECOMMENDATION: APPROVE THE PROPOSED FISCAL YEAR 2019-20 BUDGET AND ASSESSMENT (TAX) RATE)

7. **PROPOSED ORDINANCE #2019-15 - AMENDING APPENDIX B - ZONING, ARTICLE 3 - DISTRICT REGULATIONS, SECTION 20A - INDUSTRIAL PARK MANUFACTURING ZONE - TECHNOLOGY CENTER (IPM2); ARTICLE 4 - ZONING BULK AND PARKING REGULATIONS, SECTION 4.16 - M, IPM ZONES; AND ARTICLE 12 - DEFINITIONS**
   (STAFF RECOMMENDATION: ADOPTION OF THE PROPOSED ORDINANCE)

8. **ADJOURNMENT OF LEGISLATIVE, FINANCE, AND ADMINISTRATION COMMITTEE MEETING**

ADJOURNMENT OF THE COUNCIL COMMITTEE OF THE WHOLE MEETING

/TM S:\AGENDAS-MINUTES-PACKETS-PRESENTATIONS-ATT&EXH\COMMITTEE-AGENDAS\2019\06-11-2019 CCW AGENDA.WPD

THE AGENDA ITEMS AS LISTED MAY NOT BE CONSIDERED IN SEQUENCE. PURSUANT TO 29 DEL. C. §10004(E)(2), THIS AGENDA IS SUBJECT TO CHANGE TO INCLUDE THE ADDITION OR THE DELETION OF ITEMS, INCLUDING EXECUTIVE SESSIONS, WHICH ARISE AT THE TIME OF THE MEETING.

Ethics Quiz

1. True or False: Most adults have solid, well-founded ethical beliefs that can be changed only by new evidence or reasoned arguments.
2. True or False: I am more ethical than my peers.
3. John is the captain of a submarine. An explosion has caused the sub to lose most of its oxygen supply and has injured a crewman who is bleeding badly and is going to die from his wound no matter what happens. The remaining oxygen is not sufficient for the entire crew to make it to the surface. The only way to save the other crew members is for John to shoot dead the injured crewman now. Then there will be just enough oxygen for the rest of the crew to survive. *Is it morally acceptable for John to shoot the injured crewman?*
4. True or False: Sally is a tourist in New York City. Late at night she is confronted by a vicious mugger on a side street. Sally starts screaming for help. Sally is better off if there are 20 bystanders close by rather than only one.
5. True or False: You are driving and come upon a terrible collision between two cars that just happened. Both cars are on fire and will soon be consumed with flames, killing the occupants. You realize with horror that your brother is unconscious in one of the cars, while two strangers are unconscious in the other. You have time to save the occupants of only one of the cars. The moral thing for you to do is to save the two strangers.

Created by: Robert A. Prentice, University of Texas at Austin

Public Integrity Commission

in cooperation with the

City of Dover

presents

Ethics in Government

When a man [or woman] assumes a public trust, he should consider himself as public property”.

Thomas Jefferson quoted from ‘Life of Jefferson’ by B..L. Raynor



The reputation of a thousand years may be determined by the conduct of one hour.

Japanese proverb



Supreme Court overturns corruption conviction of former Va. governor McDonnell

Supreme Court overturns corruption conviction of former Va. governor McDonnell

The Supreme Court unanimously voted to overturn the public-corruption conviction of former Virginia governor Robert F. McDonnell. Here's what you need to know about the decision. (Monica Akhtar/The Washington Post)

By Robert Barnes

Politics

June 27 at 7:09 PM

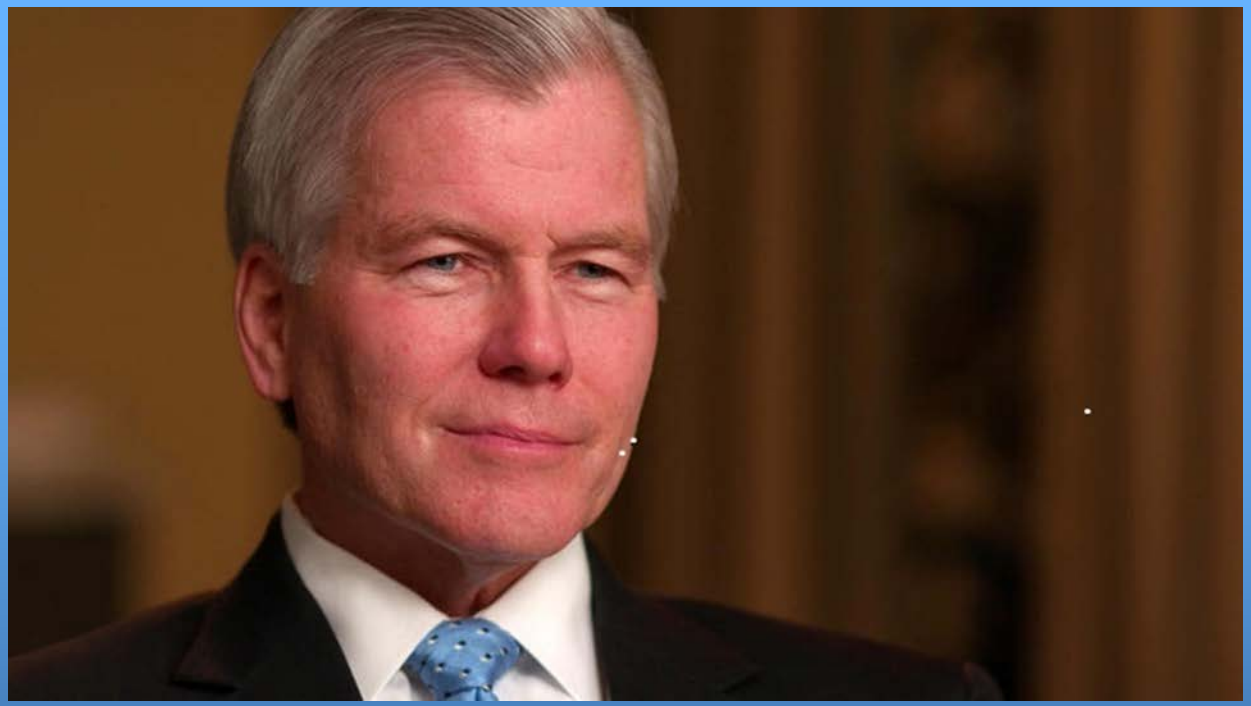
'There is no doubt that this case is distasteful; it may be worse than that. But our concern is not with tawdry tales of Ferraris, Rolexes, and ball gowns," Roberts wrote. "It is instead with the broader legal implications of the Government's boundless interpretation of the federal bribery statute." CJ Roberts



ernor
entenced

ell (2nd R) leaves U.S. District Court
(R), after he found guilty in his
TTY IMAGES

June 2016



July 2017

Ex-Wilmington Council President Theo Gregory admits to abusing office, receives 'public reprimand’.

Jeanne Kuang and Christina Jedra, Delaware News Journal
Published 6:00 a.m. ET April 26, 2019

Former Wilmington City Council President Theo Gregory admitted to "abuse of office" after the city ethics commission investigated him for allocating $40,000 in council funds to his own nonprofit - and personally pocketing about half of it-on his way out of office.



$600,000 over the course of his government service

How Wilmington's former fire chief was able to steal for years

Xerxes Wilson and Jeanne Kuang, Delaware News Journal May 13, 2019

Wilmington’s Former Fire Chief Anthony Goode was able to steal from his fellow firefighters for nearly a decade by taking total control of a nonprofit and using the power of his office to intimidate those who might speak out.



Between 2009 and 2016
Goode withdrew $89,700
theft $62,000

State Code vs. City Ordinance

- PIC review and approval
- May be more strict than State Code

Chapter 30

- Article I—General
- Article II—Standards of Conduct
- Article III—Ethics Commission

Intent

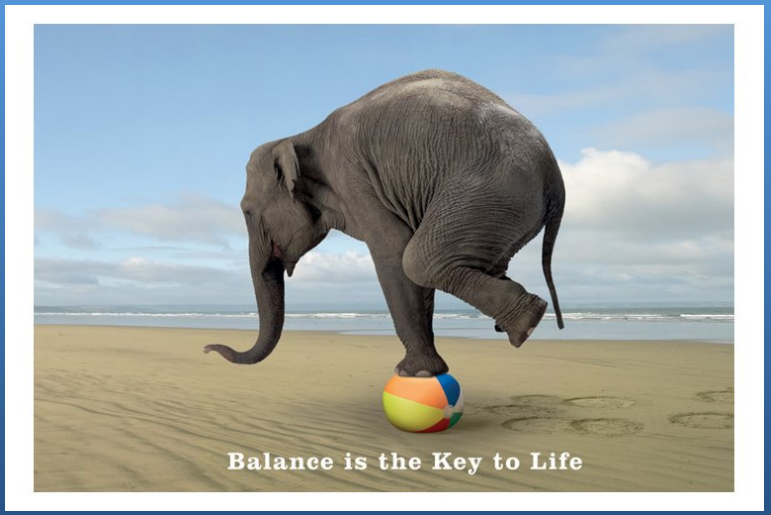
Art. I Sec. 30-2(a)

- Applies to all elected and appointed officials, employees
- High levels of ethical conduct
- Uphold the public trust
- Compliance with the letter and the spirit of ethical standards—appearance of impropriety

Purpose

Art. I Sec. 30-2(b)

- Public trust
- Standards
- Public service
- Performance of duty
- Fairness
- Use of private information



Code of Conduct

Art. II Sec. 30-20(a)

- *Treat public with respect, exceptional service; disputes resolved at lowest level*
- *Public office shall not be used to secure unwarranted privileges, private advancement or gain.*
- *Integrity; ethically providing public service*
- *Disclose conflicts of interest*
- *Cannot accept money or anything of value that is given in exchange for promised performance of an official act*

Code of Conduct

Art. II Sec. 30-20(b)

- No Appearance of Impropriety
  - *Don't raise suspicion that you are engaging in acts which are a violation of the public trust and will not reflect favorably on the city and its government. (Should I be doing this?)*

Code of Conduct

Art. II Sec. 30-20(c)

- No other employment, gift, payment of expenses, compensation, or anything of monetary value if it may result in:
  - *Impaired independence of judgment; or*
  - *Preferential treatment to any person; or*
  - *Official decisions outside official channels; or*
  - *Any adverse effect on public confidence in government*

Code of Conduct

Art. II Sec. 30-20(d)

- No interest in a private enterprise or any obligation in substantial conflict with performing your public duties

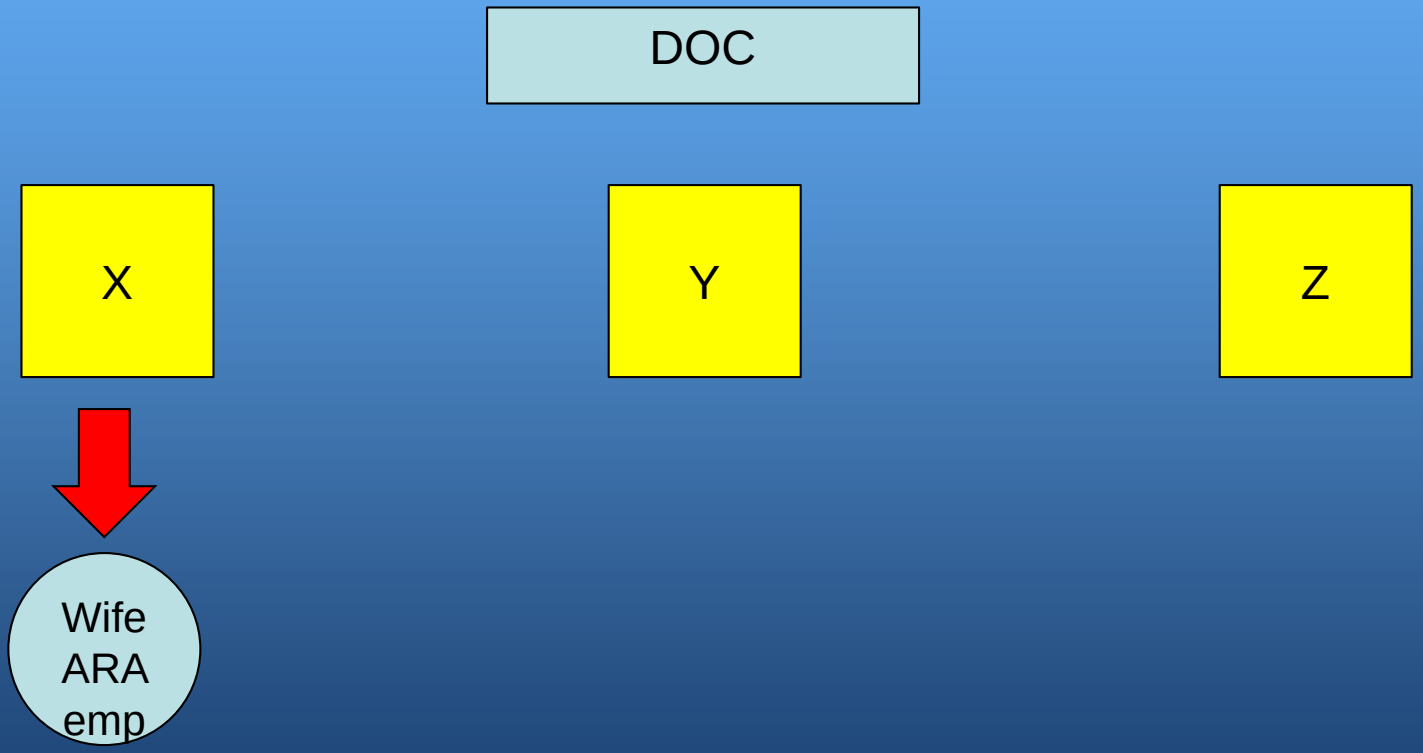
Conflict of Interest

Art. II Sec. 30-20(e)(1)

- No Personal or Private Interest That Tends to Impair Judgment in Performing City Duties
- *Interests Which Will Impair Judgment*
  - **Financial benefit to self or a close relative**
  - **Benefit to a private enterprise if you or a close relative have a financial interest**

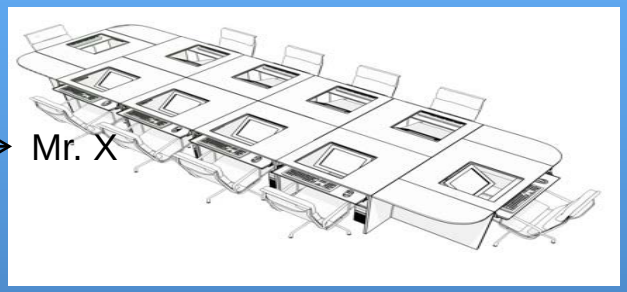
Personal Interest

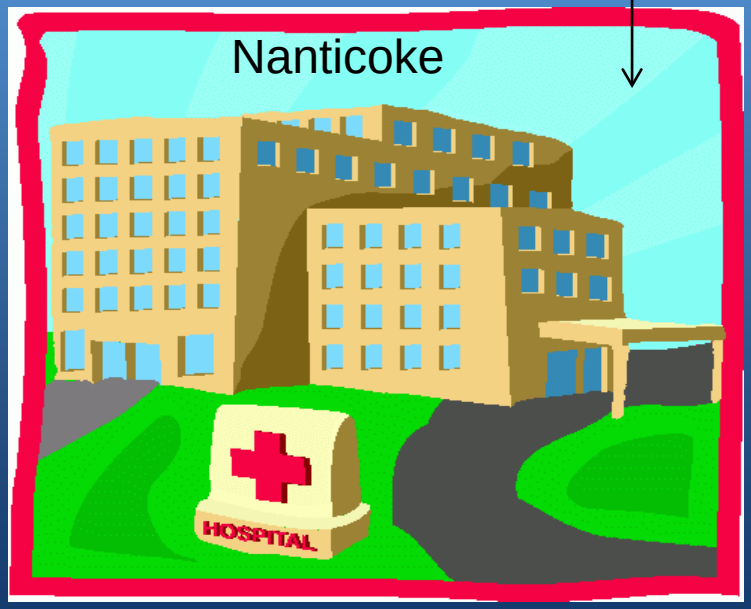
Prison Health Systems v. ARA

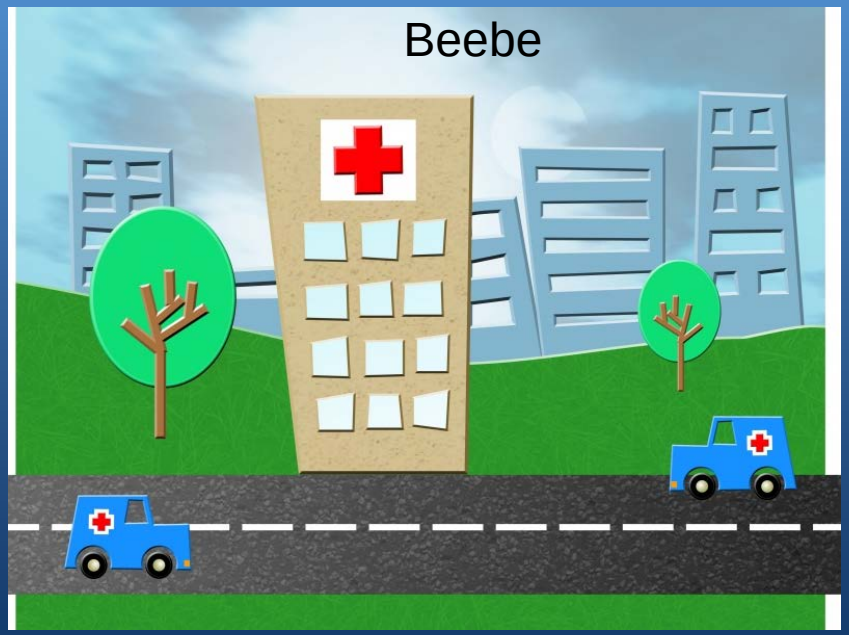


Personal Interest cont.

Beebe v. Cert of Medical Needs Board







Personal Interest cont.

Brice v. DOC

Christiano

Ma son

Sestito
Nephew
3

David
Outten's Sec

Coleman
Highest
score
7



Brice
5

Conflict of Interest

Representation – Art. II Sec. 30-20(e)(2)

- Do not represent or assist a private enterprise before the City

  - *Exception:* You may assist a private enterprise within the scope of official duties.

Conflict of Interest

Seeking City Contracts – Art. II Sec. 30-20(e)(3)

- Cannot contract with the City
- Ownership of business—more than 10% in corp. on NYSE unless public notice and bidding
  - *Except:* Employment Contracts

Conflict of Interest

Post-Employment – Art. II Sec. 30-20(f)

- Two-year Restriction
  - Cannot represent/assist private enterprise on matters involving the City if you:
    - Gave an opinion
    - Conducted an investigation
    - Were otherwise directly and materially responsible
- Prohibition on use of confidential information

Code of Conduct

Art. II Chap. 30-20(h)

Abuse of Office (elected officials only)

- *Political contributions = legislation*
- *Substantial interest in legislation (abstain)*
- *Use of City property*
- *Personal gain*

Sanctions

Art. II Sec. 30-20(j-k)

- *Criminal Sanctions* - Up to 1 Year in prison or $10,000 Fine
- *Voidable contracts*
  - *Innocent 3rd parties*
  - *30 days*

Code of Conduct

Prohibited Conduct – Art. II Sec. 30-20(k)

Public office shall not be used to secure unwarranted privileges, private advancement or gain.

Code of Conduct

Art. II Sec. 30-20(m)

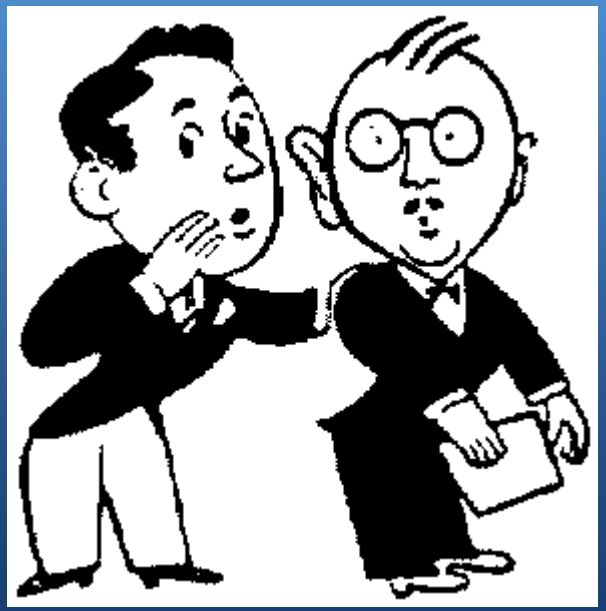
- You may not:
  - Engage in activities that might reasonably be expected to require or induce you to disclose confidential information;
  - Disclose confidential information beyond the scope of employment;
  - Use confidential information for personal gain or benefit.

Code of Conduct

Art. II Sec. 30-20(n)

- No *ex parte* communications





Code of Conduct

Art. II Sec. 30-20(o)

Do not use the granting of sexual favors, either explicitly or implied, as a condition for an individual's favorable treatment.

City of Dover
Ethics Commission

Art. III Chap. 30-71(a-e)

- 5 members, 5 year term
- May not hold any other government office
- No compensation



Powers & Duties

Art. III Sec. 30-72(a)(1-10)

- *Recommend new rules*
- *Advisory Opinions*
- *Referrals to Solicitor*
- *Report Crimes*
- *Maintain records of Commission's opinions*
- *Set procedures*
- *Subpoena witnesses*
- *Take evidence, subpoena the production of books, papers, records*
- *Assist City personnel in administering the Code of Ethics*
- *Request assistance from City agencies*

Complaints

Art. III Sec. 30-73(a)

- Any person may submit a complaint
  - *In writing, signed, address*
  - *Time limitations (1 year occurrence, 60 days knowledge)*
- No ex parte communications-City Clerk
- Must be screened within 14 days
- Enforcement intended to be corrective unless a repeat offense
- Set for a hearing

Complaints

Art. III Sec. 30-73

Actions

- *Reprimand*
- *Discipline*
- *Recommend removal*
- *Recommend fine*
- *Confidential unless violation or request*

Chapter 30 - STANDARDS OF ETHICAL CONDUCT AND ETHICS COMMISSION[1]

Footnotes:

--- (**1**) ---

Editor's note— Ord. No. 2017-14 , adopted December 11, 2017, repealed ch. 30, §§ 30-31—30-35 and 30-71—30-74 and enacted a ch. 30 as set out herein. Former ch. 30 pertained to similar subject matter and derived from the Code of 1981; an Ord. adopted July 13, 1998; and Ord. No. 2010-23, adopted August 23, 2010.

ARTICLE I. - IN GENERAL

Sec. 30-1. - Applicability.

This chapter shall be applicable to all elected and appointed officials and all employees of the city.

(Ord. No. 2017-14 , 12-11-2017)

Sec. 30-2. - Statement of intent and purpose.

(a) *Intent.* The proper operation of democratic government requires that public officials and employees be independent, impartial, and responsible to the people; that governmental decisions and policies be made in the proper channels of the governmental structure; that public office not be used for personal gain; and that the public has confidence in the integrity of its government. It is the intent of the city that all elected and appointed officials and all employees of the city adhere to high levels of ethical conduct, honesty, integrity and accountability to assure that the public has confidence in all aspects of city government and the city officials that exercise discretionary powers. These standards of ethical conduct are intended to uphold the public trust in the persons in positions of public responsibility who are acting for the benefit of the public. All elected and appointed officials and all employees of the city shall comply with both the letter and the spirit of the standards of ethical conduct and strive to avoid situations that create impropriety or the appearance of impropriety. The standards define and discourage certain actions that may create impropriety or the appearance of impropriety that undermine public trust in elected and appointed public officials and employees.

(b) *Purpose* . The standards of ethical conduct should promote public confidence in the integrity of city officials; state principles of conduct and ethics which are to be applied in public service; inform the public of the standards to which their city officials are expected to adhere; and help motivate city officials and public employees to pursue productive conduct and ethical ideals which exceed minimum standards. The city council finds and declares as matters of public policy goals and objectives for all city employees and elected and appointed officials, the following:

(1) *Public trust.* In our democratic form of government, the conduct of officials and employees of the city must hold the respect and confidence of the people. They must, therefore, avoid conduct which is in violation of their public trust or which creates a justifiable impression among the public that such trust is being violated.

(2) *Standards.* To ensure propriety and to preserve public confidence, officials and employees of the city must have the benefit of specific standards to guide their conduct and disciplinary mechanisms to guarantee uniform maintenance of those standards. Some standards of this type are so vital to government that violation thereof should subject the violator to criminal penalties.

(3) *Public service.* In our democratic form of government, it is both necessary and desirable that all citizens should be encouraged to assume public office and employment, and that, therefore, the activities of officials and employees of the city should not be unduly circumscribed.

(4) *Performance of duty.* Elected city officials are obligated to uphold the fundamental legal principles of our system of government, as set forth in the United States Constitution, the state constitution, and the city Charter, as well as all applicable provisions of federal, state and local law and court decisions. They are bound to do so, and the failure to so act shall constitute malfeasance in office.

(5) *Fairness.* City officials and employees shall strive for the highest standard of fairness in all of their activities and shall not grant any special consideration, treatment, or advantage to any citizen beyond that which is available to every other citizen.

(6) *Use of private information.* In the course of their official responsibilities, city officials and employees are often privy to categories of information which are of a private nature and are legally protected from public disclosure. City officials and employees shall maintain the privacy of such information, and they shall not take advantage of such information for personal gain, or the personal gain of friends or family.

(Ord. No. 2017-14 , 12-11-2017)

Sec. 30-3. - Acknowledgment of policies; required disclosures, and required annual training.

In order for the mayor, councilmembers, mayoral and council appointees, and city employees to better serve the constituents of the city in an open, transparent fashion and to further be held accountable, the following actions shall be taken by each of the designated persons:

(a) *Acknowledgment of policies* . Each elected and appointed official and all city employees shall be furnished copies of Chapter 30—Standards of Ethical Conduct and Ethics Commission, either electronically or, if requested, in hard copy, before entering upon the duties of their office or employment and shall sign a written acknowledgment of receipt of the copy. The documents shall be read, reviewed, and signed by all appointees by the time of their appointment or re-appointment.

(b) *Financial disclosure report.* Any city employee or elected or appointed official who has a financial interest in any private enterprise which is subject to the regulatory jurisdiction of, or does business with, any city agency (and any city official who has a financial interest in any private enterprise which is subject to the regulatory jurisdiction of, or does business with, the city agency on which he serves as an appointee) shall file a financial disclosure report with the ethics commission fully disclosing the same. Such disclosure shall be confidential and the ethics commission shall not release such disclosed information, except as may be necessary for the enforcement of this chapter. The filing of such financial disclosure report shall be a condition of commencing and continuing employment or appointed status with the city. The financial disclosure report shall be submitted by August 1 of each calendar year.

(c) Disclosure of interest in legislation.

(1) A councilman who has a financial or other private interest in any legislation shall disclose on the records of the council or other appropriate authority the nature and extent of such interest. This provision shall not apply if the councilman disqualifies himself from voting on such legislation.

(2) Any other city official or employee who has a financial or other private interest in any legislation and who participates in discussion with or gives an official opinion to the council shall disclose on the records of the council or other appropriate authority the nature and extent of such interest.

(3) Any city employee or city officer who has a financial interest in any private enterprise which is subject to the regulatory jurisdiction of, or does business with, any city agency, shall file with the ethics commission a written statement fully disclosing the same. Such disclosure shall be confidential and the ethics commission shall not release such disclosed information, except as may be necessary for the enforcement of this subchapter. The filing

of such disclosure statement shall be a condition of commencing and continuing employment or appointed status with the city.

(4) *Required annual training* . All city employees and elected and appointed officials shall undergo and receive annual training on the city's ethics policies and procedures.

(Ord. No. 2017-14 , 12-11-2017)

Sec. 30-4. - 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:

Close relative means a person's parents, spouse, children (natural or adopted), and siblings of the whole and half-blood.

Commission and *ethics commission* mean the city ethics commission as established by this chapter.

Compensation means any money, thing of value, or any other economic benefit of any kind or nature whatsoever conferred on or received by any person in return for services rendered or to be rendered by the official or employee, or by another.

Employee includes all persons who receive compensation as an employee of the city or a city agency, and shall not include persons that are elected or appointed to serve as mayor, city councilmember or a member of any city committee, commission or board, whether paid or unpaid.

Financial interest. A person has financial interest in a private enterprise if:

(1) He has a legal or equitable ownership interest in the enterprise of more than ten percent (one percent or more in the case of a corporation the stock of which is regularly traded on an established securities market);

(2) He is associated with the enterprise and received from the enterprise during the last calendar year, or might reasonably be expected to receive from the enterprise during the current or the next calendar year, income in excess of $5,000.00 for services as an employee, officer, director, trustee, or independent contractor; or

(3) He is a creditor of a private enterprise in an amount equal to ten percent or more of the debt of that enterprise (one percent or more in the case of a corporation the securities of which are regularly traded on an established securities market).

Matter means an application, petition, request, business dealing, contract, subcontract, or any other transaction of any sort with the city.

Official means any elected or appointed official of the city and all members of any committee, commission or board appointed by the mayor of the city or appointed by the city council.

Official responsibility means any direct administrative or operating authority at any level, either exercisable alone or with others, either personally or through subordinates, to approve, disapprove, recommend or otherwise direct action on behalf of the city.

Personal or private interest means an interest in a matter which tends to impair the independent judgment of an official or employee in the performance of his duties with respect to that matter.

Private enterprise means any activity conducted by any person, whether conducted for profit or not for profit, and includes the ownership of real or personal property. The term "private enterprise" does not include any activity of the city, of any political subdivision, or of any agency, authority, or instrumentality thereof.

Public official. All elected and appointed officials and all employees of the city.

(Ord. No. 2017-14 , 12-11-2017)

Sec. 30-5—30-19. - Reserved.

ARTICLE II. - STANDARDS OF ETHICAL CONDUCT.

Sec. 30-20. - Established.

High ethical standards among public officials and employees are essential to gain and maintain the confidence of the people, because such confidence is essential to the conduct of free government. Public officials and employees are agents of the people and hold office for the benefit of the public. They are bound to observe in their official acts the highest standards of morality and to discharge faithfully and impartially the duties of their offices, regardless of personal considerations, recognizing that the public interest must be their primary concern. Their conduct in both their official and private affairs should be above reproach. These standards of ethical conduct are adopted in order to secure this desired high level of public trust, ensure the impartiality of public officials and employees, and impose standards of accountability.

(a) *General responsibilities of officials and employees.*

(1) Officials and employees have the common obligation of serving the public. In performing their duties, they shall treat the public and each other with respect, concern, and responsiveness, recognizing that their common goal of exceptional public service can only be achieved by working together. Disputes that arise among public servants shall be resolved at the lowest possible level; keeping in mind that public money spent on resolving these disputes is money not spent on important public needs.

(2) Officials and employees shall treat their position as a public trust, with a fiduciary duty to use the powers and resources of public office only to advance the public interest and not to obtain personal benefits or pursue private interests.

(3) Officials and employees shall conduct themselves in a manner that justifies the confidence placed in them by the people, at all times maintaining the integrity and discharging ethically the high responsibilities of public service.

(4) Full disclosure of real or potential conflicts of interest shall be a guiding principle for determining appropriate conduct. At all times, reasonable efforts shall be made to avoid undue influence and abuse of office in public service.

(5) No official or employee may request or receive, and no person may offer any money, thing of value or promise thereof, other than any city pay received, that is conditioned upon or given in exchange for promised performance of an official act.

(b) *Appearance of violation.* Each city employee and official shall endeavor to pursue a course of conduct which will not raise suspicion among the public that he is engaging in acts which are in violation of his public trust and which will not reflect unfavorably upon the city and its government.

(c) *Private interest; gifts.* No city employee or official shall have any interest in any private enterprise, nor shall he incur any obligation of any nature which is in substantial conflict with the proper performance of his duties in the public interest. No city employee or official shall accept other employment, any compensation, gift, payment of expenses or any other thing of monetary value under circumstances in which such acceptance may result in any of the following:

(1) Impairment of independence of judgment in the exercise of official duties;

(2) An undertaking to give preferential treatment to any person;

(3) The making of a governmental decision outside official channels; or

(4) Any adverse effect on the confidence of the public in the integrity of the government of the city.

(d) *Interest in private enterprise.* No city employee or official shall acquire a financial interest in any private enterprise which he has reason to believe may be directly involved in decisions to be made by him in an official capacity on behalf of the city.

(e) *Prohibitions relating to conflicts of interest* . No councilman or other official or employee, whether paid or unpaid, shall engage in any business or transaction or shall have a financial or other personal interest, direct or indirect, which is incompatible with the proper discharge of his official duties in the public interest or would tend to impair his independence of judgment or action in the performance of his official duties. Personal as distinguished from financial interest includes an interest arising from blood or marriage relationships or close business or political association provided, that upon request from any person with official responsibility with respect to the matter, any such person who has such a personal or private interest may nevertheless respond to questions concerning any such matter.

(1) *Restrictions on exercise of official authority.*

a. *Prohibited participation.* No city employee or official may participate on behalf of the city in the review or disposition of any matter pending before the city in which he has a personal or private interest, provided that, upon request from any person with official responsibility with respect to the matter, any such person who has such a personal or private interest may nevertheless respond to questions concerning any such matter. A personal or private interest in a matter is an interest which tends to impair a person's independence of judgment in the performance of his duties with respect to that matter.

b. *Impairment of judgment.* A person has an interest which tends to impair his independence of judgment in the performance of his duties with respect to any matter when:

i. Any action or inaction with respect to the matter would result in a financial benefit or detriment to accrue to the person or a close relative to a greater extent than such benefit or detriment would accrue to others who are members of the same class or group of persons; or

ii. The person or a close relative has a financial interest in a private enterprise which enterprise or interest would be affected by any action or inaction on a matter to a lesser or greater extent than like enterprises or other interests in the same enterprise.

c. *Statutory responsibility.* In any case where a person has a statutory responsibility with respect to action or inaction on any matter where he has a personal or private interest and there is no provision for the delegation of such responsibility to another person, the person may exercise responsibility with respect to such matter, provided that, promptly after becoming aware of such conflict of interest, he files a written statement with the ethics commission, fully disclosing the personal or private interest and explaining why it is not possible to delegate responsibility for the matter to another person.

(2) *Restrictions on representing another's interest before the city.*

a. *Prohibited.* No city employee or official may represent or otherwise assist any private enterprise with respect to any matter before the city.

b. *Exception.* This subsection shall not preclude any city employee or official from appearing before the city or otherwise assisting any private enterprise with respect to any matter in the exercise of his official duties.

(3) *Restriction on contracting with the city.*

a. *Prohibited.* No city employee or official shall benefit from any contract with the city, nor solicit any contract, and shall not enter into any contract with the city (other than an employment contract).

b. *Ownership of enterprise.* No private enterprise in which a city employee or official has a legal or equitable ownership of more than ten percent (more than one percent in the case of a corporation the stock of which is regularly traded on an established securities market) shall enter into any contract with the city (other than an employment contract) unless such contract was made or let after public notice and competitive bidding.

(f) *Postemployment restrictions.* No person who has served as a city employee or official shall represent or otherwise assist any private enterprise on any matter involving the city, for a period of two years after termination of his employment or elected or appointed status with the city, if he gave an opinion, conducted an investigation or otherwise was directly and materially responsible for such matter in the course of his official duties as a city employee or official, nor shall any former city employee or official disclose confidential information gained by reason of his public position, nor shall he otherwise use such information for personal gain or benefit.

(g) *Unauthorized disclosure of confidential information.* No person shall disclose any information required to be maintained confidential by the ethics commission under section 30-3(b), 30-73 or 30-74.

(h) *Abuse of office.*

(1) *Political contributions.* No elected city official shall agree to sponsor legislation, or to influence in any manner the formulation or passage of legislation, in exchange for political contributions or promises thereof.

(2) *Substantial interest.* No elected city official shall vote for, or promote in any manner whatsoever, legislation affecting any subject matter in which he has a substantial interest. Any such interest shall be disclosed by said elected official prior to a vote on any such legislation, and said elected official shall vote "abstain" when called upon to vote.

(3) *Use of city property.* No city official or employee shall request or permit the use of city-owned vehicles, equipment, materials, or property for personal convenience or profit, except when such services are available to the public generally or are provided for the use of such official or employee in the conduct of official business as a matter of municipal policy.

(4) *Personal gain.* No city official or employee shall utilize the influence of his office or position for personal pecuniary gain, or to avoid the legal consequences of his personal conduct.

(i) *Criminal sanctions.*

(1) *Penalties.* Any person who knowingly or willfully violates any provision of this section shall be guilty of a misdemeanor, punishable for each such violation by imprisonment of not more than one year and by a fine as provided for in Appendix F—Fees and Fines.

(2) *Time limitations.* A prosecution for a violation of this section shall be subject to the time limitations of 11 Del. C. § 205.

(j) *Contracts voidable by court action.* In addition to any other penalty provided by law, any contract entered into by any city agency in violation of this chapter shall be voidable by the city agency; provided that in determining whether any court action should be taken to void such a contract pursuant to this subsection, the city agency shall consider the interests of innocent third parties who may be damaged thereby. Any court action to void any transaction must be initiated within 30 days after the city agency involved has, or should have, knowledge of such violation.

(k) *Private gain.* No city employee or official shall use his public office to secure unwarranted privileges, private advancement or gain.

(l) *Confidential information; prohibited activity.* No city employee or official shall engage in any activity beyond the scope of his public position which might reasonably be expected to require or induce him to disclose confidential information acquired by him by reason of his public position.

(m) *Disclosure of information.* No city employee or official shall, beyond the scope of his public position, disclose confidential information gained by reason of his public position, nor shall he otherwise use such information for personal gain or benefit.

(n) *Ex parte communications* . No official or employee shall encourage, make or accept any ex parte or other unilateral application or communication that excludes the interests of other parties in a matter under consideration when such application or communication is designed to influence official decision or conduct of the official or other officials, employees or agencies in order to obtain a more favored treatment or special consideration to advance the personal or private interests of himself or herself or others. The purpose of this provision is to guarantee that all interested parties to any matter shall have equal opportunity to express and represent their interests.

Any written ex parte communication received by an official or employee in matters where all interested parties should have equal opportunity for a hearing shall be made part of the record by the recipient.

Any oral ex parte communication received under such conditions should be written down in substance by the recipient and also made a part of the record.

A communication concerning only the status of a pending matter is not regarded as an ex parte communication.

(o) *Sexual favors.* No city employee or official, in the course of his public responsibilities, shall use the granting of sexual favors as a condition, either explicit or implicit, for an individual's favorable treatment by that person or a city agency.

(Ord. No. 2017-14 , 12-11-2017)

Sec. 30-21—30-70. - Reserved.

ARTICLE III. - ETHICS COMMISSION

Sec. 30-71. - Established; composition; removal; terms of office; vacancies; chairperson; quorum; compensation; legal counsel.

(a) *Established; composition; removal.* The city ethics commission is hereby established to administer and implement this chapter. The ethics commission shall consist of five members appointed by the mayor and confirmed by the city council. No member of the commission shall hold any elected or appointed office under the government of the United States or the state, county, or city. Members of the ethics commission may be removed by the mayor, with the concurrence of the city council, for substantial neglect of duty, gross misconduct in office or a violation of this chapter.

(b) *Terms of office; vacancies.* A member of the ethics commission shall be appointed for a term of office of five years and until his successor has been appointed and has qualified. The members shall be appointed for staggered terms of office, and until their successors have been appointed. When a vacancy occurs in the membership of the ethics commission, it shall be filled by appointment for the unexpired portion of the term in the same manner as the original appointment.

(c) *Chairperson; quorum.* The ethics commission shall elect a chairperson from among its membership. Three members of the ethics commission shall constitute a quorum and, if a quorum is present, a vacancy on the ethics commission shall not impair the right of the remaining members to exercise all the powers of the ethics commission. Disciplinary hearings may be conducted and sanctions may be imposed only by the affirmative action of at least three members; otherwise, the ethics commission may delegate authority to the chairperson to act for the ethics commission between meetings.

(d) *Compensation.* Members of the ethics commission shall receive no compensation.

(e) *Legal counsel.* The city solicitor shall provide legal counsel to the ethics commission and shall be the legal representative of the ethics commission in connection with its duties hereunder, on a case-by-case basis, or determine that outside counsel is needed and obtain such outside counsel for a particular matter.

(Ord. No. 2017-14 , 12-11-2017)

Sec. 30-72. - Powers and duties.

(a) The powers and duties of the ethics commission shall be:

(1) *Standards of ethical conduct.* To recommend to the mayor and council, from time to time, such rules of conduct for public employees and officials as it shall deem appropriate.

(2) *Advisory opinions.* To issue written advisory opinions, upon the request of any city employee or official, as to the applicability of this chapter to any particular factual situation.

(3) *Referrals to solicitor.* To refer to the city solicitor for investigation any alleged violation of this chapter and, after notice and hearing, to recommend such disciplinary action as it may deem appropriate to such appropriate official or agency as the ethics commission shall determine, or to take such other disciplinary action as authorized by section 30-73(o) or other provisions of the city Charter or this Code. The ethics commission may dismiss, without reference to the city solicitor, any complaint which the ethics commission determines is frivolous or fails to state a violation.

(4) *Report of crimes.* To report to the appropriate federal, state or city authorities any substantial evidence of a violation of any criminal law which may come to its attention in connection with any proceeding, whether advisory or disciplinary.

(5) *Records.* To maintain a file of its proceedings, waiver decisions and advisory opinions with a view toward achieving consistency of opinions and recommendations subject to the confidentiality requirements of sections 30-74 and 30-73(s).

(6) *Procedures.* To follow the procedural rules specified in section 30-73 and to establish such other procedural rules as shall be consistent with the rules prescribed therein.

(7) *Witnesses, evidence.* To subpoena witnesses, compel their attendance and testimony, administer oaths and affirmations, take evidence and require, by subpoena, the production of books, papers, records or other evidence needed for the performance of the ethics commission's duties or exercise of its powers.

(8) *Assistance to city personnel.* To provide assistance to any city employee, official or agency in administering the provisions of this chapter.

(9) *Provide information.* To prepare any necessary reports and studies to advance the purpose of this chapter, to provide any necessary materials explaining the duties of individuals covered by this chapter, and to supply instructions and public information materials to facilitate compliance with, and enforcement of, this chapter.

(10) *Request city agencies for assistance.* To request appropriate city agencies to provide such professional assistance as it may require in the discharge of its duties.

(Ord. No. 2017-14 , 12-11-2017)

Sec. 30-73. - Rules of procedure; complaints; hearings; dispositions.

(a) Any person, either personally or on behalf of an organization or governmental body, may file a sworn complaint for the ethics commission with the city clerk. The complaint must be in writing, be signed, and show the address of the person who submitted it. The complaint must state that, to the

best of the person's knowledge, information, and belief formed after reasonable reflection, the information in the complaint is true. The complaint must describe the facts that constitute the violation of the standards of ethical conduct in sufficient detail so that the ethics commission and the person who is the subject of the complaint can reasonably be expected to understand the nature of any offense that is being alleged. The commission may request any additional information deemed necessary to screen the complaint or to render a decision. No complaints shall be accepted or considered which relate to actions that took place more than one year prior to the date of filing. The individual filing the sworn complaint has 60 days from the date that the issue is brought to his or her attention to file a complaint.

(b) After the sworn complaint has been filed, none of the parties or their representatives may communicate on an ex parte basis with any commission members pertaining to the complaint. All communications pertaining to the complaint shall be submitted to the city clerk.

(c) Within seven days of receiving a sworn complaint the city clerk shall send copies of the complaint to each member of the ethics commission, the city solicitor, and the official or officials against whom such complaint has been filed. Hereinafter, the complaining party shall be referred to as the "complainant" and the official against whom a complaint has been lodged shall be referred to as the "respondent."

(d) The commission recognizes that distribution to the public of a sworn complaint prior to screening by the commission as required below could harm the reputation of an innocent person and is contrary to the public interest; therefore, the public release of the complaint is prohibited until the screening process has been completed. The commission shall consult in confidence to screen the complaint within 14 days of receiving the complaint. The commission may immediately dismiss a complaint if:

(1) It has no jurisdiction; or

(2) The alleged violation, if true, would not constitute a violation of the standards of ethical conduct; or

(3) The alleged violation is a minor or de minimis violation; or

(4) The complaint is, on its face, frivolous, groundless, or brought for purposes of harassment; or

(5) The matter has become moot because the person who is the subject of the complaint is no longer an officer, official or employee; or

(6) The respondent had obtained an advisory opinion under section 30-74(c) permitting the conduct; or

(7) The appointing authority of the respondent has already taken action as a result of finding a violation and the commission believes the action was appropriate.

(e) In issues regarding standards of ethical conduct violations, the enforcement process is intended to be corrective rather than remedial unless the violation is a repeated offense. In the event the ethics commission determines a standards of ethical conduct violation has occurred, and it is minor in nature, with the concurrence of the complainant and the subject of the sworn complaint, the commission may dispense with the hearing process and conduct a more informal mediation process in lieu of a hearing.

(f) If the sworn complaint is not dismissed or otherwise resolved pursuant to subsection 30-73(d), the city clerk shall promptly contact the members of the ethics commission, the city solicitor, the complainant, and the respondent in order to ascertain a date and time when a hearing can be convened on such complaint. As soon as a date and time have been agreed upon for a hearing before the ethics commission, the city clerk shall send written notice of such scheduling and a copy of the rules of procedure to the complainant and to the respondent. No copies of the complaint shall be provided to any other parties before the respondent receives the complaint. The city solicitor shall be the prosecuting attorney in all disciplinary proceedings before the ethics commission. In any such investigation or proceeding, a defendant shall be given an opportunity to be heard after notice, to be advised and assisted by legal counsel, to produce witnesses and offer evidence, and to cross

examine witnesses. A transcript of any such proceeding shall be made and retained, subject to the confidentiality requirements of this chapter.

(g) The commission may dismiss a complaint if the complainant does not appear at the hearing and if, in the opinion of the commission, it would be unfair to the respondent not to have the opportunity to examine the complainant.

(h) As promptly as possible after the close of the hearing, the commission shall deliberate to determine if the allegations have been proven by clear and convincing evidence. Only ethics commission members who have been present for the hearing may participate in the deliberations, and any findings and recommendations must be adopted by a majority of the commission. The commission may consider, when making findings and recommendations, the severity of the offense, the presence or absence of any intention to conceal, deceive, or mislead, whether the violation was deliberate, negligent or inadvertent, and whether the incident was isolated or part of a pattern.

(i) Within seven days of the conclusion of deliberations, the commission shall issue an order setting forth its findings and recommendations. In the alternative, the commission where it deems it appropriate, may issue an advisory opinion in lieu of making findings and recommendations.

(j) If the respondent is an employee, the commission may, if it determines corrective action is necessary, notify the city manager or the council president and recommend that action be taken, including discipline.

(k) If the respondent is a city official, the commission may propose actions to the city council that are appropriate to the finding as specified in section 30-73(o).

(l) The commission shall send a written copy of its findings and recommendations to the respondent and the complainant.

(m) *Proceeding relating to member.* A member of the ethics commission shall be ineligible to participate, as a member of the ethics commission, in any ethics commission proceeding relating to his conduct. A member of the ethics commission who has been found by the ethics commission to have violated this chapter shall be ineligible to serve again as a member of the ethics commission.

(n) *Self-disqualification.* A member of the ethics commission may disqualify himself from participating in any investigation of the conduct of any person upon submission, in writing and under oath, of an affidavit or disqualification stating that he cannot render an impartial and unbiased decision in the case in which he seeks to disqualify himself.

(o) *Actions by ethics commission.* With respect to any violation with which a person has been charged and which the ethics commission has determined as proved, the ethics commission may take any one or more of the following actions:

(1) *Reprimand.* Issue a written reprimand or censure of that person's conduct.

(2) *Discipline.* With respect to a city employee, remove, suspend, demote or take other appropriate disciplinary action with respect to that person, without regard to any limits imposed by this chapter, but within the limits of the constitution, the laws of the state, the Charter of the city, and ordinances and existing collective bargaining agreements.

(3) *Recommend removal.* With respect to an appointed official, recommend that appropriate action be taken to remove the official from the appointed position.

(4) *Recommend fine.* With respect to an elected city official, recommend that such official be fined in an amount recommended by the ethics commission.

(p) *Rights of person charged.* In any proceeding before the ethics commission, upon the request of any person charged with a violation of this chapter, such person shall be permitted to inspect, copy or photograph books, papers, documents, photographs or other tangible objects which will be used as evidence against that person in a disciplinary hearing and which are material to the preparation of his defense.

(q) *Exculpatory information.* In any proceeding before the ethics commission, if the city solicitor or ethics commission at any time receives any exculpatory information concerning an alleged violation against any person, it shall forthwith make such information available to such person.

(r) *Subpoenas.* Any person charged with a violation of this chapter may apply to the ethics commission for the issuance of subpoenas for the appearance of witnesses and for the production of documents on his behalf. The application shall be granted upon a concise showing by such person that the proposed testimony or evidence is relevant (or is reasonably calculated to lead to the discovery of relevant evidence) and is not otherwise available. The application shall be denied if not made at a reasonable time or if the testimony or evidence would be merely cumulative.

(s) *Confidentiality of proceedings.*

(1) *City employee.* All proceedings before the ethics commission relating to a violation of this chapter by a city employee shall be maintained confidential by the ethics commission, unless:

a. Public disclosure is requested, in writing, by the person charged; or

b. The ethics commission determines after a hearing that a violation has occurred.

(2) *City official.* All proceedings before the ethics commission relating to a violation of this chapter by a city official, appointed or elected, shall be maintained confidential by the ethics commission, unless:

a. Public disclosure is requested, in writing, by the person charged; or

b. The ethics commission determines after a hearing that a violation has occurred.

(t) *Appeals; public inspection.* Notwithstanding the confidentiality requirements of subsections (s)(1) and (2) of this section, the ethics commission shall make available for public inspection the record of all proceedings relating to any decision of the ethics commission which is appealed to the superior court and the ethics commission shall report to appropriate federal, state and/or city authorities any substantial evidence of a violation of any criminal law which comes to its attention in connection with any proceeding under this chapter.

(u) *Confidentiality procedures.* The chairperson of the ethics commission shall, with the approval of the ethics commission, establish such procedures as, in the chairperson's judgment, may be necessary to prevent the disclosure of any record of any proceedings or other information received by the ethics commission, except as permitted by this chapter.

(Ord. No. 2017-14 , 12-11-2017)

Sec. 30-74. - Waivers of restrictions and advisory opinions.

(a) *Authority of ethics commission.* Notwithstanding the provisions of section 30-20, upon the written request of any city agency or of any individual who is or was a city employee or city official, the ethics commission may grant a waiver to the specific prohibitions contained therein if the ethics commission determines that the literal application of such prohibition in a particular case is not necessary to achieve the public purposes of this chapter or would result in an undue hardship on any employee or official. Any such waiver may be granted only by written decision of the ethics commission. Any person who acts in good faith reliance upon any such waiver decision shall not be subject to discipline or other sanction hereunder with respect to the matters covered by the waiver decision, provided there was a full disclosure to the ethics commission of all material facts necessary for the waiver decision.

(b) *Waiver information confidential; exceptions.* Any application for a waiver, any proceeding and any decision with respect thereto shall be maintained confidential by the ethics commission, provided that:

(1) *Applicant's request.* Public disclosure shall be made by the ethics commission upon the written request of the applicant;

(2) *Violations.* The ethics commission may make such public disclosure as it determines is required in connection with the prosecution of any violation of this chapter;

(3) *Evidence of crime.* The ethics commission shall report to appropriate federal, state and/or city authorities substantial evidence of any criminal violation which may come to its attention; and

(4) *Public record.* In the event that a waiver is granted, the waiver decision and the record of all proceedings relating thereto shall be open to public inspection.

(c) *Advisory opinion authorized.* Upon the written request of any city employee or official, the ethics commission may issue an advisory opinion as to the applicability of this chapter to any particular fact or situation. Any person who acts in good faith reliance upon any such advisory opinion shall not be subject to discipline or other sanction hereunder with respect to the matters covered by the advisory opinion, provided there was a full disclosure to the ethics commission of all material facts necessary for the advisory opinion.

(d) *Advisory opinion confidential; exceptions.* Any application for an advisory opinion, any proceeding and any decision with respect thereto shall be maintained confidential by the ethics commission, provided that:

(1) *Applicant's request.* Public disclosure shall be made by the ethics commission upon the written request of the applicant;

(2) *Violations.* The ethics commission may make such public disclosure as it determines is required in connection with the prosecution of any violation of this article; and

(3) *Evidence of crime.* The ethics commission shall report to appropriate federal, state and/or city authorities substantial evidence of any criminal violation which may come to its attention.

(Ord. No. 2017-14 , 12-11-2017)

Sec. 30-75. - Judicial review.

In the event that the ethics commission finds that any person has violated any provision of this chapter, said person shall have a right of appeal to the superior court of any such finding, and of any sanctions imposed with respect thereto, by filing a notice of appeal with the superior court within 30 days of the final action by the ethics commission in a particular case. The appeal shall be on the record without a trial de novo. If the court determines that the record is insufficient for its review, it shall remand the case to the ethics commission for further proceedings on the record. The court's review, in the absence of actual fraud, shall be limited to a determination of whether the ethics commission's decision was supported by substantial evidence on the record. The burden of proof in any such appeal shall be on the appellant.

(Ord. No. 2017-14 , 12-11-2017)

FINANCIAL DISCLOSURE REPORT
(Chapter 30 – Code of Conduct and Ethics Commission)

NAME:

BUSINESS ADDRESS:

POSITION:

Section 1. **(See instruction sheet for definitions of underlined terms)**. Report any legal or equitable ownership in excess of $5,000 fair market value or from which income of more than $5,000 was either derived during the preceding calendar year or might reasonably be expected to be derived during the current calendar year, in the following:

(A) Instruments of Ownership: (This includes retirement accounts, 401K, IRA, etc. Do **not** include dollar amounts. List name of company, instrument and nature of ownership, e.g., Fidelity, mutual fund, shareholder; IBM, stock, shareholder).

(B) Business Enterprise: (This includes corporations, sole proprietorships, and partnerships. List name, type of ownership & any position of management, e.g., JW Foods, partnership, director)

(C) Professional Organization: (This includes, but is not limited to, law firms, accounting firms, engineering firms. List the name, address, type of professional practice (do not identify individual clients), & any position of management, e.g., ABC Law Firm, 123 Public Rd., Dover, DE, legal services, partner)

(D) Any of the preceding which are constructively controlled. (e.g., ABC Mutual funds, trustee for minor child).

DO NOT LIST: Time or demand deposits (includes checking or savings accounts) or a debt instrument (CDs) with a fixed yield unless convertible to an equity instrument.

Section 2. List each creditor to whom you were indebted for 90 or more consecutive days during the preceding calendar year in an aggregate amount in excess of $1,000. Do **not** list the amount owed.

Section 3. If any of the following were received during the preceding calendar year, or reasonably expected to be received during the current calendar year, **list the source**.

A. **Any** income (including income from the State) for services rendered exceeding $1,000 from a single source, unless reported in Section 1. ("Income for services rendered" includes salary, wages, consulting fees and professional services.)

B. **Any** capital gain exceeding $1,000 from a single source other than the sale of a residence occupied by the public officer. ("Capital gain" means gains that are reported under Internal Revenue Services laws.)

C. **Any** reimbursement for expenditures exceeding $1,000 from a single source; ("Reimbursement for expenditures" means payments to a public officer for expenses incurred by the public officer.)

D. **Any** honoraria; ("Honoraria" means fees received for speeches, written articles, and participating in discussion groups and similar activities. It does not include reimbursement for expenses.)

E. **Any** gift with a value in excess of $250 from any person. **Identify the amount** of each gift.("Gift" means: payment, subscription, advance, forbearance, rendering or deposit of money, services or anything of value unless consideration of equal or greater value is received. "Gift" is not: (1) political contributions otherwise reported as required by law; (2) commercially reasonable loans made in the ordinary course of business; or (3) gifts from: spouse; relatives of the public officer or public officer's spouse within the 3rd degree of consanguinity; or the spouse of any such relative.)

F. **ELECTED OFFICIAL DISCLOSURE FORM INPUT**

Disclose the name and address of every non-profit organization, civic association, community association, foundation, maintenance organization, or trade group incorporated in the State or having activities in the State, or both, of which you are a council member or board member.

TYPE:	**NAME:**	**ADDRESS:**

Section 4. Data in this report is provided as of _____.
(Date)

I HEREBY CERTIFY that I have read the foregoing report, and that, to the best of my knowledge and belief, it is true, correct, and complete. I further certify that I have not and will not hereafter transfer any assets, interests or property while retaining an equitable interest therein for the purpose of concealing said assets, interests or property from disclosure.

_____
Signature

1. Definitions for Section 1:

- **"Fair market value"** means, if a security, the quoted price as of January 1 of the year in which the report is filed, or, if not a security, the price at which the public officer would sell as of January 1 of the year in which the report is filed. *29 Del. C. § 5812(g)*.

- **"Instrument of ownership"** includes, but is not limited to common or preferred stock, rights, warrants, articles of partnership, proprietary interest, deeds, and debt instruments, if convertible to equity instruments. *29 Del. C. § 5812(k)*.

- **"Business Enterprise"** means corporation, partnership, sole proprietorship or any other individual or organization carrying on a business or profession. *29 Del. C. § 5812(a)*.

- **"Position of management"** means officer, director, partner, proprietor, or other managerial position in a business enterprise. *29 Del. C. § 5812(l)*.

- **"Professional organization"** means an individual engaged in, or an association organized pursuant to, federal or State law for the practice of medicine, law, accounting, engineering, or other profession. *29 Del. C. § 5812(m)*.

- **"Constructively controlled"** means:

  (a) a financial interest in the name of another which is controlled by a public officer by virtue of any relationship of the public officer to another person which directly benefits the public officer;

  (b) any financial interest of a public officer held jointly with the spouse or child of such public officer;

  (c) any financial interest of the spouse or minor child of a public officer. *29 Del. C. § 5812 (d)*.

- **"Time or demand deposits"** means checking and savings accounts in banks or deposits or share in savings and loan institutions, credit unions, or money market funds. *29 Del. C. § 5812(p)*.

- **"Debt Instrument"** means bonds, notes, debentures, mortgages, or other securities having a fixed yield if not convertible to equity instruments. *29 Del. C. § 5812(e)*.

- **"Equity instrument"** means any ownership interest in a corporation or other legal entity giving the rights to the holder upon liquidation of the entity. *29 Del. C. § 5812(f)*.

2. Definitions of terms in the remaining sections are in those sections.

ETHICS COMMISSION

To administer and implement the Code of Conduct.

ENABLING LEGISLATION: City of Dover Code, Chapter 30 - Code of Conduct and Ethics Commission, Article III - Ethics Commission, Section 30-71 - Established; composition; removal; terms of office; vacancies; chairperson; quorum; compensation; legal counsel.

NUMBER OF MEMBERS: Five (5) members

APPOINTED BY: Mayor/Confirmed by City Council

CHAIR SELECTED BY: Elected by membership

APPOINTMENT REQUIREMENTS:

APPOINTMENT RESTRICTIONS: No member of the commission shall hold any elected or appointed office under the government of the United States or the state, county, or city.

REPORTING REQUIREMENTS:

TERM LENGTH/EXPIRATION: Five (5) year staggered terms/July 31st (and until his successor has been appointed and has qualified)

MEETING DATE/TIME/LOCATION: Called as needed/City Hall Conference Room (unless specified otherwise on agenda/notice)

COMPENSATION FOR MEMBERS: Members serve without compensation

CONTACT INFORMATION:
City Clerk's Office
15 Loockerman Plaza
Dover, Delaware 19901
(302) 736-7008
cityclerk@dover.de.us

CURRENT MEMBERSHIP NAMES AND TERM EXPIRATION

Thomas C. Jackson, Chair (7/18)
Robin F. Case (7/21)
Gary Coy (7/20)
Lisa M. Enright (7/22)
~~Nancy J. Shevock~~ (7/19) (VACANCY)

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City of Dover

2019 MANDATORY ETHICS TRAINING

ACKNOWLEDGMENT OF RECEIPT & ATTENDANCE

By signing this form, I hereby acknowledge that I have received the City of Dover's Code of Ordinances, Chapter 30 - Standards of Ethical Conduct; Article II. – Standards of Ethical Conduct; and that I have attended mandatory Ethics Training.

_____

Name (please print)

_____

Signature

_____

Department/Division/Board/Committee

_____

Date

ACTION FORM

PROCEEDING: CCW –Parks, Recreation, and Community Enhancement Committee
DEPARTMENT OF ORIGIN: City Manager's Office **DATE SUBMITTED:** April 8, 2019
PREPARED BY: Kirby A. Hudson, MPIA, Director of Parks and Recreation
SUBJECT: Proposed Land Swap (Option #1) - Capitol Baptist Church / Mayfair Park
REFERENCE: N/A
RELATED PROJECT: N/A
REVIEWED BY: Donna Mitchell, City Manager
EXHIBITS: (A) Letter dated March 4, 2019 from Pastor Terri H. Moore, Capitol Baptist Church; (B) Lot Line Adjustment Map; and (C) Mayfair Park Land Swap: Option #1 Map
EXPENDITURE REQUIRED: N/A **AMOUNT BUDGETED:** N/A **FUNDING SOURCE (Dept./Page in CIP & Budget):** N/A
TIME TIMETABLE: N/A
RECOMMENDED ACTION: Requesting authorization for the City Manager and Staff to execute a land deal using Option #1, to secure the proposed land swap between the Capitol Baptist Church and the City of Dover. On March 4, 2019, City Staff and Capitol Baptist Church successfully finalized a negotiated land swap agreement that is mutually beneficial to both entities. As part of the Land Swap Agreement, Capitol Baptist Church has agreed to incur all legal expenses necessary to finalize the terms and conditions of this Land Swap Agreement that involves the public open space known as Mayfair Park.

BACKGROUND AND ANALYSIS

During their Regular Meeting on January 9, 2017, members of City Council approved the Council Committee of the Whole -Parks, Recreation, and Community Enhancement Committee's recommendation to move ahead with the process of the Land Swap between the City of Dover and Capitol Baptist Church using Option #1. Since federal funds were used to acquire Mayfair Park, the City was required to receive approval from the National Park Service (NPS) and the Department of Natural Resources and Environmental Control (DNREC)/ Division of Parks and Recreation in order to proceed with the land swap. NOTE: On September 4, 2018, Senate Bill 173, 149 General Assembly provided authorization required by law, for the City of Dover to transfer a portion of Mayfair Park, as the Park was improved using funds from the Delaware Land and Water Conservation Trust Fund. This "Act" authorizes the transfer of property improved using funds from the Delaware and Water Conservation Trust Fund from the City of Dover to the Capitol Baptist Church.

On March 4, 2019, The City received a letter from Pastor Terri H. Moore, Capitol Baptist Church that outlined the mutually agreed upon terms of the land swap arrangement between Capitol Baptist Church and the City of Dover (Mayfair Park Property):

(1) Capitol Baptist Church will pay the City the appraised market value of the park playground equipment in the amount of $15,000.00 upon the City's approval of the lot line adjustment. At the time of approval, Capitol Baptist Church will assume full ownership of said park equipment, and the Church will have the sole responsibility of the playground equipment.
(2) Capitol Baptist Church agrees to install a Split-rail Fence along the new property lines (as noted in Exhibit B) that delineate the new property lines between Mayfair Park and the Capitol Baptist Church.
(3) The split-rail fence will be erected within one year of the approval of the lot line adjustment.

Exhibit A

PREACHING CHRIST
CRUCIFIED FOR SIN,
RISEN,
& COMING AGAIN

Capitol
BAPTIST CHURCH

"...THE CHURCH OF THE LIVING GOD, THE PILLAR AND GROUND OF THE TRUTH." 1TIM. 3:15

March 4, 2019

Dear Mr. Hudson,

This letter is to outline the details that were discussed in our meeting concerning the land swap between Capitol Baptist Church and the City of Dover regarding the Mayfair Park Property.

Capitol Baptist Church will pay to the City of Dover the appraised market value of the park equipment in the amount of $15,000 upon the City's approval of the lot line adjustment. At the time of the approval, Capitol Baptist Church will assume full ownership of the park equipment, and it will become the sole responsibility of Capitol Baptist Church.

We also agree to install a split-rail fence along the new property line (as noted in the attached survey drawing) that will delineate the new property lines between Mayfair Park and Capitol Baptist Church. This fence will be erected within one year of the approval of the lot line adjustment.

If you have any questions, please feel free to contact me at 302-734-2410.

Sincerely,

:JK/

Pastor Terri H. Moore
Capitol Baptist Church

Exhibit B

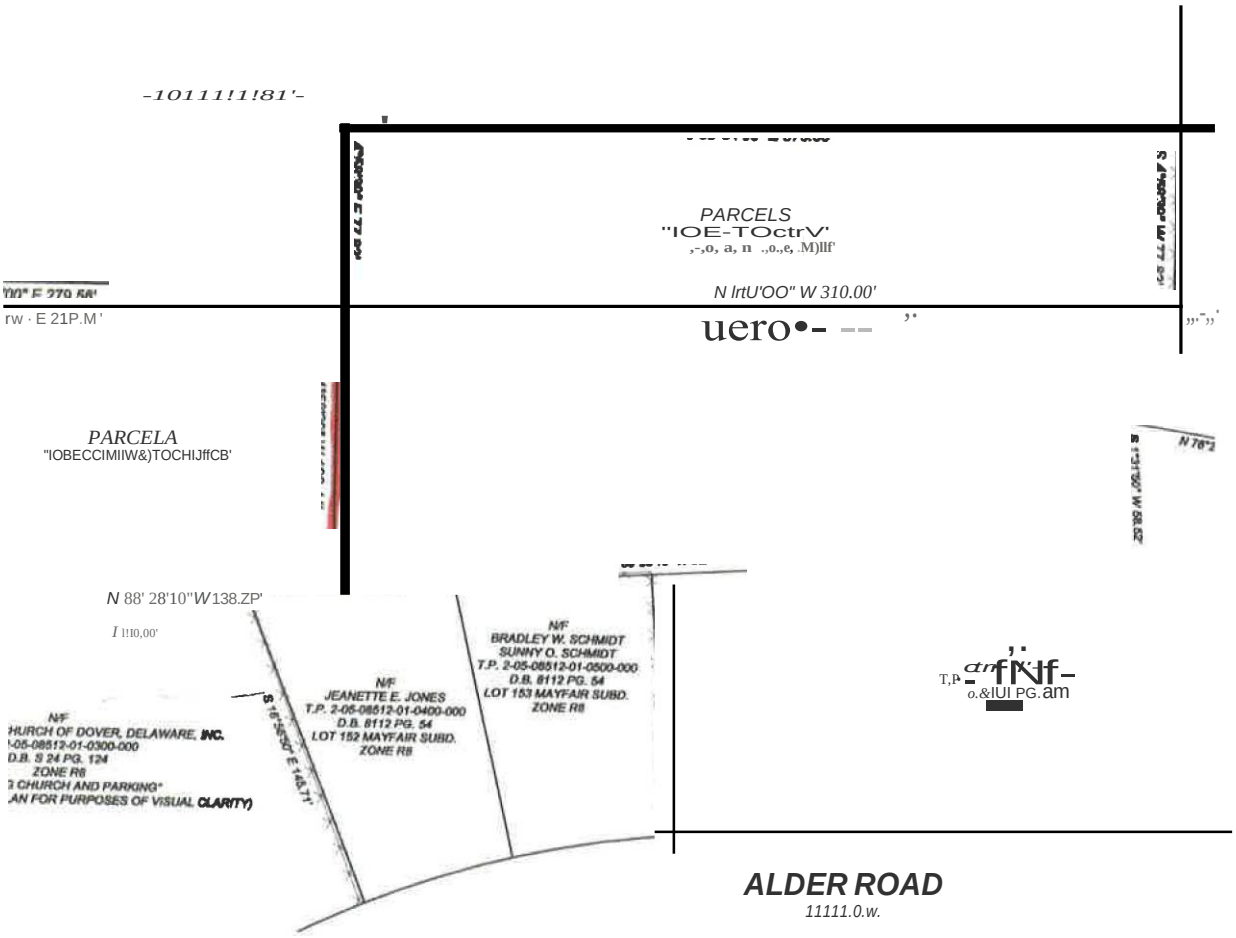

PARCELS
N lrtU'OO" W 310.00'
PARCELA
N 88' 28'10"W 138.ZP'
N/F
BRADLEY W. SCHMIDT
SUNNY O. SCHMIDT
T.P. 2-05-08512-01-0500-000
D.B. 8112 PG. 54
LOT 153 MAYFAIR SUBD.
ZONE RB
N/F
JEANETTE E. JONES
T.P. 2-05-08512-01-0400-000
D.B. 8112 PG. 54
LOT 152 MAYFAIR SUBD.
ZONE RB
ALDER ROAD

Exhibit C

Mayfair Park

Potential Land Swap: Option 1



0 75 150 300 Feet

N

Date Printed: April 8, 2019
File: m:\gis_data\projects\tech_mxds
\planning_maps\mayfair_park_land_swap
\option_1
Department: Public Works GIS
City of Dover, Delaware

Legend

Dover Parcels

Lands to be Exchanged

Option 1

ACTION FORM

PROCEEDING: Council Committee of the Whole (Utility) **AGENDA ITEM NO.:**
DEPARTMENT OF ORIGIN: Public Works **DATE SUBMITTED**: 05/31/19
PREPARED BY: Sharon J. Duca, P.E., Public Works Director
SUBJECT: Evaluation of Proposal – Bradford Street Hydrologic and Hydraulic Feasibility Study
REFERENCE: N/A
RELATED PROJECT: N/A
APPROVALS: City Manager, Controller
EXHIBITS: Attachment A: Hydrologic and Hydraulic Feasibility Study Proposal
EXPENDITURE REQUIRED: $112,500 **AVAILABLE BUDGET**: $0
FUNDING SOURCE (Dept./Page in CIP & Budget): Budget to be created from Department of Public Works, CIP Project #ST1801, CIP Project Name: Street and Alley Program, Account No.: 101-12-18-35-000-54031. Additional funding will be provided by DNREC Surface Water Matching Planning Grant.
TIME TABLE: Notice to proceed to be issued within thirty (30) days of Council approval. Project anticipated to be completed in one hundred and eighty (180) calendar days.
RECOMMENDED ACTION: Award the contract to McCormick and Taylor to perform the hydrologic and hydraulic feasibility study for Bradford Street for the amount of $112,500.

BACKGROUND AND ANALYSIS

This Capital Investment Plan was budgeted in the Fiscal Year 2018 budget. The original scope of the project was to contribute ten percent (10%) of the cost of the entire Delaware Department of Transportation (DelDOT) streetscape improvement project. The remainder of the project would be covered by the DelDOT Transportation Alternative Program (TAP). The improvements are to occur on South Bradford Street, between Loockerman Street and Division Street. The scope of the work is to improve the pedestrian facilities by reconstructing curb ramps and sidewalks as well as repaving the street. In addition, decorative pedestrian-scale lighting is proposed between Reed Street and Division Street.

The intersection of Reed Street and South Bradford Street has documented drainage issues. During extreme rain events, the intersection ponds to a level that is not passable for vehicles. Due to this fact, staff believes that the drainage problems should be investigated and corrected prior to having a streetscape project completed. DelDOT has secured the engineering firm of McCormick and Taylor to design the streetscape improvement project. Staff requested a proposal from McCormick and Taylor to perform a hydrologic and hydraulic analysis of the drainage issues at the intersection of Reed Street and South Bradford Street.

To reduce the financial burden of this study, staff applied for a Surface Water Matching Planning Grant from Delaware Department of Natural Resources and Environmental Control (DNREC). The City was awarded a $50,000 grant from DNREC to perform this work.

Staff recommends awarding the Bradford Street Hydrologic and Hydraulic Feasibility Study to McCormick and Taylor in the amount of $112,500. Although the City did not request proposals from multiple firms, staff believes that utilizing the same firm that DelDOT is using for their work will be the most economical and efficient choice for the City. The study will identify and evaluate options to improve the drainage in the area. A breakdown of the funding sources is provided below:

FUNDING SOURCE	DESCRIPTION	ORIGINAL BUDGET	REVISED BUDGET	ENCUMBERED / SPENT	SAVINGS / REMAINING	REQUESTED CHANGE	PROPOSED BUDGET REMAINING
Streets	ST1806 Bradford Street Streetscape Improvements	$200,000	$200,000	$200,000*	$0	$112,500	$112,500
Streets	ST1801 FY18 Street and Alley Program	$950,000	$607,500	$225,600	$381,900	($62,500)	$319,400
DNREC	Surface Water Planning Grant	n/a	n/a	n/a	n/a	($50,000)	$0

**- Funds are encumbered to assist DelDOT with the Streetscape Enhancements Project*

McCORMICK TAYLOR

November 15, 2018

Jason Lyon, PE
City of Dover
Department of Public Works
P.O. Box 475
Dover, DE 19903

Reference: **Hydrologic & Hydraulic/Feasibility Study**

Subject: **Scope and Price Proposal**

Dear Mr. Lyon:

Enclosed please find our scope of work and price proposal for the H&H Study of the existing drainage network as discussed. Please review and let me know if you have any questions.

Sincerely,

McCormick Taylor, Inc.

Stefan Rukowicz, P.E.

City of Dover, Delaware
Consultant Services
Hydrologic and Hydraulic/Feasibility Study

November 2018

INTRODUCTION

Flooding occurs at the intersection of Bradford Street and Reed Street in the City of Dover. The intersection is at a low point where stormwater ponds during heavy rain events. A drainage network consisting of inlets, manholes, and pipes carries this stormwater to the Saint Jones River. The City would like to assess this network and identify feasible drainage improvements along Bradford Street between Loockerman Street and Division Street.

This assignment consists of developing a Hydrologic and Hydraulic (H&H) study for the existing drainage network that originates from Reed Street (near Bradford Street) to the south, flows along Kings Highway/Division Street, and discharges to the Saint Jones River. The hydrologic analysis will determine the amount of water that reaches the points of analysis (POA) based on rainfall data, land use, and drainage area. The hydraulic analysis will evaluate the capacity of the existing network.

Based on the study, McCormick Taylor will evaluate the feasibility of drainage improvements that can be constructed along Bradford Street between Loockerman Street and Division Street.

A detailed Scope of Work is described below.

This work is to be performed as a lump sum project.

Task 1 – Survey & Data Collection

The City of Dover provided McCormick Taylor with GIS information for the existing drainage network. The database includes 2D information for inlets, manholes, junction boxes, and pipes. McCormick Taylor will have their subconsultant, AB Consultants, Inc. collect vertical data including inverts and grate and rim elevations. Vertical control will be based upon Delaware NGVD 88 datum.

McCormick Taylor will request and review as-built drawings of the drainage network. We will perform site visits to verify the location of inlets and manholes for the existing drainage network, verify drainage areas to the inlets and obtain additional design information (including grate sizes and types, roadway cross slopes, longitudinal slopes, and sag locations) as necessary for hydraulic modelling purposes.

Task 2 – Hydrologic and Hydraulic Study

2.A H&H Analysis

McCormick Taylor will use Bentley computer software to create a model of the existing drainage network. Two points of analysis (POA) will be examined:

POA 1 will be identified as the drainage pipe that discharges to the Saint Jones River. This network includes drainage along Kings Highway/Division Street, Clara Street (to the north), and Reed Street (to the south). POA 1 includes approximately 174 inlets and 242 pipes. A map of the study area is included.

POA 1A will be identified as the drainage pipe that carries stormwater east along Reed Street from the intersection of Bradford Street and Reed Street. POA 1A delineates a subnetwork within POA 1.

Input will include inlets, manholes, and pipes with sizes, types, materials, length, and elevations. Drainage areas to the inlets will be developed based on GIS contours. Hydrologic methodologies will be accordance with *Chapter 6 Drainage and Stormwater Management* of the *DelDOT Road Design Manual*. Flow to the inlets will be developed using the existing land use, rainfall data, and time of concentration. The *Road Design Manual* will be utilized for storm frequency and drainage design criteria for the functional classification of the roadway. The hydraulic model will evaluate inlet spacing/spread, pipe sizing, and hydraulic/energy grade lines.

2.B H&H Report

The analysis will be summarized in a report with a narrative describing the methodologies, assumptions, and characteristics of the existing drainage. The narrative will identify problem areas within the existing network. Supporting calculations will be provided including drainage area maps, flow to inlets, and hydraulic output related to inlet spread and efficiency, pipe capacity, and hydraulic/energy grade lines.

McCormick Taylor will update the GIS information provided by the City of Dover to include elevations/inverts for the existing drainage network.

Task 3 – Feasibility Study

Based on the findings of the H&H study, McCormick Taylor will identify and evaluate options to improve the drainage. The options will aim at decreasing the flow/volume and/or increasing the capacity of the subnetwork for POA 1A. The options will be evaluated based on their feasibility to be built along Bradford Street between Loockerman Street and Division Street. Options aimed at reducing the flow or volume will consider green infrastructure. The options will be outlined and compared based on considerations including cost, constructability, utility impacts, maintenance, and right-of-way impacts.

The feasibility study will be a stand-alone document including a narrative, matrix, and supporting documentation for green infrastructure options. Design of the options will not be included as part of this scope.

Task 4 – Meetings and Coordination

McCormick Taylor will coordinate and/or meet with the following offices, agencies, and groups as part of the project:

- It is anticipated that two (2) meetings with the City of Dover will be held as part of this task. McCormick Taylor will provide meeting agendas, prepare meeting minutes and distribute them for each meeting. It is anticipated that two (2) McCormick Taylor employees will attend these meetings.

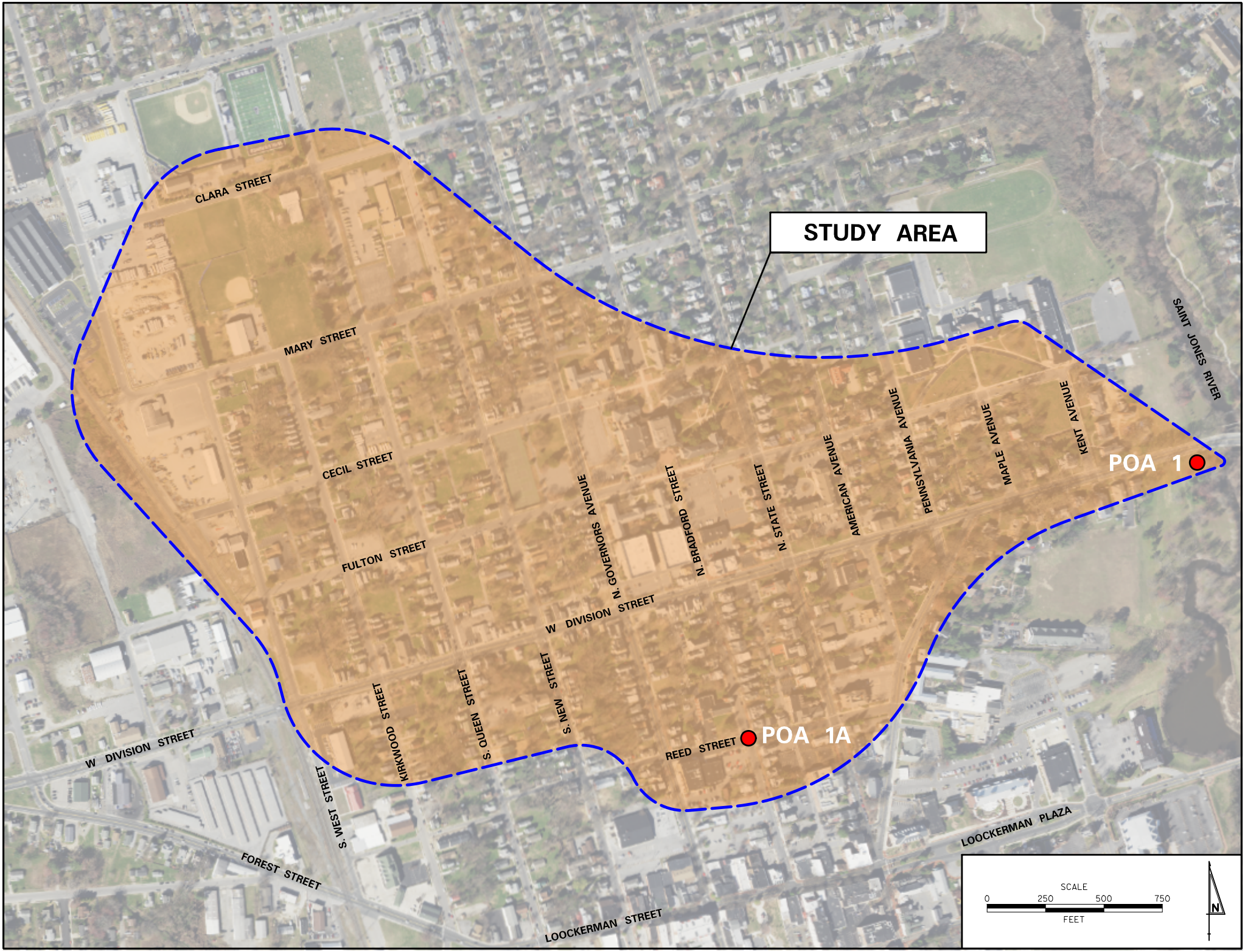
- One (1) public workshop will be held in the City of Dover to present the project to the community. A display board and comment forms will be provided. It is anticipated that two (2) McCormick Taylor employees will attend this meeting.

Task 5 - Project Management and QA/QC

McCormick Taylor will actively manage all components of the project to ensure that schedule compliance is maintained. Minutes of all meetings, correspondence, and other significant items will be transmitted from McCormick Taylor to the City of Dover and other entities involved. McCormick Taylor's Project Manager will closely coordinate with the agencies' project managers in order to ensure that activities on the project are being undertaken in properly sequenced manner to ensure successful completion of the project.

Anticipated Design Schedule (Based on Notice to Proceed by the end of December 2018)

January 2019	Perform Survey
April 2019	Submit H&H Report & Draft Feasibility Study
June 2019	Submit Final Feasibility Study


STUDY AREA
CLARA STREET
MARY STREET
CECIL STREET
FULTON STREET
W DIVISION STREET
W DIVISION STREET
N. GOVERNORS AVENUE
N. BRADFORD STREET
N. STATE STREET
AMERICAN AVENUE
PENNSYLVANIA AVENUE
MAPLE AVENUE
KENT AVENUE
SAINT JONES RIVER
POA 1
POA 1A
REED STREET
KIRKWOOD STREET
S. QUEEN STREET
S. NEW STREET
S. WEST STREET
FOREST STREET
LOOCKERMAN STREET
LOOCKERMAN PLAZA
SCALE
0
250
500
750
FEET
N

McCORMICK TAYLOR

Proposal Summary

Hydrologic & Hydraulic/Feasibility Study

Job No. TBD

Lump Sum Total		$ 84,871.70	(a)
Direct Costs Other Than Payroll		392.40	(b)
Direct Costs of Services and Work Performed by Others:			
AB Consultants, Inc.	27,186.22		
		27,186.22	(c)
Subtotal (a)+(b)+(c)		112,450.32	(d)
Total Cost		**$ 112,450.32**	(f)

Total Estimated Man-Hours:	McCormick Taylor, Inc.	690
	Subs:	
	AB Consultants, Inc.	164
	Total	**854**

Engineer's Name: McCormick Taylor, Inc.
Two Commerce Square, 10th Floor
2001 Market Street
Philadelphia, PA 19103

Fed. I. D. No.: 23-1683759

Contact Person: Stefan Rukowicz
Project Manager
(302) 738 - 0203

Prepared By: Stefan Rukowicz

McCORMICK TAYLOR

Name: Hydrologic & Hydraulic/Feasibility Study

Job #: TBD
Date: November 15, 2018
By: Stefan Rukowicz

TASK	Hours Total Hours	 Total Dollars
	-	-
Task 1 Survey & Data Collection	38	3,842.76
Confirm Survey	40	4,378.88
Obtain Design Information	-	-
	-	-
Task 2A H&H Study	-	-
POA 1	-	-
Develop Existing System Model	44	4,550.32
Drainage Areas	48	4,943.80
Inlet Flows	44	4,550.32
Evaluate Hydraulic Model	40	5,045.28
POA 1A	-	-
Develop Existing System Model	6	701.24
Drainage Areas	8	897.98
Inlet Flows	6	701.24
Evaluate Hydraulic Model	12	1,735.68
	-	-
Task 2B H&H Report	120	14,310.88
	-	-
Task 3 Feasibility Study	144	18,055.20
	-	-
Task 4 Meetings	-	-
City of Dover	8	1,342.20
Kick-off Meeting	8	1,342.20
Public Workshop	36	4,626.52
	-	-
Task 5A QA/QC	52	7,710.56
	-	-
Task 5B Project Management	36	6,136.64
	-	-
	-	
TOTAL	**690**	**$ 84,871.70**

McCORMICK TAYLOR

Proposal Summary

Hydrologic & Hydraulic/Feasibility Study
Job No. TBD

1) Travel					
a. Project Site					
3 trips @	120 miles r/t x $0.545 per mile	=	$	196.20	
b. City of Dover Building					
3 trips @	120 miles r/t x $0.545 per mile	=		196.20	
Subtotal					**$ 392.40**
TOTAL DIRECT COSTS OTHER THAN PAYROLL					**$ 392.40**

AB CONSULTANTS, INC.
9450 Annapolis Road
Lanham, Maryland 20706

Ph: (301) 306-3091
Fax: (301) 306-3092
www.abconsultantsinc.com

November 9th, 2018

Mr. Stefan Rukowicz, PE
McCormick Taylor
56 W. Main Street, Suite 300
Newark, Delaware 19702

Ref: City of Dover Drainage Project
Dover, Delaware
AB #2018219, revised

Dear Mr. Rukowicz:

Pursuant to your request, we are pleased to submit our fee proposal to provide surveying services for the referenced project. Our scope of services is as follows:

SURVEYING SERVICES

1. TOPOGRAPHIC STORM DRAINAGE SURVEY
   a) Establish one vertical control point in NGVD 88 datum using RTK GPS Observations combined with our VRS Network Service.
   b) Differential levels will be performed through the project limits and referenced to a minimum of three (3) physical points for your use in preparing the control diagrams for your plans. We anticipate sixteen (16) vertical control points will be required.
   c) Vertically locate the top elevations of approximately 174 inlets, 62 manholes, and 13 junction boxes and obtain their inverts on these storm drain structures within the project limits including one structure beyond. Inverts may not be obtainable for structures that are welded, rusted, bolted or sealed shut, paved over or covered with materials or vehicles, filled with debris or water, requires MOT or an OSHA Confined Space Entry, elevated above grade, or offset inside the structure where the invert is not accessible.
   d) Our differential level nots will be supplied for your use in preparing any CADD or GIS files.

The following items may be required for this project, but are not included in our scope of services:

- Property Owner Notification Letters.
- Traverse, or horizontal control or horizontal coordinates of any structures.
- Topographic, wetland or tree surveys.
- Utility designation, locating and test pits.
- Set centerline of construction and stakeout key points with references.
- Obtain or review a Title Search, Abstract or Report.
- Field stakeout of property corners, right-of-way and/or easement limits.
- Recordation of any documents.
- ALTA Survey or Boundary Survey according to COMAR 09.13.06.03.

Federal Express packages, prints, mileage, per-diem, parking fees, etc. will be invoiced on a direct cost basis. If required, our fees for services **not included** in the above stated scope of services will invoiced at the following rates:

Project Manager	$170/hour

Project Engineer	$150/hour
Designer	$115/hour
Office Surveyor	$120/hour
CADD Operator	$ 85/hour
Survey Crew (3-Man)	$205/hour
Survey Crew (2-Man)	$155/hour
Clerical	$50/hour
Mileage	$0.535/mile

The above mentioned hourly rates are subject to 5% escalation per year from the date of contract. Attached is a copy of our "AB Consultants, Inc's. Standard Contract Terms and Conditions", which are hereby made a part of this contract. Please signify your acceptance of this proposal by returning a copy signed in the space provided below.

Should you have any questions regarding this proposal please feel free to contact me on my direct line at 240-582-8030 or via email at vernon.kelly@abconsultantsinc.com.

Very truly yours,
AB CONSULTANTS, INC.



C. V. Kelly, PLS
Vice President

Attachments: Exhibit "A" – Man-hour Derivations
Exhibit "B" – Fee Derivations
Standard Terms and Conditions

CLIENT:

We hereby accept the conditions of this contract and authorize AB Consultants, Inc. to proceed in accordance with the outlined proposal.

_____ _____
Authorized Signature Date

_____
Type/Print Name & Title

F:\ABC\Market\EOI\2018\2018219 City of Dover - Bradford St Streetscape Project\4-Proposal\2018219 Survey Proposal revised.doc

PROJECT NAME (CONTRACT#; TASK#): City of Dover Drainage Survey
AB#: 2018219
DATE: 11/9/2018

MAN-HOUR DERIVATION

	TASK DESCRIPTION	DETAILED SCOPE	Proj Mngr	Office Surveyor	Survey 2 Person Crew	TOTAL
	SURVEYING		**7**	**20**	**137**	**164**
402	Differential Levels				16	16
		16 Points			16	16
404	RTK GPS				1	1
		VRS One Vetrical Point Onsite			1	1
405	Field Sketches & References				8	8
		16 Points			8	8
407	Topographic Survey				20	20
		Vertically Locate 249 Structures			20	20
412	Utility Inverts & Location				56	56
		Inverts for 249 Structures			56	56
420	Process RAW Files			10		10
		RAW Files		10		10
492	Coordination & Management		6	10		16
		Office Staff	5			5
		Field Staff		10		10
		Client	1			1
493	Site Visit				36	36
		Crew Travel Time			36	36
498	QC Reviews		1			1
		Inverts	1			1
	TOTAL MAN-HOURS		**7**	**20**	**137**	**164**

AB CONSULTANTS, INC.

City of Dover Drainage Survey AB#: 2018219

FEE DERIVATION

CLASSIFICATION	MAN-HOUR	RATE	FEE
Project Manager	7	$64.67	$452.69
Office Surveyor	20	$45.00	$900.00
2 Person Survey Crew	137	$58.57	$8,024.09
DIRECT LABOR:	**164**		**$9,376.78**
PAYROLL BURDEN AND OH (INDIRECT LABOR) =	154.47%		$14,484.31
DIRECT + INDIRECT LABOR			**$23,861.09**
PROFIT =	21%		**$1,969.12**
BAY BRIDGE TOLLS	12	$4.00	$48.00
MILEAGE	2400	$0.545	$1,308.00
TOTAL FEE =			**$27,186.22**

I. DEFINITION:

For the purpose of this contract CLIENT shall be defined as the person(s) signing this contract authorizing the work, all persons or business entries for whose benefit AB Consultants, Inc.'s (ABC) services rendered and all persons who will be personally responsible for payment of all services.

II. CLIENT'S RESPONISIBILITIES:

Provide all criteria and full and complete information as to project requirements including design objectives and constraints, space capacity and performance requirements, flexibility and expand ability, and any budgetary limitations.

Assist ABC by placing at their disposal all available information pertinent to the project including previous reports, title reports and any other data relevant to the surveying, design or construction of the project.

Furnish to ABC as required for performance of ABC's Basic Services, data prepared by or services performed by others, including, without limitation, soil borings, probings, and subsurface explorations, hydrographic surveys, laboratory tests and inspection of sample, materials and equipment; appropriate professional interpretations of all of the foregoing; environmental assessment and impact statements; property, boundary, easement, right-of-way, topographic and utility surveys; property descriptions; zoning; deeds or title certifications, and other land use restrictions; and other special data, all of which ABC may rely upon in performing their services.

Arrange for access to and make all provisions for ABC to enter upon public and private property as required for ABC to perform their services, including providing identification of any special plantings, landscape items, etc. to which ABC must pay special attention during any field work so as not to damage these items. It is understood that in the normal course of work, some excavation may be made and the excavation be refilled, or damage may occur to surface features and landscaping, the correction of which is not a part of this content.

Examine all studies, reports, sketches, plans, drawings, specifications, proposals and other documents presented by ABC, obtain advice of any attorney, insurance counselor and other consultants as CLIENT deems appropriate for such examinations and render, in writing, decisions pertaining thereto within a reasonable time so as not to delay the services of ABC

Designate in writing, a person to act as CLIENT'S representative with respect to the services to be rendered under this contract. Such person shall have complete authority to transmit instructions, receive information, contract amendments, interpret and define CLIENT'S policies and decisions with respect to materials, equipment, elements, and systems pertinent to ABC's services.

Give prompt written notice to ABC whenever CLIENT observes or otherwise becomes aware of any development that affects the scope or timing of ABC's services.

Provide safe and secure working conditions. If the CLIENT fails to provide such conditions, ABC in its sole discretion, reserves the right to leave the job site. The CLIENT shall hold harmless indemnify and defend ABC against any delay resulting from such action, plus damages, court costs, and attorney's fees, as long as the unsafe condition exists.

Provide a minimum of 48 hours advance notice for field surveys.

III. ASSIGNMENT:

Neither this contract nor any rights or duties hereunder may be assigned or delegated by the CLIENT to any other person without the express written consent of ABC.

As instruments of service, all plans, original papers and documents, and copies thereof, produced as a result of this contract whether in hard copy or machine-readable form, except documents which are required to be filed with public agencies, are and shall remain the property of ABC without the need for consent of the CLIENT. Any designs that are prepared are for the sole use of CLIENT for his intended uses for this project, and ABC only, whether those uses are written or verbally conveyed to ABC.

Plans and reports will be retained for a period of twenty-four (24) months after completion of the design or project. During that period, copies may be obtained, by CLIENT for his use on this project, for the cost of reproduction. After 24 months, additional costs to those of reproduction may be required. ABC reserves the right to retain hard copy originals of all project documentation delivered to the owner in machine-readable form, which originals shall be referred to and shall govern in the event of any inconsistency between the two.

IV. LIABILITY:

CLIENT recognizes and assumes the inherent risks connected with development and construction. The CLIENT agrees to limit ABC's liability to the CLIENT, due to ABC's negligent acts, errors or omissions to an amount not to exceed $50,000 or the total ABC charges for services rendered on a project, whichever is greater. However the CLIENT reserves unto itself the sole right to require an increase in the liability protection afforded by this agreement when it determines, based upon the services to be provided, said increase is necessary for the protection of the CLIENT. Upon the inability of the contractor to provide such additional liability, the CLIENT may, without causing a default under the contract, seek to secure and procure the required services with another contractor who can provide an increased liability.

V. DISCLAIMERS:

It should be pointed out that there are various factors that may interfere with the location of subsurface objects through geophysical surveys. The factors that affect location include soil composition, moisture, depth, proximity of other utilities and/or structures, etc. These factors have a direct bearing on the signal strength of the geophysical devices that we use for detection purposes. For example, any ferrous object will generate a magnetic anomaly during a survey, and GPR technology may not work well in clayey soil. A definitive answer can be obtained through direct excavation at each anomaly. Therefore geophysical survey should be used only to supplement existing underground utility databases. It should not be used as a sole source of underground utility information. Due to these reasons, ABC will not accept responsibility for actions taken as a result of this survey. ABC will not be responsible for any under ground utility not detected by this survey. ABC will also not be responsible for any anomalies interpreted as underground utilities that are caused by other underground features.

VI. NEGOTIATIONS:

Any negotiations for the Client other than those normally required with review agencies in the course of processing this project will be an extra charge based on Standard Billing Rates in effect at time of said negotiations, unless said negotiations are specifically included in the written scope of work.

ABC shall not be liable for damages resulting from action or inaction of government or other approving agencies, and ABC shall act as an advisor, only, in all government relations.

It is further agreed that, in the event of claims or disputes arising from this contract or from the services provided herein, such claims, or disputes may, upon mutual agreement of both parties, be submitted to non-binding mediation or arbitration, as defined in and provided in the rules of the American Arbitration Association. The parties hereto further agree that they will follow the procedures and rules of the American Arbitration Association in the conduct of said mediation or arbitration.

Any fees arising from mediation or arbitration shall be divided equally between the parties.

In any action, claim, lawsuit or arbitration instituted by CLIENT against ABC for claims or disputes arising from this contract or from the services provided herein where ABC is the prevailing party, CLIENT shall pay ABC any and all costs of defense, including all attorney's fees. The parties agree that venue for any litigation arising out of this contract shall be in Prince George's County, Maryland.

VII. REVISIONS:

Any revisions, changes, additions, or alterations made in the laws, regulations, policies or ordinances applicable to this project or requested by the CLIENT after acceptance of the scope of work shall be an extra charge at Standard Billing Rates in effect at the time of said revisions. Should revisions be necessary, work will not continue until the CLIENT's approval is obtained.

Lump sum fees are based on work being performed in a systematic, orderly and progressive manner. If circumstances peculiar to the particular operation or specific service effect the manner of work, the lump sum fees are subject to increase in accordance with the extra time expended at the prevailing hourly rate schedule, will be necessary charges for extra work:

1. Work requiring less than a four (4) hour survey party day at the site unless performed at the discretion of ABC.
2. The cost of re-staking in the event that any field staking is damaged by causes or parties other than ABC.
3. Resetting of destroyed horizontal or vertical controls necessary for the survey assignment.
4. Premature work orders by the CLIENT, when the surveyor attempts to complete the assignment but is not able to perform as requested because of various items beyond the surveyors control such as uncleared trash, debris, building materials, vehicles, earthwork, denied access, control points to be established by others, etc.
5. Any additional work requested by the CLIENT that is not covered by the Contract Scope of Services.

VIII. BILLING:

Bills will be rendered monthly, with an invoice of all work preformed during the billing period based on hourly rates or a percentage of lump sum tasks completed. Unless otherwise indicated in the Contract, mileage, long distance telephone charges, facsimile charges, printing charges, federal express charges, courier charges, etc. will be involved on a direct cost plus 10 per cent.

CLIENT must notify ABC of billing disputes, in writing, within 10 days of receipt of bill. Failure to notify ABC within the prescribed time frame constitutes acceptance of the work and of the invoice.

The CLIENT shall pay, in advance, the costs of government agency checking, inspection, submission and permit fees, subconsultant fees, soil testing fees, aerial topographic fees, title company charges, out of house blueprints and reproductions, and all other charges not specifically covered by the terms of this contract. If ABC, at their discretion, advances such costs or fees, etc. to expedite the processing of the project, minimum handling charges of 10% in addition to the amount advanced, shall be paid by CLIENT to ABC.

IX. PAYMENTS AND TERMS:

Payment is due and payable upon receipt of invoice and is past due 30 (thirty) days from invoice date. Should any payment not be made within 30 (thirty) days from the invoice date, such payments will be subject to an interest charge of 1.5% (one and a half percent) compounded monthly, from the date of the invoice. Unpaid invoices will be rebilled monthly. A rebilling charge will be added to the unpaid balance.

ABC reserves the right to stop work on this project if payment is not received within 15 (fifteen) days of billing and the CLIENT has been given 7(seven) days written notification.

Unless otherwise indicated in the Contract, charges and costs indicated herein are quoted for a time period of 6 (six) months from the data of the scope of the work, after which they are subject to negotiation.

Should ABC find it necessary to take legal action for nonpayment under the terms of this contract, the undersigned agrees to pay all attorney fees (33% of unpaid fees or actual fees, which ever is greater) and court costs incurred by ABC Court costs shall include, and not be limited to: expert witnesses, deposition and subpoena costs, long distance phone calls, filing and copying fees.

X. RETAINER:

Unless otherwise indicated in the Contract, it is ABC's policy to require a retainer for services to be performed. This retainer covers the costs of initial efforts including, but not limited to, processing, preliminary research, organization of data and scheduling necessary to begin the project. The retainer will be normally applied to the final billing. The retainer in the amount of 30% of all projects up to $1,500.00 is required. For projects over $1,500.00, a minimum retainer of 10% is required. Please include the appropriate amount with the signed Job Authorization Contract and return to ABC's office for the work to be scheduled.

XI. CREDIT VERIFICATION:

CLIENT authorizes ABC to make any and all inquiries necessary to verify CLIENT's credit standing and hereby indemnifies and holds ABC harmless from any liability resulting from such credit investigation.

XII. SEVERABILITY:

If any clause, sentence, part or parts of this contract or any section thereof shall be declared by any court of competent jurisdiction to be invalid or constitutionality shall not affect the validity or constitutionality of the remaining parts of this contract or of any section thereof.

ABC may delay or forebear enforcing any or all of its rights under this contract without being deemed to be a waiver of rights.

This offer to contract shall be null and void if not accepted by CLIENT and returned to the office of ABC within 30 (thirty) days of offer date.

If you are in full agreement with this request, please sign below.

_____

Printed Name

_____

Signature

_____

Dat

Initials --------

COMMITTEE ACTION FORM

PROCEEDING: Council Committee of the Whole (Utility) **AGENDA ITEM NO.:**
DEPARTMENT OF ORIGIN: Electric Department **DATE SUBMITTED**: May 30, 2019
PREPARED BY: James S. Robinson, Electric Director
SUBJECT: Renewal of Power Supply Contracts and Authorization for McKee Run Generating Station Decommissioning Study
REFERENCE: N/A
RELATED PROJECT: N/A
APPROVALS: Electric Director, City Manager
EXHIBITS: PowerPoint presentation dated June 11, 2019.
EXPENDITURE REQUIRED: As required **AMOUNT BUDGETED**: $835,000 management fee for TEA and $100,000 for decommissioning study. **FUNDING SOURCE**: Funding is provided within the FY2020 power supply budget - management fee (410-42-81-99-000-56544) and contractual services (410-42-81-99-000-53031).
TIMETABLE: Contract with The Energy Authority and notice to proceed to NAES for McKee Run Decommissioning Study to be issued within two (2) weeks of Council approval. The extension of the NAES contract will occur prior to June 30, 2020.
RECOMMENDED ACTION: Staff recommends: **1)** Extending the North American Energy Services contract through June 30, 2021; **2)** Extending The Energy Authority contract through June 30, 2022; and **3)** Authorize staff to engage NAES to perform the McKee Run Generating Station Decommissioning Study.

BACKGROUND AND ANALYSIS

The City has contracts with North American Energy Services (NAES) to operate the McKee Run and VanSant power plants and The Energy Authority (TEA) to provide power supply management services, respectively. The contract with NAES is set to expire on June 30, 2020. The contract with TEA is set to expire on June 30, 2019. In light of the decision to retire McKee #3 at the end of May 2021, it is advisable to keep both contracts in place until that time to ensure continuity.

The City met with representatives of NAES to discuss development of a plan to decommission and dismantle McKee #3 upon its retirement in 2021. NAES has submitted a proposal to provide a McKee Run Generating Station Decommissioning Study. The not to exceed estimate for the study is $74,680. NAES is just starting to decommission the B.L. England generating station in southern New Jersey which will provide helpful guidance on the decommissioning of McKee Station. An initial high level estimate to decommission McKee Station is in the range of $10 million.

The cost of the decommissioning study is included in the FY2020 budget. Upon completion of the study, the plan is to commence appropriate decommissioning activities at McKee during FY2020.

City of Dover
Electric Department

Power Supply Update and Contract Extensions

Presentation to the Utility Committee

June 11, 2019

Overview / Timeline

May 2017	The City Dover issued a 20 year Integrated Resource Plan.
April 2018	The City engaged Avant Energy to perform a generation analysis with regard to participation in PJM's Base Residual Auction for 2021/2022 (2021/2022 BRA).
May 2018	McKee #3 was bid into the 2021/2022 BRA but was not selected.
August 2018	The City issued an RFP for energy and capacity.
January 2019	The results of the RFP process indicated that capacity was available for an extended period at prices below the ongoing costs to operate McKee #3. The City executed contracts for energy and capacity.
February 2019	Representatives and employees of North American Energy Services (NAES), which operates McKee #3, were advised of the decision to retire the unit effective May 31, 2021.

Overview

March 2019	PJM was advised of the retirement of McKee #3 and has accepted the application.
April 2019	The City met with representatives of NAES to discuss development of a plan to decommission and dismantle McKee #3 upon its retirement in 2021.
	NAES has submitted a proposal to provide a McKee Run Generating Station Decommissioning Study. The not to exceed estimate for the study is $74,680.
	NAES is just starting to decommission the B.L. England generating station in southern New Jersey which will provide helpful guidance on the decommissioning of McKee Station.
	An initial high level estimate to decommission McKee Station is in the range of $10 million.

Existing Agreements

- The City has contracts with NAES to operate the McKee Run and VanSant power plants and The Energy Authority (TEA) to provide power supply management services, respectively.
- The contract with NAES is set to expire on June 30, 2020.
- The contract with TEA is set to expire on June 30, 2019.
- In light of the decision to retire McKee #3 at the end of May 2021, it is advisable to keep both contracts in place until that time to ensure continuity.
- TEA has proposed to extend its contract to June 30, 2022 and to reduce its annual fee from $834,996/year to $634,800/year.

Next Steps

1. Extend the agreements with NAES and TEA to align with the retirement of McKee #3.

2. Authorize NAES to perform the McKee Run Generating Station Decommissioning Study. The cost of the study is included in the FY2020 budget.

3. During FY2020, commence decommissioning activities at McKee consistent with an agreed plan, including engagement with regulatory agencies.

Staff Recommendations

1. The Utility Committee and City Council authorize staff to extend the NAES Contract through June 30, 2021 and the TEA contract through June 30, 2022.

2. The Utility Committee and City Council authorize staff to engage NAES to perform the McKee Run Generating Station Decommissioning Study.

ACTION FORM

PROCEEDING: Council Committee of the Whole (LF&A) **AGENDA ITEM NO.:**
DEPARTMENT OF ORIGIN: Public Works **DATE SUBMITTED**: 05/31/19
PREPARED BY: Sharon J. Duca, P.E., Public Works Director & Tim Stump, Acting Police Chief
SUBJECT: Evaluation of Bids – Dover Police Impound Lot
REFERENCE: N/A
RELATED PROJECT: N/A
APPROVALS: City Manager, Controller
EXHIBITS: N/A
EXPENDITURE REQUIRED: $200,614 **AVAILABLE BUDGET**: $117,800
FUNDING SOURCE (Dept./Page in CIP & Budget): Police Department, CIP Project #PD1801, CIP Project Name: Police Station Impound Lot, Account No.: 101-11-17-00-000-54031. Shortfall to be supplemented by Department of Public Works, CIP Project #ST1801, CIP Project Name: Street and Alley Program, Account No.: 101-12-18-35-000-54031
TIME TABLE: Notice to proceed to be issued within thirty (30) days of Council approval. Project anticipated to be completed in ninety (90) calendar days.
RECOMMENDED ACTION: Award the contract to Gateway Construction, Inc. to construct a new Dover Police Department Impound Lot, Bid #19-0021PD, for the amount of $200,614.

BACKGROUND AND ANALYSIS

This Capital Investment Plan was budgeted in the Fiscal Year 2018 budget. This project consists of installation of a stone based parking lot with a fence, bioretention pond, tree plantings and site improvements. The impound lot will be sited south of the Dover Police Station. This impound lot will replace the existing impound lot that is currently located at Schutte Park.

The Invitation to Bid was advertised to the public in accordance with the City's Purchasing Policy by the City's Purchasing Agent under RFP #19-0021PD. Bids were opened on May 14, 2019. The City of Dover received three (3) bids shown in the table below:

CONTRACTOR	LOCATION	BASE COST	CONTINGENCY ITEMS	TOTAL COST	EVALUATED COST
GATEWAY CONSTRUCTION, INC.	**CLAYTON, DE**	**$192,544.00**	**$8,070.00**	**$200,614.00**	**$200,614.00**
DIXON CONTRACTING	DOVER, DE	$180,648.20	$41,268.00	$221,916.20	$221,916.20
GEORGE & LYNCH, INC.	DOVER, DE	$323,513.00	$4.41	$323,517.41	$313,811.89*

**-Local Vendor Preference, evaluated cost 3% discount*

City staff reviewed the submissions and found that Gateway Construction, Inc. met all requirements for the qualifications of the project. Staff recommends awarding the contract to Gateway Construction, Inc. in the amount of $200,614.00 to construct a new Dover Police Department Impound Lot. A breakdown of the funding sources is provided below:

FUNDING SOURCE	DESCRIPTION	ORIGINAL BUDGET	REVISED BUDGET	ENCUMBERED / SPENT	SAVINGS / REMAINING	REQUESTED CHANGE	PROPOSED BUDGET REMAINING
Police	PD1801 Police Impound Lot	$125,000	$125,000	$7,200	$117,800	$82,900	$200,700
Streets	ST1801 FY18 Street and Alley Program	$950,000	$607,500	$288,100*	$319,400	($82,900)	$236,500

**-Includes the proposed funding for the Bradford Street Hydrologic and Hydraulic Feasibility Study*

ACTION FORM

PROCEEDING: Council Committee of the Whole (LF&A)	**AGENDA ITEM NO.:**
DEPARTMENT OF ORIGIN: Central Services/Facilities	**DATE SUBMITTED**: 5/16/19
PREPARED BY: Michael C. Hamlett, Central Services Fleet & Facilities Manager	
SUBJECT: Evaluation of Proposals – Janitorial Services Contract	
REFERENCE: N/A	
RELATED PROJECT: N/A	
APPROVALS: City Manager, Controller	
EXHIBITS: N/A	
EXPENDITURE REQUIRED: As Needed	**AMOUNT BUDGETED**: Varies Per Department
FUNDING SOURCE (Dept/Page in CIP & Budget): Funding is provided within multiple departments' operations budget.	
TIMETABLE: Contract to be executed July 1, 2019.	
RECOMMENDED ACTION: Staff recommends awarding a three (3) year contract with the option for two (2) one (1) year extensions to Mid Atlantic Services, A-Team Corp. as per the proposal submitted in response to RFP #19-0020CS.	

BACKGROUND AND ANALYSIS

Proposals were solicited and advertised according to City Policy by the City's Contract and Procurement Manager under RFP #19-0020CS. The Request for Proposal was delivered to seven (7) contractors and submissions were received from two (2), Mid Atlantic Services and Fedcap Rehabilitation Services. The proposals were evaluated based on**:** work experience with janitorial services including any government or municipal experience and references; ability to provide quality control, total cost, geographical location in relation to the City of Dover; and the ability to provide adequate staffing, equipment**,** and supplies for each location. The contractor will be responsible for performing all City of Dover janitorial services to include providing all equipment, paper goods, liners, and cleaning supplies.

Mid Atlantic Services was able to provide all required information as outlined in the RFP and is a local minority owned business. They have a local Dover office staffed with ninety (90) employees to include a fully staffed management team. Mid Atlantic Services provided three (3) references from State of Delaware offices which they are currently providing such services. Unfortunately Fedcap Rehabilitation Services failed to provide pricing for the Police Department as outlined in the posted addendum and was deemed unresponsive. As such, Mid Atlantic is the sole vendor for the Janitorial Services contract.

The proposal method of billing consists of twelve (12) equal installments yearly to coincide with the services provided. The proposed contract from Mid Atlantic Services is for a period of three (3) years with two, one (1) year extensions and includes an annual increase of 5% for year 2, 3, and 4.

The following is a summary of the hourly expense from the proposer:

MID ATLANTIC SERVICES

	LIBRARY	PITTS CENTER	WATER TREATMENT	ELECTRIC ADMIN	COD WAREHOUSE	WEYANDT HALL	CITY HALL	POLICE	ANNUAL TOTALS
YEAR 1	$ 79,347.12	$ 32,368.56	$ 5,316.84	$ 23,171.04	$ 22,025.16	$ 25,746.84	$ 49,186.44	$ 76,840.20	**$ 314,002.20**
YEAR 2	$ 83,314.44	$ 33,987.00	$ 5,582.64	$ 24,329.64	$ 23,126.40	$ 27,034.08	$ 51,645.72	$ 80,682.12	**$ 329,702.04**
YEAR 3	$ 87,480.12	$ 35,686.32	$ 5,861.76	$ 25,546.08	$ 24,282.72	$ 28,385.76	$ 54,228.00	$ 84,716.28	**$ 346,187.04**
YEAR 4	$ 91,854.12	$ 37,470.60	$ 6,154.80	$ 26,823.36	$ 25,496.88	$ 29,805.00	$ 56,939.40	$ 88,952.04	**$ 363,496.20**
YEAR 5	$ 91,854.12	$ 37,470.60	$ 6,154.80	$ 26,823.36	$ 25,496.88	$ 29,805.00	$ 56,939.40	$ 88,952.04	**$ 363,496.20**

5 YEAR TOTALS							5 YEAR TOTAL
$ 433,849.92	**$ 176,983.08**	**$ 29,070.84**	**$ 126,693.48**	**$ 120,428.04**	**$ 140,776.68**	**$ 268,938.96**	**$ 420,142.68**	**$ 1,716,883.68**

AUDITOR'S RESPONSIBILITY FOR COMMUNICATING WITH AUDIT COMMITTEE

Presented by:
Lori Peddicord
Controller/Treasurer
June 11, 2019

What we will cover

- Three primary purposes/matters to be communicated
  - Auditor's responsibility
  - Planned scope and timing of audit
  - Significant findings from the audit

Three Primary Purposes

- To clearly communicate an overview of the audit scope, the timing of the audit, and the auditor's responsibilities.
- To provide timely observations arising from the audit that are relevant to oversight of the financial reporting process.
- To obtain relevant audit-related information from those charged with governance.

Auditor's Responsibility

- **The auditor's responsibilities under generally accepted auditing standards.**
- **This will be detailed in the auditor's engagement letter.**

Planned Scope & Timing of Audit

- An overview of the planned scope and timing of the audit that is not so detailed as to compromise audit effectiveness.
- This will be summarized and communicated to committee.

Significant Findings from the Audit

- The auditor's views about findings or issues that the auditor considers to be significant and relevant to those charged with governance regarding their oversight of the financial reporting process.
- These will be communicated near or at the end of the audit.

Audit Calendar

City of Dover
2019 Audit Calendar

MAY

S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	Detail Audit Plan Submitted	14	15	16	17	18
19	20	21	22	23	24	25
26	**27**	28	29	30	31	

JUNE

S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	Auditors - preliminary audit work including walk throughs and inventory testing - Inventory listing received morning of 6/10/17 from IT.					15
16	Auditors - working remotely					22
23	24	25	26	27	Measure fuel @ plant	29
30						

JULY

S	M	T	W	T	F	S
	1	2	**3**	4	5	6
7	8	9	10	Close AP & GL	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

AUGUST

S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

SEPTEMBER

S	M	T	W	T	F	S
1	**2**	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	Test of controls started					
30						

OCTOBER

S	M	T	W	T	F	S
		1	2	3	Test of Controls Completed	5
6	7	8	9	10	Test of Controls Completed	12
13	14	15	16	17	18	19
20	Draft Schedules/Statements to auditor	22	23	24	Draft CAFR Complete *	26
27	Draft CAFR to auditor	29	30	31		
	***Draft CAFR completed by October 28 (includes Notes & Statistical Section)**					

NOVEMBER

S	M	T	W	T	F	S
					Final chgs from Auditor	2
3	Draft CAFR to City Clerk	5	6	7	**8**	9
10	11	12	13	14	15	16
17	18	19	Final Changes made to CAFR	21	22	23
24	LF&A Meeting	26	27	**28**	**29**	30
	Final CAFR completed by November 21 (includes all Sections and TOC)					

DECEMBER

S	M	T	W	T	F	S
1	CAFR Sent to GFOA	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	**25**	26	27	28
29	30	31				

Holidays - Green

Meetings with Auditors if requested by LFA

Key Dates in Yellow

QUESTIONS ???

ACTION FORM

PROCEEDING: CCW – Legislative, Finance & Administration Committee
DEPARTMENT OF ORIGIN: Controller/Treasurer
PREPARED BY: Lori Peddicord, Controller/Treasurer
SUBJECT: Bond Counsel Contract
APPROVALS: City Council
ATTACHMENTS: Ballard Spahr, LLP Terms of Engagement – April 17, 2019
EXPENDITURE REQUIRED: N/A **AMOUNT BUDGETED**: N/A **FUNDING SOURCE**: To be included in bond issuance cost
TIMETABLE:
RECOMMENDED ACTION: Authorize the Controller/Treasurer to enter into a contract with Ballard Spahr, LLP for capital project financing when needed.

Ballard Spahr, LLP has been the City's long-standing Bond Counsel and provides legal advisory services, preparation of Resolutions, and debt instruments related to the City's debt issuance. Ballard Spahr is familiar with the City's bond covenants and tax-exempt provisions. This includes the State Revolving Fund Loans that we use for Water and Wastewater project financing. In the past, the City has received quotes for legal services in order to estimate the bond issuance cost with no written contract. The attached Fee Letter and Terms of Engagement are necessary to complete any project financing over the next fiscal year.

The agreement can be terminated at any time for any reason by written notice.

Both documents have been reviewed and approved by the City Manager and Deputy Solicitor.

Ballard Spahr LLP

919 North Market Street, 11th Floor
Wilmington, DE 19801-3034
TEL 302.252.4465
FAX 302.252.4466
www.ballardspahr.com

City of Dover
RECEIVED
APR 24 2019
CITY MANAGER/MAYOR

April 17, 2019

Donna S. Mitchell
City Manager
City of Dover
15 Lookerman Plaza
P.O. Box 475
Georgetown, DE 19903

Re: City of Dover – Ballard Spahr Fee Schedule for Counsel Services

Dear Donna:

I am pleased to confirm City of Dover's engagement of Ballard Spahr as bond counsel for 2019. Our Terms of Engagement are enclosed along with a copy of our 2019 Disbursement Pricing List.

I will continue to serve as the Firm's primary counsel to the City of Dover. The other professionals expected to assist on County matters are Kimberly Betterton (tax partner), Jayne Hebron (associate) and Francis Tynan (paralegal). Our fees will be based on our hourly rates at a 10% discount as set forth below. In addition, we can discuss fixed fees or blended rates for various matters that come up from time to time as appropriate.

Name	Rate	Discount Rate
Emilie R. Ninan	$665.00	$598.00
Kimberly Betterton	$635.00	$571.50
Jayne Hebron	$390.00	$351.00
Frank Tynan	$195.00	$175.00

Unless we mutually agree to bill a particular matter at the closing, we plan to bill you monthly in accordance with the attached Engagement Terms.

We look forward to continuing to work with you. If you have any questions regarding our engagement either now or during the course of our work together, please do not hesitate to call me.

If these terms are acceptable to you, please have this letter executed below on behalf of the County and return to us.

Sincerely,

Emilie R. Ninan

Emilie R. Ninan

ERN/sjr
Enclosure

Approved and Accepted:

CITY OF DOVER, DELAWARE

By: _____
Name:
Title:

Ballard Spahr LLP
2019
Disbursement Pricing

Disbursement	Cost
Ballard Spahr Messenger	**No Charge**
Binding	**No Charge**
Cab Fares/Ride Share Services	Actual Cost
Courier Service	Actual Cost
Data Hosting	$5 p/gb per month
Data Processing	$200 p/gb
Document Production	**No Charge**
Duplicating Duplicating (Color) Outside Duplicating	$0.10 per page $0.45 per page Invoice Cost
Fax (Outgoing Only)	**No Charge**
Lexis and Westlaw	Actual (discounted) Cost
Library Research Services	Published Standard Cost
Long Distance Telephone	**No Charge**
Overtime	**No Charge**
Postage	**No Charge**
State Department Services	**No Charge**
Telephone (Credit Card Calls)	**No Charge**
Travel	Actual Cost

Ballard Spahr LLP

Terms of Engagement

The following terms together with the accompanying letter of engagement constitute the terms of your engagement of Ballard Spahr LLP ("Ballard Spahr") as your lawyers. Unless modified in writing by mutual agreement, these terms will be an integral part of Ballard Spahr's agreement with you. Therefore, we ask that you review these terms carefully and contact us promptly if you have any questions. We suggest that you retain these terms in your file.

1. **CLIENT.** It is understood that Ballard Spahr's Client for purposes of this representation is limited to the individual or entity specifically identified in the engagement letter and does not include others.

2. **SCOPE OF REPRESENTATION.** Our representation is limited to performance of the services expressly described in the engagement letter and does not include representation of you or your interests in any other matter. It is important that you have a clear understanding of the legal services we will provide and that you contact us promptly to discuss any questions that you may have about them. You may limit or expand the scope of the representation from time to time, provided that any substantial change is agreed to by us and made in writing. We will provide legal counsel to you in reliance upon information and guidance provided by you, keep you reasonably informed of the status of the matter, and respond to your inquiries. Any expressions on our part concerning the outcome of your legal matters are expressions of our professional judgment, but are not guarantees. Such opinions are necessarily limited by our knowledge of the facts and are based on the state of the law at the time they are expressed.

3. **REGARDING FEDERAL TAX ADVICE.** In the course of our representation, we may render tax advice to you on various legal matters. You understand that you may not use such tax advice to avoid any penalties that may be imposed by the Internal Revenue Service unless, in accordance with the Internal Revenue Service rules of practice, we are specifically engaged to provide a formal, written tax opinion for that purpose. Accordingly, you acknowledge that we may legend any written tax advice that we provide in the course of this engagement to indicate that it may not be relied on for purposes of penalty protection. You further understand that our representation does not include the provision of any tax advice concerning transactions in which you may participate that would be "reportable transactions" within the meaning of Section 6707A of the Internal Revenue Code of 1986, as amended, and that our provision of tax advice concerning such transactions would require a separate engagement for that purpose. In particular, we shall not advise as to any transaction in which you may participate in which your

or our disclosure of its tax treatment or tax structure is limited by any person other than you, our client, unless we are separately engaged by you for that purpose.

4. **STAFFING.** Customarily, each client of Ballard Spahr is served by a Relationship Partner (a principal lawyer contact) and one or more Matter Billing Lawyers (a lawyer designated to oversee an individual matter that Ballard Spahr handles on your behalf). Your work or parts of it may be performed by other lawyers and legal assistants at Ballard Spahr. Such delegation may be for the purpose of involving lawyers or legal assistants with special expertise in a given area or for the purpose of providing services on the most efficient and timely basis.

5. **ELECTRONIC DISCOVERY.** In matters involving electronic discovery, Ballard Spahr will work closely with the client's representatives and agents to ensure that all tasks associated with electronic discovery, including data preservation, data collection and processing, are performed in accordance with relevant legal and ethical standards. You agree to facilitate Ballard's management of electronic discovery by timely assigning relevant business, legal or IT representatives, including retained vendors, to assist Ballard and its representatives as needed. If you choose to use Ballard Spahr's electronic discovery system (Relativity®) for a given matter, you will be charged unit prices for data hosting and data processing, as set forth in Section 10 and in the Disbursement Pricing Schedule, in addition to fees for any necessary Litigation Support time.

6. **TERMINATION OF ENGAGEMENT.** Either of us may terminate the engagement at any time for any reason by written notice, subject on our part to applicable rules of professional conduct. Your termination of our services will not affect your responsibility for payment of legal services rendered and additional charges incurred before termination and in connection with an orderly transition of the matter. If permission for withdrawal is required by a court, we will apply for such permission and you agree to engage successor counsel to represent you.

We are subject to the rules of professional responsibility for the jurisdictions in which we practice, which list several types of conduct or circumstances that require or allow us to withdraw from representing a client, including for example: nonpayment of fees or costs, misrepresentation or failure to disclose material facts, action contrary to our advice, and conflict of interest with another client. We try to identify in advance and discuss with our client any situation which may lead to our withdrawal, and if withdrawal ever becomes necessary, we give the client written notice of our withdrawal.

7. **CONCLUSION OF REPRESENTATION.** Unless previously terminated, our representation will conclude upon our sending you our final invoice for services rendered in this matter.

8. **RETENTION AND DISPOSITION OF DOCUMENTS.** Following the termination of our representation or the conclusion of the matter, any otherwise nonpublic information you have supplied to us which is retained by us will be kept confidential in accordance with applicable rules of professional conduct. At your request, your papers and property will be returned to you promptly upon receipt of payment for outstanding fees and costs. Our own files pertaining to the matter will be retained by Ballard Spahr. These firm files include, for example, firm administrative records, time and expense reports, personnel and staffing materials, and credit and accounting records; and internal lawyers' work product such as drafts, notes, internal memoranda, and legal and factual research, including investigative reports, prepared by or for the internal use of lawyers. We reserve the right to destroy or otherwise dispose of any such documents or other materials retained by us within a reasonable time after the termination of the engagement.

9. **POST-ENGAGEMENT ISSUES.** You are engaging Ballard Spahr to provide legal services in connection with the matter referred to in the accompanying engagement letter. After completion of the matter, changes may occur in the applicable laws or regulations that could have an impact upon your future rights and liabilities. Unless you engage us after completion of the matter to provide additional advice on issues arising from the matter, Ballard Spahr has no continuing obligation to advise you with respect to future legal developments.

10. **FEES AND EXPENSES.** Our fees will be based primarily on the amount of time spent on your behalf. Each lawyer and legal assistant has an hourly billing rate based generally on experience and special knowledge. The rate multiplied by the time expended on your behalf, measured in tenths of an hour, will be the initial basis for determining the fee. The billing rates for this matter are specifically discussed in the engagement letter. These billing rates are subject to change from time to time. Other factors may be taken into consideration in determining our fees including the responsibility assumed, the novelty and difficulty of the legal problem involved, the skill required to perform the work, the particular experience or knowledge provided, time limitations imposed by you or the transaction or matter, the benefit resulting to you, and any unforeseen circumstances arising in the course of our representation.

We will include on our invoices separate charges for performing services and expenses such as photocopying, messenger and delivery service, computerized research, travel, long-distance telephone fees, faxing fees and electronic discovery fees, including data hosting and data processing, in accordance with the attached Disbursement Pricing schedule. In litigation matters, such expenses may also include deposition costs, process servers, court reporters and witness fees. We may elect to have you billed directly for certain expenses such as consultants, appraisers, and local counsel.

Invoices normally will be rendered monthly for work performed and expenses recorded on our books during the previous month. Payment is due promptly upon receipt of our invoice.

Invoices rendered in December must be paid prior to the end of the year. If any invoice remains unpaid for more than 30 days, we may suspend performing services for you and withdraw as your counsel unless arrangements satisfactory to us have been made for payment of outstanding invoices and the payment of future fees and expenses.

Fees and costs relating to this matter are not predictable. Accordingly, unless specifically stated to the contrary in the engagement letter, we have made no commitment to you concerning the maximum fees and costs that will be necessary to resolve or complete this matter. It is expressly understood that payment of Ballard Spahr's fees and costs is in no way contingent on the ultimate outcome of the matter.

11. **RETAINER AND TRUST DEPOSITS.** New clients of Ballard Spahr are commonly asked to deposit a retainer. If you deposit a retainer with us, you grant us a security interest in that deposit. Typically, the retainer is equal to the fees and costs likely to be incurred during a one-month period. It will be deposited in our general trust account. The retainer will be applied to our final billing in the matter and we will then return to you, without interest, any unearned portion of the retainer.

All trust deposits we receive from you, including retainers, will be placed in a trust account for your benefit. By court rule in each jurisdiction in which Ballard Spahr has an office, your deposit will be placed in a pooled account unless you request otherwise or we judge it appropriate to establish a segregated account. By court rule in each of these jurisdictions, interest earned on the pooled account is payable to a charitable foundation established in accordance with such court rule. Interest earned on any segregated trust account will be added to the deposit for your benefit and will be includable in your taxable income.

12. **CLIENT RESPONSIBILITIES.** You agree to pay our invoices for services and expenses in a timely manner as provided in paragraph ten, above. In addition, you will be candid and cooperative with us and will keep us informed with complete and accurate factual information, documents and other communications relevant to the subject matter of our representation or otherwise reasonably requested by us. Because it is important that we are able to contact you at all times in order to consult with you regarding your representation, you will inform us, in writing, of any changes in the name, address, telephone number, contact person, email address, state of incorporation or other relevant changes regarding you or your business. Whenever we need your instructions or authorization in order to proceed with legal work on your behalf, we will contact you at the latest business address we have received from you.

13. **CONFLICTS OF INTEREST.** Ballard Spahr represents many other companies and individuals. It is possible that present or future clients of Ballard Spahr will have disputes or transactions with you. For example, although we represent a bank in litigation, we may concurrently have clients whom we represent in connection with obtaining a loan from the same bank. You agree that we may continue to represent or may undertake in the future to represent existing or new clients in any matter that is not *substantially related* to our work for you even if

the interests of such clients in those other matters are directly adverse. We agree, however, that your prospective consent to conflicting representation contained in the preceding sentence shall not apply in any instance where, as a result of our representation of you, we have obtained proprietary or other confidential information of a nonpublic nature, that, if known to such other client, could be used in any such other matter by such client to your material disadvantage. You should know that, in similar engagement letters with many of our other clients, we have asked for similar agreements to preserve our ability to represent you.

You will provide Ballard Spahr with a list of entities within your corporate or immediate personal family. If you affiliate with, acquire, or are acquired by or merge with another company, you will provide us with sufficient notice to permit us to withdraw as your attorneys if we determine that such affiliation, acquisition or merger creates a conflict of interest between any of our clients and the other party to such affiliation, acquisition or merger, or if we determine that it is not in the best interests of Ballard Spahr to represent the new entity.

You have agreed that our representation of you in the matter described in the engagement letter does not create an attorney-client relationship between Ballard Spahr and other entities in your personal or corporate family. Accordingly, our representation of you in the matter identified in the engagement letter will not give rise to any conflict of interest in the event other clients of Ballard Spahr are adverse to members of your personal or corporate family.

CITY OF DOVER
FINANCIAL POLICIES

Amended ~~October 12, 2015~~ June 5, 2019

CITY OF DOVER, DELAWARE
FINANCIAL POLICIES

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

Revenue Policy

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

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

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

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

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

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

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

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

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

10. Upon satisfying all rate covenants the City will provide operating transfers to the General Fund. From the Water/Wastewater Utility no greater than $1,000,000 and from the Electric Utility no greater than $10,000,000.

Expenditure Policy

1. Basic and essential services provided by the City will receive ~~first~~ priority for funding, i.e. Public Safety & Health, Utilities, Streets, & Sanitation.

2. A report of the expenses of the Public Safety categories that have been identified will be presented to City Council two (2) times; once upon delivery of the proposed budget in May and the other upon the adoption of the budget in July. The report will map the revenues that have been identified to support the expenses, how much of a gap there is, and what the trend is for closing the gap over a ~~20 year~~20-year period. The revenues will be the direct revenues of those programs and the Property Tax Revenue, excluding BID taxes.

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

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

5. The City will restrict the use of appropriations as follows:
   - Funds appropriated for personnel expenses shall be restricted to use as personnel expenses. Any personnel savings at the end of each fiscal year will be re-appropriated in the next fiscal year to be transferred to the City's capital funds or unfunded retirement liabilities as approved by City Council;
   - Funds appropriated as capital expenses shall be restricted to use as capital expenses;
   - Funds appropriated as operating expenses shall be restricted to use as operating expenses;
   - All requests for additional personnel shall be accompanied with a five-year estimate on the costs of such position(s), including salaries and other employment costs (OEC's);

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

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

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

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

10. The City will establish an Other Post-Employment Benefit Fund (OPEB). The City will make contributions for eligible employees and retirees at the actuarial determined rates or percentages to fund future retiree medical benefits.

Debt Policy

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

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

3. The City will adhere to its debt covenants.

4. The City will review its debt capacity every three (3) years.

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

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

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

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

Budget Balance/Reserve Policy – General Fund

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

2. Once achieved, at no time should the City's budget balances fall below their specified percentages. If a shortfall occurs in the budget balance and immediately restoring the balances to the specified percentage would cause an extreme burden on the taxpayers, the budget balance may, with the City Council's approval, be restored to the specified percentage within one (1) year, but in any case, no longer than three (3) years.

3. The City will maintain a minimum reserve, in a contingency account, of at least $700,000. The City may only use monies in the contingency accounts to cover emergencies of a non-recurring nature that are over and above the normal course of operations. Examples are uninsured losses, storms or hurricane damages. The Contingency Reserve will not be used to balance the operating budget.

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

5. The City will create a Capital Asset Replacement account for Governmental Fund asset procurements. Optimally, the amount set aside for future asset replacements should equal the annual depreciation of the current assets. (Annual Depreciation is approximately ~~$2.5~~ $3.5 million per ~~The~~year) The City will appropriate excess (amounts greater than budgeted) revenues to fund this account, or if the balance is less than the $500,000 minimum, $200,000 per annum until such time the minimum balance is replenished.

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

Budget Balance/Reserve Policy – ~~Water &~~ Wastewater Fund~~s~~

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

2. Once achieved, at no time should the City's budget balances fall below their specified percentages. If a shortfall occurs in the budget balance and immediately restoring the balances to the specified percentage would cause an extreme burden on the ratepayers, the budget balance may, with the City Council's approval, be restored to the specified percentage within one (1) year, but in any case, no longer than three (3) years.

3. The City will maintain a minimum reserve, in a contingency account, of at least $250,000 for ~~each~~ the ~~Water &~~ Wastewater Fund~~s~~. The City may only use monies in the contingency accounts to cover emergencies of a non-recurring nature that are over and above the normal course of operations. Examples are uninsured losses, storms or hurricane damages. The Contingency Reserve will not be used to balance the operating budget.

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

5. The City will maintain a Capital Asset Replacement account to cover replacement or procurement of assets of the utility. Optimally, the amount set aside for future asset

replacements should equal the annual depreciation of the current assets. The City will maintain a minimum balance of $500,000 ~~for each utility~~ for Capital Asset Replacements. The City will appropriate excess revenues to fund this account, or if the balance is less than the minimum $100,000 per annum for each utility until such time the minimum balance is achieved.

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

7. ~~The City established by ordinance on February 1, 2008 the Water Impact Fee Reserve to provide for future expansion of the City's water system due to increased demand. The ordinance further provides for debt service payments attributed to water system expansion projects to be funded by the current year's collection of Impact Fees and the remainder to be deposited into the reserve account. The City shall maintain a minimum of $1.5 million of water revenues in the Impact Fee Reserve account. Amounts used to finance projects shall be replenished by the operating revenues of the Water Fund over the succeeding seven (7) years of any project completion.~~

7~~8~~. The ~~Water &~~ Wastewater Improvement & Extension Fund budget balance shall be no less than $200,000 of the current fiscal year's appropriation for ~~water and~~ wastewater projects to allow for project variances and change orders; a 10% contingency shall be included in project budgets greater than $250,000 if the Department Head determines it to be appropriate. All vehicle and equipment purchases under $25,000 will be budgeted on a pay as you go basis. The City Manager shall make the necessary budget amendments in accordance with the City of Dover Purchasing & Budget Amendment Policies.

Budget Balance/Reserve Policy – Water ~~& Wastewater~~ Fund~~s~~

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

2. Once achieved, at no time should the City's budget balances fall below their specified percentages. If a shortfall occurs in the budget balance and immediately restoring the balances to the specified percentage would cause an extreme burden on the ratepayers, the budget balance may, with the City Council's approval, be restored to the specified percentage within one (1) year, but in any case, no longer than three (3) years.

3. The City will maintain a minimum reserve, in a contingency account, of at least $250,000 for each the Water ~~& Wastewater~~ Fund~~s~~. The City may only use monies in the contingency accounts to cover emergencies of a non-recurring nature that are over and above the normal course of operations. Examples are uninsured losses, storms or hurricane damages. The Contingency Reserve will not be used to balance the operating budget.

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

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

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

6~~7~~. The City established by ordinance on February 1, 2008 the Water Impact Fee Reserve to provide for future expansion of the City's water system due to increased demand. The ordinance further provides for debt service payments attributed to water system expansion projects to be funded by the current year's collection of Impact Fees and the remainder to be deposited into the reserve account. The City shall maintain a minimum of $1.5 million of water revenues in the Impact Fee Reserve account. Amounts used to finance projects shall be replenished by the operating revenues of the Water Fund over the succeeding seven (7) years of any project completion.

7~~8~~. The Water ~~& Wastewater~~ Improvement & Extension Fund budget balance shall be no less than $200,000 of the current fiscal year's appropriation for water ~~and wastewater~~ projects to allow for project variances and change orders; a 10% contingency shall be included in project budgets greater than $250,000 if the Department Head determines it to be appropriate. All vehicle and equipment purchases under $25,000 will be budgeted on a pay as you go basis. The City Manager shall make the necessary budget amendments in accordance with the City of Dover Purchasing & Budget Amendment Policies.

Budget Balance/Reserve Policy – Electric Revenue Fund

1. The City will strive to maintain a minimum Budget Balance, of at least 12% (45 days) of the current year operating revenues for the Electric Revenue Fund, excluding the carry forward balance and power cost adjustments. The purpose of the budget balance is to meet temporary fluctuations in cash flows and to provide a cushion for loss of revenues until operating changes can be implemented. If the final Budget Balance exceeds the amount as approved in the budget

ordinance, such funds shall be used to provide for capital purchases, unfunded retirement liabilities, or as otherwise designated by City Council. The City may use monies in the Budget Balance only in times of fiscal and economic hardship.

2. Once achieved, at no time should the City's budget balances fall below their specified percentages. If a shortfall occurs in the budget balance and immediately restoring the balances to the specified percentage would cause an extreme burden on the ratepayers, the budget balance may, with the City Council's approval, be restored to the specified percentage within one (1) year, but in any case, no longer than three (3) years.

3. The City will maintain a minimum reserve, in a contingency account, of at least $750,000 for the Electric Revenue Fund. The City may only use monies in the contingency accounts to cover emergencies of a non-recurring nature that are over and above the normal course of operations. Examples are uninsured losses, storms or hurricane damages. The Contingency Reserve will not be used to balance the operating budget.

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

5. The City has established by bond covenant an account to cover insurance deductibles on the electric transmission and distribution system or the generating plants. The City shall maintain a minimum balance of $750,000 to cover various deductibles.

6. Recognizing price fluctuations in the wholesale power markets the City has established a rate stabilization reserve. The purpose of using such a reserve is to level off the fluctuations in the wholesale power supply market and in turn provide stable rates to our customers. In those instances where the actual cost of power supply and generation are less/more than the budgeted cost of power supply and generation, the City will transfer the difference to/from the Rate Stabilization Reserve. The balance shall be maintained at a minimum of 10% not to exceed 20% of the purchase power cost in any given year. If the reserve balance exceeds the 20% maximum, a credit will be applied to the power cost adjustment over the next three (3) fiscal years.

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

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

9. The City has established an account to provide for replacement or procurement of utility system assets, otherwise known as Depreciation Reserve. Optimally, the amount set aside for future

asset replacements should equal the annual depreciation of the current assets. The City will maintain a minimum balance of $10,000,000. The primary purpose of this account is to provide partial or all financing of major capital projects and minimize debt service payments. The account is also intended to cover unforeseen capital replacements due to equipment breakdowns, storms or hurricane damages. Amounts used to finance projects shall be replenished by the operating revenues of the Electric Revenue Fund over the succeeding seven (7) years of any project completion

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

Investment and Cash Management Policy

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

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

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

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

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

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

Capital Improvement Policy

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

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

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

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

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

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

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

Financial Reporting Policy

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

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

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

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

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

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

6. The City will seek annual renewal of the Government Finance Officers Association's (GFOA) Certificatte of Achievement for Excellence in Financial Reporting.

~~7.~~

Adoption:
Approval by City Council: January 28, 2002

Most recent amendments:
~~1. Amended by City Council on June 11, 2014~~
~~2.~~1. Amended by City Council on September 8, 2014
~~3.~~2. Amended by City Council on October 12, 2015

CITY OF DOVER
LEGISLATIVE FINANCE AND ADMINISTRATION COMMITTEE
June 11, 2019

DOWNTOWN DOVER BUSINESS IMPROVEMENT DISTRICT (BID) BUDGET AND ASSESSMENT (TAX) RATES FOR FISCAL YEAR 2019-2020

Submitted by: Cheryl A. Bundek, AAS AND Donna S. Mitchell

INTRODUCTION

The Business Improvement District (BID) Ordinance adopted by City Council requires that Council must adopt a BID budget and assessment every year. This report presents the proposed budget and assessment for fiscal year 2019-2020.

ORDINANCE REQUIREMENT AND BUDGET

(A) Appendix D, Article III, Section 9(f) requires that a budget be submitted to City Council for consideration and approval.

For your consideration, we have attached the FY 2019-2020 budget showing BID tax revenue and the expenses charged against this revenue (Attachment A).

(B) For your consideration, we have also provided the tax calculation worksheet with recommended rates (Attachment B).

REQUEST FOR ACTION

We request Council to approve the following budget for fiscal year 2019-20 Attachment A, and Assessment (Tax) Rate for 2019-20 - Attachment B.

ATTACHMENT A

BUSINESS IMPROVEMENT DISTRICT

CASH RECEIPTS BUDGET FOR 2019-20

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

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

1. The amount hereinafter named aggregating Zero dollars, ($0.00) or so much thereof as may be necessary is hereby appropriated from current revenues and other funds for economic development purposes for the fiscal year beginning July 1, 2019, and ending June 30, 2020:

REVENUE	PROPOSED
Tax Revenue	$0.00
EXPENSES	
Personnel & Administration Expenses	$0.00

ATTACHMENT B

CITY OF DOVER
LEGISLATIVE FINANCE AND ADMINISTRATION COMMITTEE
June 11, 2019

DOWNTOWN DOVER BUSINESS IMPROVEMENT DISTRICT (BID) BUDGET AND ASSESSMENT (TAX) RATES FOR FISCAL YEAR 2019-2020

BUSINESS IMPROVEMENT DISTRICT

TAX CALCULATION WORKSHEET

JULY 1, 2019 TO JUNE 30, 2020

	ZONE 1	ZONE 2	ZONE 3	TOTAL
Aggregate Assessments	$42,512,800	$69,841,400	$41,864,100	$154,218,300
Assessment Tax Rate per $100	-	-	-	---
Revenue Raised (Rounded)	$0	$0	$0	$0
% Revenue Raised	50%	40%	10%	100%
Number of Parcels	143	134	47	324
Average BID Tax	$0	$0	$0	$0

NOTE: These figures were estimated per the 2015 reassessed values. The revenue percentages by Zone are per the City of Dover Code Appendix D-Article III, Section 9(e).

CITY OF DOVER PROPOSED ORDINANCE #2019-15

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 20A - Industrial Park Manufacturing Zone - Technology Center (IPM2) of the Dover Code, be amended by inserting the text indicated in bold, blue, italics and deleting the text indicated in red strikeout as follows:

Section 20A. - Industrial park manufacturing zone - Business and Technology Center (IPM2).

20A.1 *Uses permitted.* No building or premises shall be used and no building or part of a building shall be erected, which is arranged, intended or designed to be used, in whole or in part, for any purpose, except the following, and in accordance with performance standards procedure as set forth in article 5, section 8, and subject to site development plan approval as set forth in article 10, section 2:

20A.11 Manufacturing, assembling, converting, altering, finishing, cleaning, cooking, baking or any other type of manufacturing, industrial, or technological processing of any goods, materials, products, instruments, appliances, biotechnology, and devices, provided that the fuel used shall be oil, gas or electricity; together with incidental clinics, cafeterias and recreational facilities for the exclusive use of employees of the concern engaged in such undertaking.

20A.12 Research, design, testing and development laboratories.

20A.13 Offices ~~for~~ **and** corporate support operations for **business and professional services, data management,** financial services, insurance, and health care industries.

20A.14 Agricultural or farm uses as defined and permitted in article 3, section 1.11.

20A.15 Production of electricity provided that the power source used shall be gas, oil, solar or wind.

20A.16 Warehousing, transshipment and distribution, and logistics support.

20A.2 *Uses prohibited.* The following uses are specifically prohibited:

20A.21 Residences, except those existing at the time of adoption of this amendment.

20A.22 Manufacturing uses involving primary production of the following products from raw materials: Asphalt, cement, charcoal, and fuel briquettes; chemicals: aniline dyes, ammonia, carbide, caustic soda, cellulose, chlorine, and carbon black and bone black, creosote, hydrogen and oxygen, industrial alcohol, nitrates (manufactured and natural) of an explosive nature, potash, and synthetic resins, pyroxylin, rayon yarn, and hydrochloric, nitric, phosphoric, picric, and sulphuric acids; coal, coke, and tar products, including gas manufacturing; explosives, fertilizers, glue, and size (animal); linoleum and oil cloth; matches; paint, varnishes, and turpentine; rubber (natural or synthetic); ~~[~~and~~]~~ soaps, including fat rendering.

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20A.23 Storage ~~and warehousing~~, except that which is incidental to the primary use on the lot.

20A.24 The following processes: nitrating of cotton or other materials; magnesium foundry; reduction, refining, smelting, and alloying of metal or metal ores; refining secondary aluminum; refining petroleum products, such as gasoline, kerosene, naphtha, ~~[~~and~~]~~ lubricating oil; distillation of wood or bones; ~~[~~and~~]~~ reduction and processing of wood pulp and fiber, including papermill operations.

20A.25 Operations involving stock yards, slaughter houses, and slag piles.

20A.26 Storage of explosives, ~~[~~and~~]~~ bulk or wholesale storage of gasoline above [the~~]~~ ground.

20A.27 Dumps.

20A.28 Quarries, stone crushers, screening plants, and storage of quarry screenings, accessory to such uses.

20A.29 Junkyards, automobile dismantling plants or storage of used parts of automobiles or other machines or vehicles or of dismantled or junked automobiles.

20A.~~6~~ **3** *Site development plan approval.* Site development plan approval, in accordance with article 10, section 2 hereof, shall be required for either conventional individual lot development or planned industrial park development of land zoned IPM prior to the issuance of building permits for the erection or enlargement of all structures and prior to the issuance of certificates of occupancy for any change of use.

20A.~~7~~ **4** *Performance standards.* All uses are subject to performance standards as set forth in article 5, section 8**.1**.

(Ord. of 8-23-1999; Ord. No. 2009-18, 10-12-2009)

BE IT FURTHER ORDAINED:

That Appendix B - Zoning, Article 4 - Zoning Bulk and Parking Regulations, Section 4.16 - M, IPM zones of the Dover Code, be amended by inserting the text indicated in bold, blue, italics and deleting the text indicated in red strikeout as follows:

Section 4.16. - M, IPM zones.

Bulk and parking regulations for industrial zones in M and IPM zones are as follows:

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For All Permitted Uses	M	IPM (Conventional Planned)	IPM (Planned Industrial Park)	IPM2 (**Business and** Technology Center)	IPM3 (Aviation and Aeronautics Center)
Lot area	½ acre	2½ acres	2½ acres average; 60,000 sq. ft. minimum	10 acres	1 acre
Lot width (ft.)	100	200	150	100	100
Lot depth (ft.)	150	300	250	100	100
Front yard (ft.)	40	60	60	60	40
Side yard (ft.)	20	40	40	40	20
Rear yard (ft.)	20	40	40	40	20
Side or rear yard which adjoins a residential zone (ft.)	50	100	100	100	50
Off-street parking space:					
Per 800 sq. ft. of floor area	1	1	1	1	1
Per employee, per largest working shift (if greater than the requirement under the floor area calculation)	1	1	1½	1	1
Maximum permitted:					
Building height					
Stories	2	Not limit	2	Not limit	Not limit
Feet	35	Equal to distance to nearest lot line	35	Equal to distance to nearest lot line	75*
Floor area ratio	0.5	0.5	0.5	0.5	0.5
Lot coverage	85%	75%	65%	65%	85%

* Building height shall comply with all applicable Federal Aviation Administration, Department of Defense, and Unified Facilities Criteria height restrictions and obstruction marking and lighting standards.

(Ord. of 3-24-1986; Ord. of 7-12-1993, § 1; Ord. of 8-23-1999; Ord. No. 2009-18, 10-12-2009; Ord. No. 2018-06 , 8-27-2018)

BE IT FURTHER ORDAINED:

That Appendix B - Zoning, Article 12 - Definitions of the Dover Code be amended by inserting the following definitions in their correct alphabetical order:

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Logistics: The process of planning, implementing and controlling the procurement, management and inventory control of materials, semi-finished goods, and finished products to meet business requirements.

Warehouse: A building where goods or wares are held in storage for sale or distribution later.

Warehousing: The act of storing goods and materials that will be sold or distributed later; the keeping of business inventories for future use, but not where sales are made primarily to retail customers. Warehousing excludes places designed and operated where individual units are rented out for the purpose of storing personal belongings, as in self-storage or mini-storage facilities.

ADOPTED: *

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SYNOPSIS

These amendments are intended to allow a broader range of potential uses in the IPM2 zone while retaining the emphasis on technology versus general manufacturing uses.

(SPONSORS: HUGG AND HARE)

Actions History

06/11/2019 - Introduction - Council Committee of the Whole/Legislative, Finance, and Administration Committee

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