

COUNCIL COMMITTEE OF THE WHOLE

The Council Committee of the Whole met on March 27, 2018 at 6:00 p.m., with Council President Slavin presiding (departed at 6:45 p.m. and returned at 6:47 p.m.). Members of Council present were Mr. Anderson (departed at 7:13 p.m. and returned at 7:15 p.m.), Mr. Sudler (arrived at 6:02 p.m.), Mr. Neil, Mr. Lewis (departed at 7:11 p.m. and returned at 7:13 p.m.), Mr. Cole (departed at 6:47 p.m. and returned at 6:48 p.m.), Mr. Polce (arrived at 6:04 p.m., departed at 7:02 p.m., returned at 7:04 p.m., departed at 7:52 p.m., and returned at 7:53p.m.), and Mr. Hare. Mr. Lindell was absent. Mayor Christiansen was also present (departed at 7:49 p.m.). Civilian members present for their Committee meetings were Mr. Garfinkel and Mr. Shelton (*Safety Advisory and Transportation*), Mrs. Doyle and Ms. Scarborough (*Utility*), and Mr. Shevock and Dr. Stewart (*Legislative, Finance, and Administration*).

SAFETY ADVISORY AND TRANSPORTATION COMMITTEE

The Safety Advisory and Transportation Committee met with Chairman Lewis presiding.

AGENDA ADDITIONS/DELETIONS

Mr. Neil moved for approval of the agenda, seconded by Mr. Cole and unanimously carried.

Presentation by the Dover/Kent County Metropolitan Planning Organization (MPO) - Final Report of the Downtown Dover Parking Study

Mr. James Galvin, Principal Planner, Dover/Kent County Metropolitan Planning Organization (MPO), advised that completing the parking study had been a two-year process. He stated that it was a very involved process and he thought that they had come up with a good product.

Mr. Spencer Finch, Project Manager and Sustainability Leader, Langan Engineering & Environmental Services, Inc., reviewed a presentation entitled "Downtown Dover Parking Study", dated March 27, 2018, (**Attachment #1**). Referring to slide 32, Potential On-Street Parking Zone, he indicated that Loockerman Street, Zone 1, should probably have the highest parking rates because it is the prime real estate directly in front of the retail and most destinations. Mr. Finch explained that the blue areas, Zone 2, are the side streets which would provide slightly cheaper parking, and then the green areas, Zone 3, would be areas that are protected for residential. He stated that the Zone 3 areas would have no cost but there would need to be some caretaking to make sure that residents have those parking spots near the residential locations.

Mr. Polce thanked Mr. Finch for providing members with a very thorough presentation. He expressed concern regarding the public survey, noting that six (6) to eight (8) responses was not a statistically sound sample size. Mr. Polce asked Mr. Finch to explain the methodology used to engage the public and gather feedback. Responding, Mr. Finch noted that they were disappointed in the response they received to the electronic survey as well. He advised that they held three (3) public meetings and the records of those meetings were also included in the report. Mr. Finch stated that, on average, there were typically between 20 - 40 people in attendance at those meeting and he thought that they did the best job they could in trying to reach out to as many people as they could. He advised that this was in addition to the stakeholder engagement that they did, noting that they reached out to every business within the project area, and others outside as well.

Mr. Anderson thanked Mr. Finch for the study and asked how he reconciles the idea that there is not a parking problem if there are 16% violations during the peak of the day, explaining that he thought that this indicated that there was a problem with parking in the areas where people want to be. In response, Mr. Finch clarified that the 16% violation was an issue that they spotted related to the parking surfers, explaining that at least 16% of the people parking on peak hours are exceeding the two-hour limits or parking where they're not supposed to, which creates the problem. He indicated that people say that there is no parking downtown and that is because a lot of the parking is dedicated to permit parking, the parking lots where there is available public parking do not have clear directional signage so people do not know how to get there, and there are parking surfers taking up all the on-street parking instead of parking in a parking lot.

Mr. Anderson stated that he was surprised that a parking app was not part of the recommendation. He noted that it would give people a picture of where the parking is and could be developed later on to include payments, and could even be connected to a calendar to show people upcoming events. Responding, Mr. Finch advised that they had looked at that idea and he thought that it was definitely something that the City and others could look at in the future. He stated that he thought that the cost of apps was coming down, and they had seen other communities take them on as a solution or an additional measure to enhance their parking situation. Mr. Finch advised that, right now, the clear message that they want to pass on is that there is some obvious low-hanging fruit that needs to be taken care of first. He explained that if a parking app were instituted now, it would not solve some of the other issues, like the parking surfer problem.

Mr. Anderson noted that when Mr. Finch referred to short-term recommendations, it seemed obvious that those are items that could be implemented right away. He asked what Mr. Finch's definitions are for medium- and long-term. In response, Mr. Finch indicated that Langan works with communities all over the mid-Atlantic and they know that funding, resources, and capacity are limited. He stated that their recommendation would be that short-term items are those that are really critical and should be addressed within a year if possible, medium-term might be one (1) to three (3) years, and long-term more than that. Mr. Finch advised that they realize that due to funding and capacity needs there may not be capacity to implement all of them, and there might be other reasons as well, for instance the community might have issues with one or another. He stated that they would suggest that the City pick three (3) short-term, three (3) medium-term, and three (3) long-term, maybe based on what the community and/or stakeholders want and try to focus on those.

Mr. Anderson noted that discussions regarding permit parking and moving people around had always created a great deal of interest among stakeholders in the past. He indicated that some of the parking spaces are contractual, like E-ZPass, and asked if they were part of the discussion and had provided input. Responding, Mr. Finch stated that they definitely were, noting that they reached out and talked to all of them. He advised that they know that no one wants to pay more and that is the first gut reaction that most people have. Mr. Finch explained that if you go someplace and purchase your seat in advance, you might pay \$100 and the person whom you sit next to might have paid \$1,000, and you get the free benefits as a part of that. He stated that one (1) of the things that they noticed during the outreach is that the public is willing to have that kind of graduated payment in regard to different parking rates, and their short-term recommendation is to start looking at that from the permit parking perspective.

Mr. Finch advised that they know that this is a difficult issue and that there are some permits that are locked into long-term lease agreements; however, he suggested that they could start talking to E-ZPass and others who have lease agreements, and maybe they would be willing to shift some of their needs to a farther lot. He stated that when they performed the traffic counts they noticed that many of the permit parking lots sit vacant, explaining that although the permits are paid for, the lots are not being used to full capacity. Mr. Finch indicated that if the City started adjusting the pricing strategy, the lease holders would pay more for those who need to be there every day, and they may not use as many spaces, which would release capacity for others. He stated that there is a price distortion because everything is so cheap, explaining that it's easier for somebody to just buy the permit, even if they're not using it, and it's easier for a parking surfer to move their car around in off-street parking every two (2) hours because it's free. Mr. Finch noted, however, that it has created a huge cost on the retailers on Loockerman Street because when people drive down Loockerman Street and cannot find parking, they drive away and never come back. He stated that these behaviors are creating a huge disadvantage for downtown Dover.

Mr. Neil stated that he believes in synergy. Referring to the gateways and signage, he indicated that the City has an opportunity for synergy not only with the Downtown Dover Partnership (DDP), which has control of certain parking lots, but also with Kent County Tourism, of which he is pleased to sit on the board. Mr. Neil stated that these groups were looking at the same things and he thought they need to be linked. He noted that Expedia, the travel website, had recommended Dover as a weekend getaway because of the efforts of Kent County Tourism, and the signage that affects parking affects the people coming from out of the state and the people who live here. Mr. Neil stated that he thought that the report was terrific. He noted that there is a need to get all of the players involved to make this work for Dover and continue to build the city.

Mr. Garfinkel stated that he thought it was an excellent report. He noted that it is not really a predictive study; however, it mentions growth and, as he understood it, while there was not a current need for a vertical parking garage yet, there may be in the future if the recommendations are implemented. He asked if Mr. Finch was saying that if the City follows the recommendations, they will draw more consumers to downtown, which would then draw more people who want to develop downtown. Responding, Mr. Finch confirmed that this was one (1) of the messages from the report.

Mr. Slavin, referring to slide 5 depicting the available parking downtown, recalled that Mr. Finch had apologized for the confusion on this slide. He thanked Mr. Finch for his work and stated that he did not mean to demean it; however, this slide portrayed the exact problem, which is that it does not make sense to anyone. Mr. Slavin advised that we can count spaces and do a tabletop exercise, and move this checker here and that one there, but at the end of the day we end up with that. He stated that, although it wasn't within the purview of the study, he thought it was really critical that some of the most valuable real estate from an economical development perspective is being dedicated to surface parking, which is sometimes achieving 60% in capacity. Mr. Slavin stated that if the City built a vertical parking garage as the solution, as he believes the City should, it could open those properties for development and attract the new businesses that require new spaces. He stated that the benefit would be more ratable property downtown, and the parking garage would pay for itself in the long term probably two (2) times over on a payback period. Mr. Slavin noted that members would continue to hear him ask for a parking garage downtown until one is built, explaining that he thought it was an obligation of the city government to provide this for the infrastructure downtown, just like building libraries and police stations.

Mr. Sudler asked if the respondent pool of 20 or 40 people was strictly from the City of Dover, Kent County, or outside of the City limits and whether they had live data to support it. Responding, Mr. Finch advised that if members review the sign-in sheets, most of the individuals that responded are either residents or work in downtown Dover. He stated that there were only one (1) or two (2) people from outside the area that they noted at each of the three (3) public outreach meetings.

Mr. Sudler asked whether the majority worked or lived in Dover. In response, Mr. Finch stated that he thought that there was a good mix. He advised that some public meetings had more people who worked in Dover and some had more who resided in Dover.

Mr. Sudler asked what perplexities may arise in relation to the largest sized parking lot presented in the study from the perspectives of the Delaware Department of Transportation (DelDOT), future plans, or economic growth for the City of Dover. Responding, Mr. Finch stated that what they looked at in each of the scenarios was really what would happen to traffic patterns downtown if you located bigger public destination parking at different lots. He advised that they looked at opening up some of the capacity to public parking on North and Loockerman Streets and expanding the Bradford Street lot or building a parking garage there. Mr. Finch stated that if the development was on Bradford Street or Governors Avenue, some of the traffic patterns would be simplified because they are easier to reach from Loockerman Street and different directions. He noted that there are larger capacity streets, this was only a schematic analysis, and they just looked at traffic patterns in general and did not do specific counts.

In response to Mr. Sudler, Mr. Finch advised that they did not cross-reference with DelDOT when they looked at the traffic patterns. He stated that this would be done if the decision was made to further develop a parking lot or other facilities.

Mr. Sudler asked, in regard to the Langan psychological assessment, what the overall reasons were that people feel uncomfortable about parking on New Street, and whether their concerns were related to lighting, the element of people who live on that street, visible or alleged drug or criminal activity, or the past reputation or stigma associated with that street. He asked if these concerns also applied to connecting streets, such as Reed, Kirkwood, and Queen Streets. Responding, Mr. Finch advised that they had heard all of these concerns from all stakeholders and the public. He noted that, while doing a field review, they personally witnessed police activity on New Street, and there was constant mention of issues with the liquor store when they were there. Mr. Finch stated that he thought that a lot of concerns related to perception, noting that younger individuals may be more comfortable walking to their cars even at night, while others who might need a little assistance, have a disability, or may not be walking to their cars in a group, have issues with walking longer distances, especially to the Governors Avenue lot.

Mayor Christiansen commended Mr. Finch on the work done and expressed appreciation. He indicated that he shared the opinion expressed by Mr. Slavin that a parking garage was the ultimate solution. Mayor Christiansen stated that he was not an expert but had memories that parking was an issue in downtown Dover when he was five (5) years old and when he was first elected to Council at the age of 32, and he noted that it is still an issue. He advised that he concurred that the City would have to be unique and dynamic in its solution. Mayor Christiansen advised that Bayhealth Medical Center had issues with parking and had grabbed the bull by the horns. He stated that Bayhealth's parking issues seemed to disappear and the garage was working out very well, although

they still have quite a bit of surface parking. Mayor Christiansen indicated that he agreed that signage could be better; however, he stated that, looking toward the future of downtown Dover and the City of Dover, he would rather expend money for a parking garage and affordable parking than signs.

Mr. Finch stated that he thought the City was looking at a chicken and egg problem regarding what would come first to attract development downtown, noting that they would be glad to look at where members feel the threshold is. He stated that, in the case of Bayhealth, they had a demand and it made sense to build the garage. Mr. Finch advised that if the demand showed up, a garage was definitely something that could be looked at. Mayor Christiansen stated that if we build it, they will come.

Mr. Lewis commended Mr. Finch on the report. Responding to Mr. Lewis, Mr. Finch stated that enforcement should also be looked at. He noted that if any of the rules for parking change, such as wayfinding, rates, or better enforcement of current regulations, enforcement will be required to change behavior. Mr. Finch stated that parking surfers are currently skirting the rules and are not getting caught often enough. He stated that they had talked to the police and resources were limited, noting that there were ways to use resources better. Mr. Finch suggested implementing changes, educating, and then enforcing to make sure that the changes are sticking.

Mr. Neil noted that members would certainly have more to consider regarding the report and how they will proceed; however, he recommended acceptance of the report.

Mr. Neil moved to recommend acceptance of the final report from the MPO, seconded by Mr. Anderson and unanimously carried.

Briefing on Dover/Kent County Metropolitan Planning Organization (MPO) Projects

Mr. James Galvin, Principal Planner, Dover/Kent County Metropolitan Planning Organization (MPO), introduced Mr. Reed Macmillan, Executive Director of the MPO. Mr. Macmillan stated that this was his 150th day in his new capacity as Executive Director. He informed members that he had worked from 1999-2002 for Kent County Levy Court in their Planning Services Department and recently retired from New Castle County.

Mr. Galvin informed members that the MPO was currently preparing its Transportation Improvement Program (TIP) for 2019-2022 and several projects located in Dover were included in the State Capital Transportation Program (CTP), including a proposal to look at the intersection of Forest Street (SR8) and Saulsbury Road (SR15). He expressed his belief that this project had been contracted out, with funding for preliminary engineering and right-of-way for the coming fiscal year and construction in 2021, and noted that there would be changes at that intersection fairly soon. Mr. Galvin advised that they were studying the expansion of Saulsbury Road to two (2) lanes in each direction from Forrest Avenue to College Road or beyond, depending on study results. He advised that, although this project did not currently show up in the CTP, it may come up.

Mr. Galvin explained that the Loockerman Street/Forest Street Improvements project was in the CTP and progressing, with preliminary engineering this year, right-of-way next year, and construction in 2021. He stated that the Route 13 expansion to three (3) lanes in each direction from

Puncheon Run to Lochmeath Way, just below the Lowe's store, would go to construction in 2021 to 2022. Mr. Galvin noted that the other portion of this project, from Lochmeath to Woodside, is a year or two (2) behind and, although that area is not in the City, it would be an important change.

Mr. Galvin stated that new projects that are important to the City had been put in the CTP this year. He noted that there was a proposal to build a Dunkin Donuts and other office space on Forrest Avenue across from the Modern Maturity Center. Mr. Galvin explained that the MPO's Delaware 8 Concept Plan and Operations Study, which was released in 2008, included a proposal for a small connector road, probably a local road, connecting Route 8 to Commerce Way at the Beiser Boulevard warehouse buildings and to Food Lion at Gateway West. He stated that this project was in the CTP for the out-years, with preliminary engineering in 2021 and 2022. Mr. Galvin explained that because there would be construction at the Dunkin Donuts site, the State's hand had been forced and they would be looking at this project in the near future.

Mr. Galvin stated that Scarborough Road C-D Roads project would extend behind Dover Mall and connect to Dover Downs, Leipsic Road, and the exit from Route 1. He explained that this would be an alternative way to get from the Route 1 exit to Dover Mall and Dover Downs without having to go on Route 13. Mr. Galvin indicated that the State would be looking at this project and doing preliminary engineering in 2021 or 2022, with more intensive looks, right-of-way, and construction occurring in the years beyond.

Mr. Galvin advised that College Road reconstruction was included in the CTP; however, there were no items in the time period of the TIP. He explained that the MPO's TIP goes out to 2022 and the CTP goes out to 2024 and the CTP included funding in the out-years for College Road. Mr. Galvin noted that the MPO had done a bike study, which was an important part of College Road. He advised that College Road does not have any sidewalks on the portion from Kenton Road to McKee Road and expressed his belief that this area will receive the same treatment that Walker Road previously received.

Mr. Galvin stated that there was funding for the Crawford Carroll Road Extension behind Lowe's, noting that the road would extend to parking lots of the commercial enterprises along Route 13 but not all the way to Delaware State University. He indicated that right-of-way acquisition was planned for this year and next year, with construction in 2021 and 2022. Mr. Galvin stated that the West Dover Connector was complete and the State was currently studying Kenton Road. He advised that at the latest public workshop for Kenton Road, they were looking at a roundabout at the corner of Chestnut Grove Road and Kenton Road instead of a stop sign, to avoid delays. Mr. Galvin explained that a large amount of traffic comes from out of town on Kenton Road in the morning, and a roundabout would be a way to keep traffic moving.

Mr. Galvin advised that the State was looking at West Street from New Burton Road to North Street, explaining that there are no sidewalks on this stretch and there is a need for bike lanes. He noted that there would be preliminary engineering for this project in 2021 and 2022, with right-of-way acquisition in 2022.

Mr. Anderson noted that not having an interchange off Route 1 for the Garrison Oak Technology Park had cost the City a fair number of jobs and asked if there were any thoughts on this. Mr. Galvin stated that he had not seen anything to indicate that the Delaware Department of

Transportation (DelDOT) was looking at this. He noted that there is currently a partial interchange at Route 8, and DelDOT would be hard pressed to have another interchange essentially one (1) major street north of that. Mr. Galvin stated that the MPO had looked at the possibility of running some kind of road behind, from Leipsic down to White Oak. He stated his belief that there had always been a proposal to run a connector road from Route 8 somewhere along the right-of-way of Route 1 to get to White Oak Road, so that there would be a connection from the highway to the industrial park. He indicated that he had not heard about this in quite a while and suggested making sure that DelDOT knows that the City is interested in an interchange, if this is the case.

Update - Safety Issues at the Library

Mr. Lewis suggested deferring this matter since Mr. Lindell had requested it and was unfortunately unable to attend the meeting.

Mr. Neil moved to defer consideration of this matter, seconded by Mr. Anderson.

Mr. Polce noted that library staff was present and suggested that they be allowed the opportunity to provide an update.

Mr. Lewis asked the library staff if they could email members a written update regarding safety issues at the library. As a point of order, Mr. Sudler suggested that the motion to defer be rescinded. Mr. Neil agreed to rescind the motion; however, Mr. Anderson stated that he was not willing to rescind.

The motion to defer consideration of this matter carried by a roll call vote of six (6) yes (Anderson, Neil, Lewis, Slavin, Garfinkel, and Shelton), four (4) no (Sudler, Cole, Polce, and Hare), and one (1) absent (Lindell).

Mr. Sudler moved for adjournment of the Safety Advisory and Transportation Committee meeting, seconded by Mr. Neil and unanimously carried.

Meeting adjourned at 7:08 p.m.

UTILITY COMMITTEE

The Utility Committee met with Chairman Cole presiding.

AGENDA ADDITIONS/DELETIONS

Mr. Sudler moved for approval of the agenda, seconded by Mr. Lewis and unanimously carried.

Presentation - Electric Rate Design and Cost of Services Study

Mrs. Donna Mitchell, City Manager, reminded members Burns & McDonnell did the City's rate design and cost of services study for years; however, this study was done by a new firm, NewGen Strategies & Solutions, given the concerns of the City's electric rates with some of the customers for next fiscal year. She advised that this was a preliminary report which would be finalized and

brought back with the rates at the budget hearings. Mrs. Mitchell noted that there would also be discussions with the City's customers regarding the study.

Mr. Joe Mancinelli, General Manager, Energy Practice, NewGen Strategies & Solutions, reviewed a presentation entitled "City of Dover - Cost of Service and Rate Design Study", dated March 27, 2018 (**Attachment #2**).

Mr. Slavin thanked Mr. Mancinelli for the presentation and cautioned members to heed Mr. Mancinelli's words about the difference between using percentages and raw dollars at times. Mr. Slavin explained that someone could walk away thinking that their electric bill is going up 5% this year, when that person's electric bill will go up \$12 over the course of the year if they're a low user. He advised that members need to make sure their messaging is as synced up as the rest of this study and that they know what their talking points are as they roll this out.

Responding to Mr. Anderson, Mr. Mancinelli confirmed that they are looking at averaging this over a five-year time period.

Mr. Anderson asked what year the 2% change in residential rates would take effect. In response, Mr. Mancinelli explained that the amounts listed under the proposed column on each slide depict the rates that would become effective this year. He advised that the Power Cost Adjustment (PCA) that is in there, the .0038 for the Purchase Power Agreement (PPA), is an average amount that the City can afford to give back based on the forecast to the extent that it is different. Mr. Mancinelli explained that the current PCA is much higher and, to the extent that it is different in July, members would see a different effective increase. He stated that the Phase 2 and Phase 3 rates are not included in the presentation. Mr. Mancinelli noted that he thought that the proposal would be to eventually ask for approval of just Phase 1 and then see how the future plays out. He advised that the cost of service is based on the cost of serving the customer class over the entire five (5) years and is the same for every class.

Mr. Sudler asked, in regard to the residential class, if there were any concerns regarding the City's infrastructure impeding the positive outcome of the City's profit rate that can be addressed in the short term. Responding, Mr. Mancinelli stated that the design of the system does impact the cost; however, they have not looked at the design to determine if it could be different or should be different. He advised that it is serving its purpose now, and they only looked at the cost.

Rojan Meadows Sanitary Sewer Territory Transference

Members were advised that, in 2003, the Rojan Meadows subdivision was proposed within the City of Dover. The development went through the City's Development Advisory Committee (DAC) and received initial approval from the Planning Commission. The original intent of this development was to install gravity sanitary sewer mains and a pump station that would be dedicated to the City of Dover. The project was tabled in 2010 and Rojan Meadows did not receive final approval from the City of Dover. The developer has revived this project and is intent on obtaining final approval for the Rojan Meadows development and one (1) aspect of the final approval is to provide sanitary sewer service to all proposed lots. The proposal is to transfer the sanitary sewer territory of the Rojan Meadows subdivision, and any adjacent lots to be served by this system, to Kent County for

ownership and maintenance. Mrs. Sharon Duca, Public Works Director/City Engineer, reviewed the background and analysis for this item.

Staff recommended granting conditional approval to transfer the Rojan Meadows sanitary sewer territory to Kent County pending the developer's ability to obtain all necessary approvals and authorizations as required by the City.

Mr. Hare moved to recommend granting conditional approval to transfer the Rojan Meadows sanitary sewer territory to Kent County pending the developer's ability to obtain all necessary approvals and authorizations as required by the City, as recommended by staff. The motion was seconded by Mr. Lewis.

Mr. Anderson asked if the User Agreement modification should be based on Kent County standards since the county has everything to do with this, including running and maintaining the pump station, or if it has to be run on the standards for the City system. Responding, Mrs. Duca explained that the changes that have to be made to the User Agreement specifically relate to how flow is determined at the Dover East Pump Station since part of the City flow still goes into there. She stated that currently there is only a deduction for the mobile homes that the County flows into the Dover East Pump Station, and the agreement would have to allow for appropriate calculations for single-family residences to go through, so that the City would be receiving the appropriate deduction from the total flow from the station which determines what will be charged. Mr. Anderson asked if that requirement would be based on the County or City requirements. In response, Mrs. Duca advised that the County code specifically identifies what an equivalent dwelling unit (EDU) is for a mobile home versus a single-family and the City only references the equivalent of a single-family; however, they do coincide with each other.

In response to Mr. Neil, Mrs. Duca advised that if there are any costs related to the transference of the Certificate of Public Convenience and Necessity (CPCN), they would have to be borne by the developer.

The motion to recommend granting conditional approval to transfer the Rojan Meadows sanitary sewer territory to Kent County pending the developer's ability to obtain all necessary approvals and authorizations as required by the City, as recommended by staff, was unanimously carried.

Mr. Sudler moved for adjournment of the Utility Committee meeting. The motion was seconded by Mr. Neil and unanimously carried.

Meeting adjourned at 7:59 p.m.

LEGISLATIVE, FINANCE, AND ADMINISTRATION COMMITTEE

The Legislative, Finance, and Administration Committee met with Chairman Hare presiding.

AGENDA ADDITIONS/DELETIONS

Mr. Neil moved for approval of the agenda, seconded by Mr. Lewis and unanimously carried.

Status of Other Post-Employment Benefits (OPEB) and Pension Funds

Due to time constraints, this item was deferred during the meeting of March 13, 2018.

Mrs. Donna Mitchell, City Manager, reviewed the General Pension, Other Post-Employment Benefits (OPEB) - Retirement Health Insurance, and Police Pensions Post Retirement Benefit Liabilities as of July 1, 2017 for the Plan Year June 30, 2019. She stated that the General Pension unfunded liability total is down to \$20M and is funded at 67.1% in total, noting that in FY 16 it was funded at 60.7%, so it is up 7% in funding, which is very good.

Mrs. Mitchell advised that the report also included the percentages that have to be put into payroll to put the actuarially determined contribution into the plans each year. Referring to the General Fund, she advised that the normal cost is 4.21% in total, the amortization of the unfunded liability and the interest cost is 44.05%, for a total of 48.26%, which she separated out so members could see how much the unfunded liability is costing the City each year as a percentage of payroll. Mrs. Mitchell noted that, in total, the percentage of payroll for the General Fund is 58% versus 29% for the Electric Fund, explaining that the City is more fully funded with the Electric Fund than the General Fund.

Mrs. Mitchell stated that the OPEB - Retirement Health Insurance is 41.9% funded in liability, which has improved from FY 16 when it was funded at 33.7%. She advised that the City had a lot of help in the last year with the market improving the investments. Mrs. Mitchell noted that the actuarially determined contribution for OPEB is 13.7% for the General Fund, 2.20% for the Water/Wastewater Fund, and 2.00% for the Electric Fund, for a total of 6.4%. She explained that a lot of that percentage is driven by the police because they can retire earlier.

Mrs. Mitchell advised members that the City has to put a flat lump sum amount into the City of Dover Police Pension Plan and the City is also part of the State of Delaware Police Pension Plan. She noted that the City of Dover Police Pension Plan had improved 10% from last year, increasing from 63% to 73% funded. Mrs. Mitchell advised that the Police Pension percentage of payroll is 16.68%.

Project Carry-Forward Budget Balances and Proposed Ordinance #2018-02 - FY 2017-2018 Budget Ordinances - First Amendment

Due to time constraints, this item was deferred during the meeting of March 13, 2018.

Mrs. Donna Mitchell, City Manager, reviewed the background and analysis for the project carry-forward budget balances and Proposed Ordinance #2018-02 - FY 2017-2018 Budget Ordinances - First Amendment. She explained that the proposed budget amendments bring forward the carry-forward balances from last fiscal year as well as projects carried forward, and any other adjustments that have been made during the year.

Staff recommended approval of the proposed budget amendments for Fiscal Year 2018 and adoption of Ordinance #2018-02.

In response to Mr. Sudler, Mrs. Mitchell repeated that the transfer to the Parkland Reserve included \$2,809 from Mr. Sudler's Parkland Revitalization fundraising.

Mr. Neil, referring to Proposed Ordinance #2018-02 - FY 2017-2018 Budget Ordinances - First Amendment, page 1, General Fund, Cash Receipt Summary for 2017-2018, asked for additional details regarding how the \$1.47M increase from the original budget to the revised budget happened. Responding, Mrs. Mitchell explained that \$214,000 was revenues that came in over budget, \$1.1M was the departmental expenses, more than \$600,000 of which was from attrition for vacant positions, wages and benefits, there were also materials and supplies, and all of the other expenses came in under budget. She stated, for example, that the Customer Service Department was \$204,000, reminding members that Council approved additional staff; however, it took a while to get those additional employees onboard. Mrs. Mitchell advised that some of the larger amounts included Grounds Maintenance at \$159,000 and Streets at \$126,000, \$80,000 of which she put back in next year. She explained that it was pretty much the attrition and savings in the departments' expenses. Mr. Slavin stated that he did not believe that Mrs. Mitchell had answered Mr. Neil's question, indicating that the answer was because the City and members are good at what they do now, Mrs. Mitchell is good at what she does, and the Finance Department is good at what they do. He noted that they are also transparent and there is a higher degree of trust among all of them as colleagues than there had been at any time that he had been on Council, so the numbers they were hearing are true numbers that they can rely on.

Mr. Lewis moved to recommend approval of the proposed budget amendments for Fiscal Year 2018 and adoption of Ordinance #2018-02, as recommended by staff. The motion was seconded by Mr. Shevock and unanimously carried.

Grant Application Procedure Revisions

Ms. Lori Peddicord, Controller/Treasurer, advised members that during a recent US Department of Justice (USDOJ) grant monitoring visit regarding Police Department grants, the City was requested to revise City of Dover Grant Application Procedure No. 317 and the Police Department General Order 17 Budget & Purchasing Procedures to add some additional controls and procedures to monitor sub awards and subrecipient grant funding. Ms. Peddicord reviewed the proposed procedure revisions (**Attachment #3**).

Staff recommended approval of the procedure revisions as requested.

Mr. Neil moved to recommend approval of staff's recommendation, seconded by Mr. Anderson and unanimously carried.

Diversity and Inclusion Study Request for Proposal (RFP)

Due to time constraints, this item was deferred during the meeting of March 13, 2018.

A Request for Proposal (RFP) for Diversity and Inclusion was issued on October 31, 2017 with a bid opening on November 29, 2017. Five (5) submissions were received. After the closing, the University of Delaware was contacted to determine their interest in the project. Following discussions with the University, they submitted their response on February 8, 2018. Mrs. Donna Mitchell, City Manager, advised members Mrs. Kim Hawkins, Human Resources Director, had reviewed all of the proposals and all of them had come in over budget. Mrs. Mitchell stated that she had moved money in Proposed Ordinance #2018-02 - FY 2017-2018 Budget Ordinances - First Amendment to cover this expense if Council desires to move forward with the

study. She stated that she felt that Kaleidoscope Group from Chicago was the best and most qualified and their proposal, in the amount of \$97,400, would cover the City's needs.

Staff recommended authorizing funding up to \$97,400 to support the full scope of the RFP.

Mr. Sudler moved to recommend approval of staff's recommendation, seconded by Mr. Slavin and unanimously carried.

Mr. Neil moved for adjournment of the Legislative, Finance, and Administration Committee meeting. The motion was seconded by Mr. Shevock and unanimously carried.

Meeting adjourned at 8:14 p.m.

Mr. Anderson moved for adjournment of the Council Committee of the Whole meeting. The motion was seconded by Mr. Sudler and unanimously carried.

Meeting adjourned at 8:14 p.m.

Timothy A. Slavin
Council President

TAS/TM/dd

S:\AGENDAS-MINUTES-PACKETS-PRESENTATIONS-ATT&EXH\Committee-Minutes\2018\03-27-2018 CCW Minutes.wpd

Attachments

- Attachment #1 - A presentation entitled "Downtown Dover Parking Study", dated March 27, 2018, provided by Mr. Spencer Finch, Project Manager and Sustainability Leader, Langan Engineering & Environmental Services, Inc.
- Attachment #2 - A presentation entitled "City of Dover - Cost of Service and Rate Design Study", dated March 27, 2018, provided by Mr. Joe Mancinelli, General Manager, Energy Practice, NewGen Strategies & Solutions
- Attachment #3 - Revised City of Dover Grant Application Procedure No. 317 and Police Department General Order 17 Budget & Purchasing Procedures

Downtown Dover Parking Study

Presented to the Dover City Council

March 27, 2018

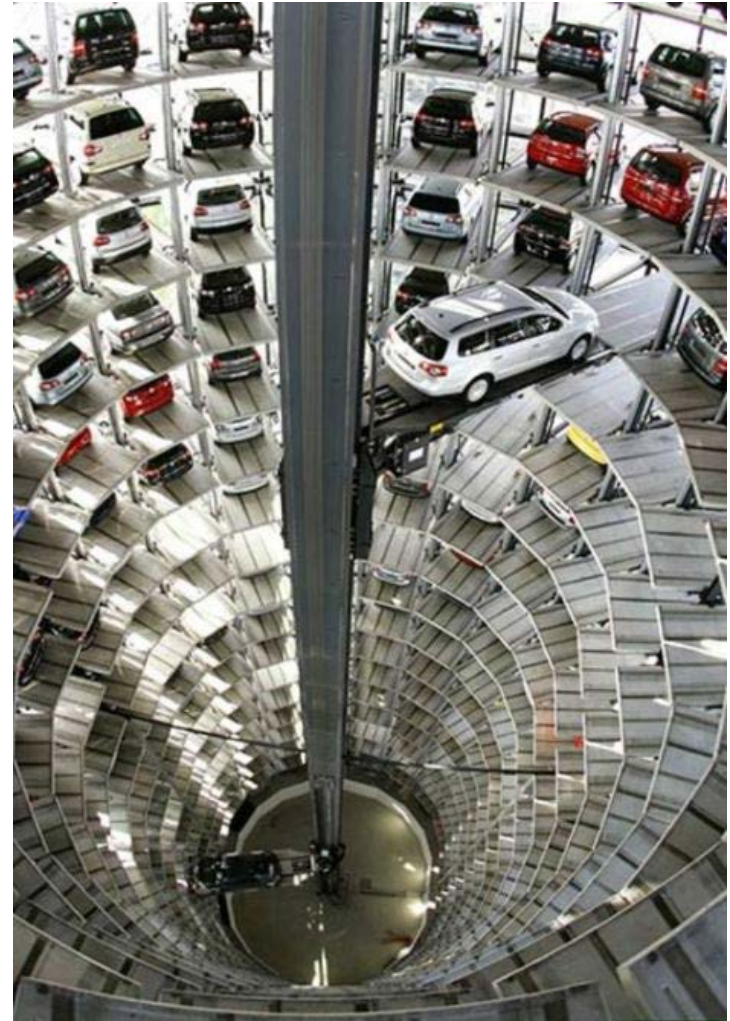
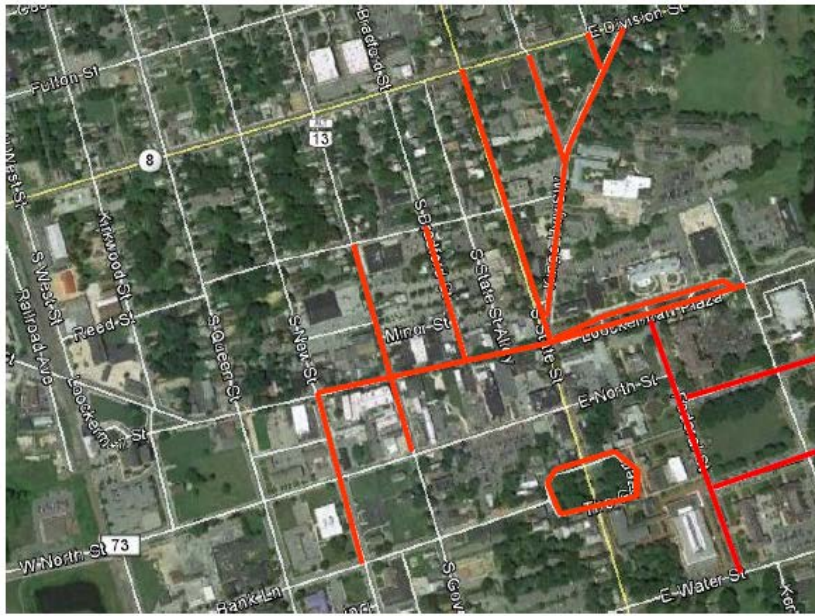


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Downtown Dover Parking Study

DOWNTOWN DOVER PARKING STUDY FOCUS AREAS

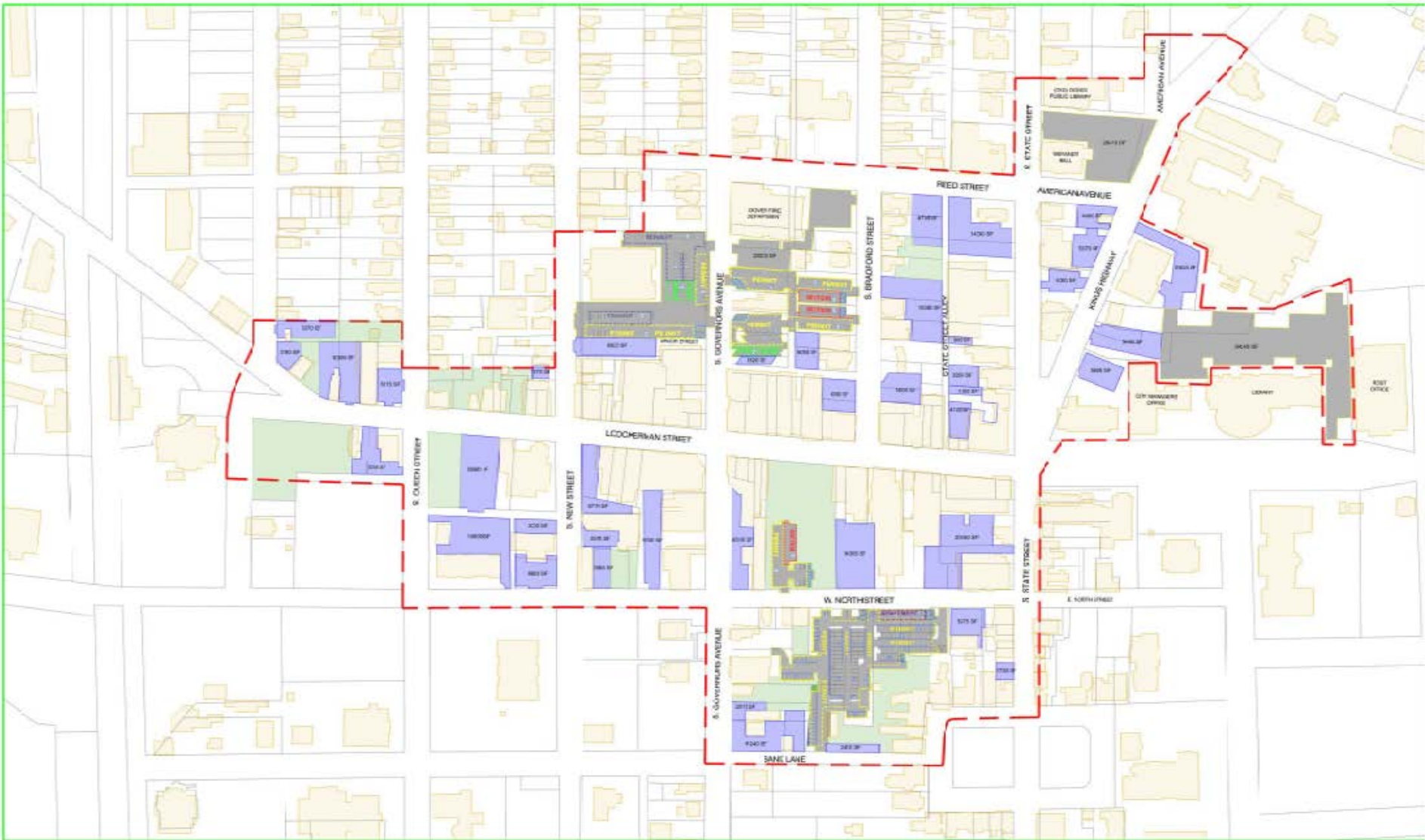


- "Too much?"
- "Too little?"
- "Too pricy?"
- "Too cheap?"
- "Easy to Understand?"
- "Convenient to where I want to go?"



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Private Off-Street Parking
 Public Off-Street Parking
 Open Space

Existing Surface Area
 264,255 SF = approximately 6.5 acres

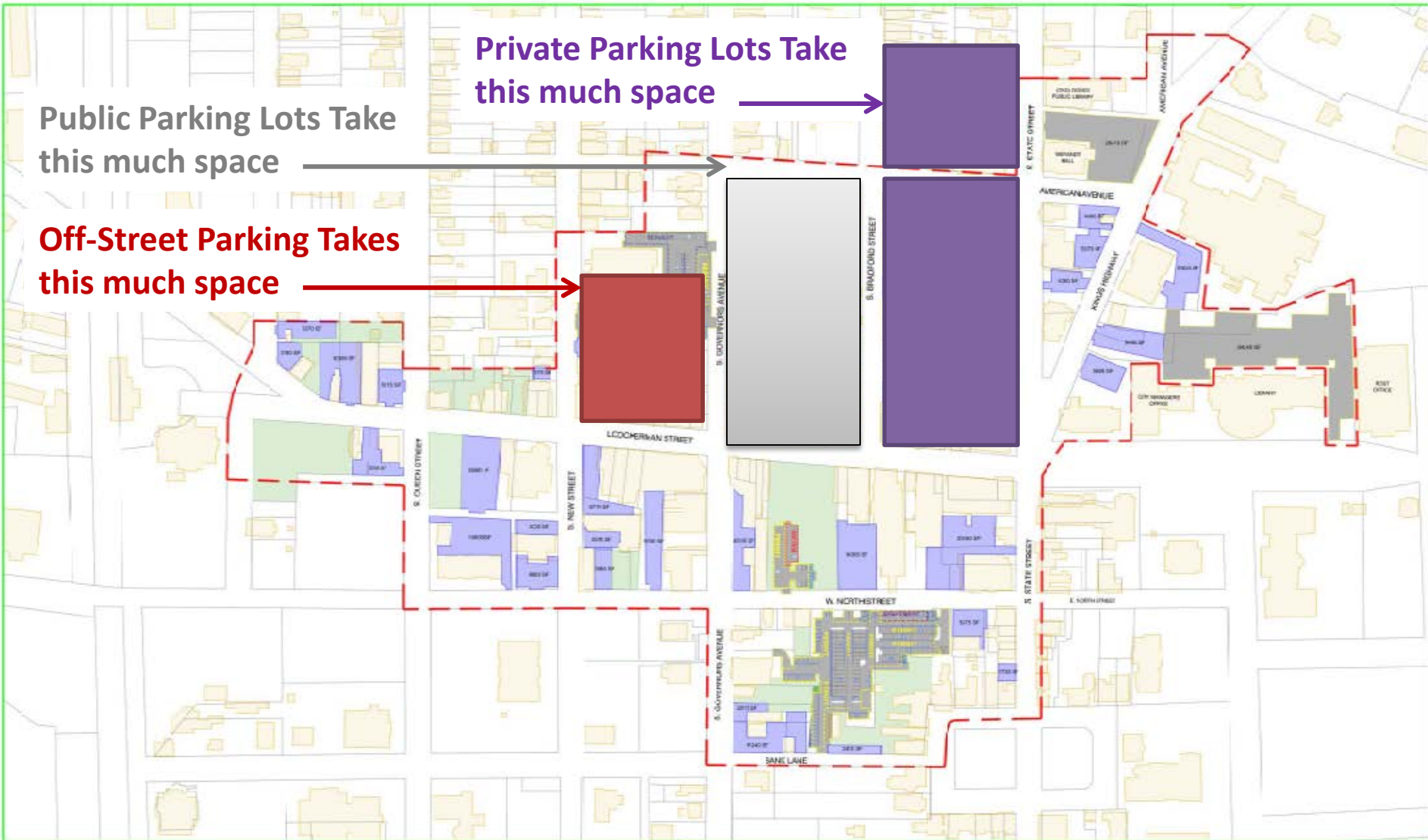
Surface Parking Areas
 March 2017
Cover Downtown Parking Study
 Dover, DE



Public Parking Lots Take this much space

Off-Street Parking Takes this much space

Private Parking Lots Take this much space



Existing Surface Area
264,255 SF = approximately 6.5 acres

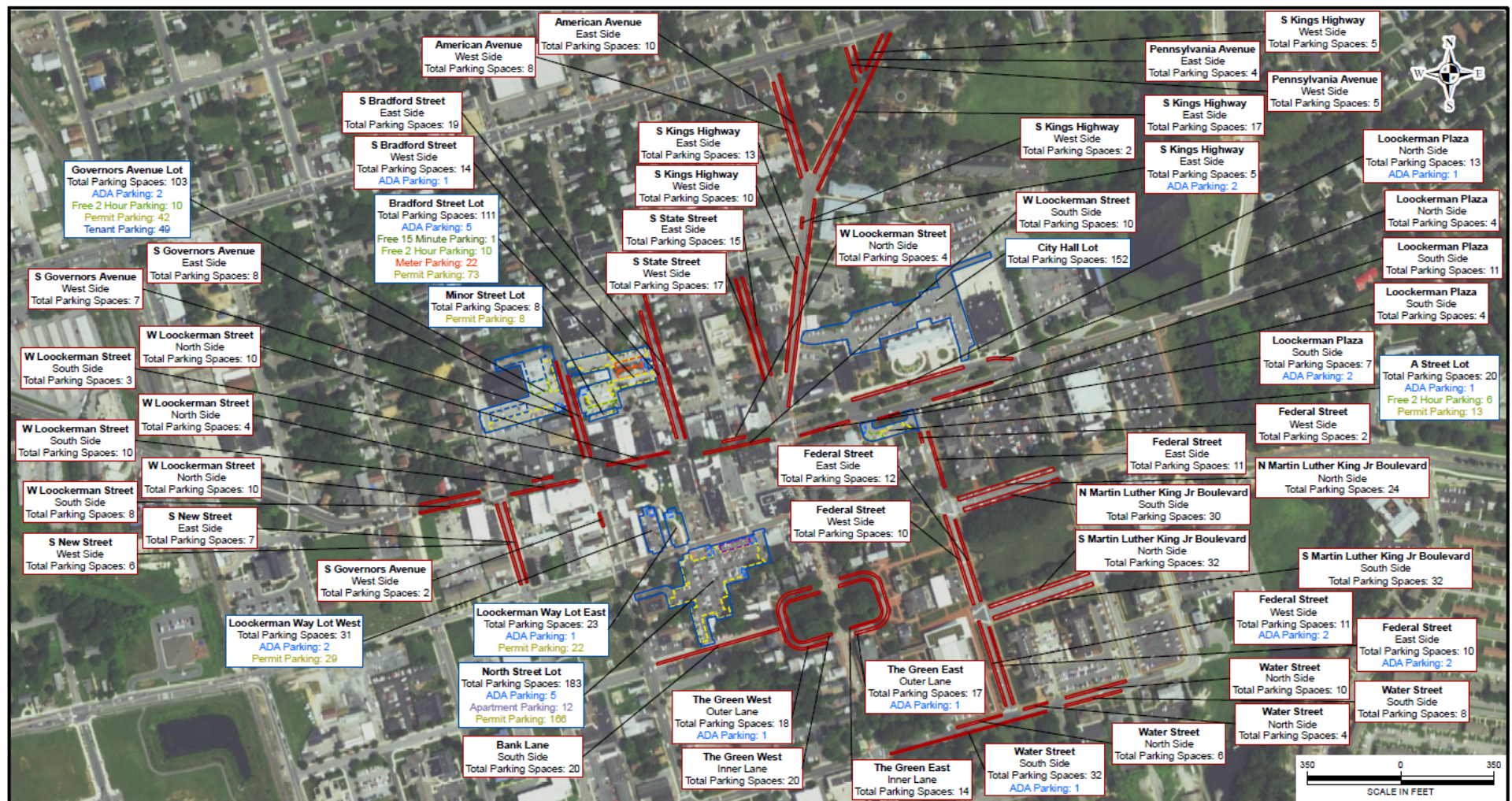
- Private Off-Street Parking
- Public Off-Street Parking
- Open Space

Surface Parking Areas

March 2017

Cover Downtown Parking Study
Dover, DE





Legend

Parking Type	Parking Spot Type	
 Street Parking	 ADA Parking	 Free 2 Hour Parking
 Parking Lot	 Apartment Parking	 Meter Parking
	 Free 15 Minute Parking	 Permit Parking
		 Tenant Parking

Notes:
World aerial imagery base map is provided through Langan's Esri ArcGIS software licensing and ArcGIS online. Source of aerial imagery is USDA FSA from 7/1/2015. Credits: Esri, DigitalGlobe, GeoEye, i-cubed, USDA, USGS, AEX, Getmapping, Aerogrid, IGN, IGP, and the GIS User Community

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Langan Engineering & Environmental Services, Inc.
 Langan Engineering, Environmental, Surveying and
 Landscape Architecture, D.P.C.
 Langan International LLC
 Collectively known as Langan

Project
DOVER PARKING STUDY
 DOVER
 KENT COUNTY DELAWARE

Drawing Title
PARKING TYPE

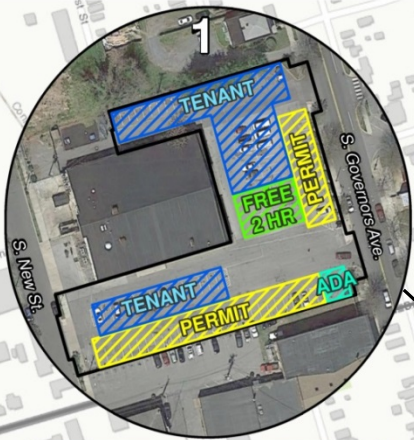
Project No. 220100701	Figure X
Date 3/3/2017	
Scale 1"=350'	
Drawn By MMK	
Submission Date 3/3/2017	Sheet 001 of 001

Parking Count Findings

- 1,762 total parking spaces
- On-Street Parking (607 spaces)
 - Peak Hour – 12:30 to 1:30 pm
 - Peak Occupancy Rate – 75%
 - Peak Violation Rate – 16%
- Off-Street Public Parking (459 spaces)
 - Peak Hour – 11 am – Noon
 - Peak Occupancy Rate – 63%



Peak Occupancy Per Lot

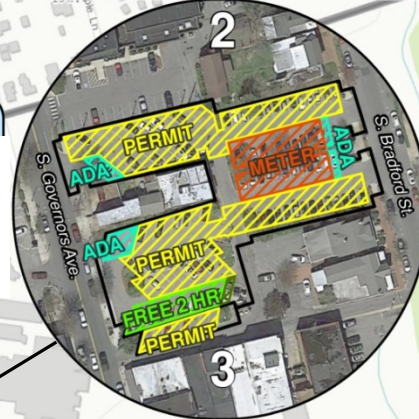


1. GOVERNORS AVENUE LOT

21%

2. BRADFORD STREET LOT

63%



3. MINOR STREET LOT

62%



4. A STREET LOT

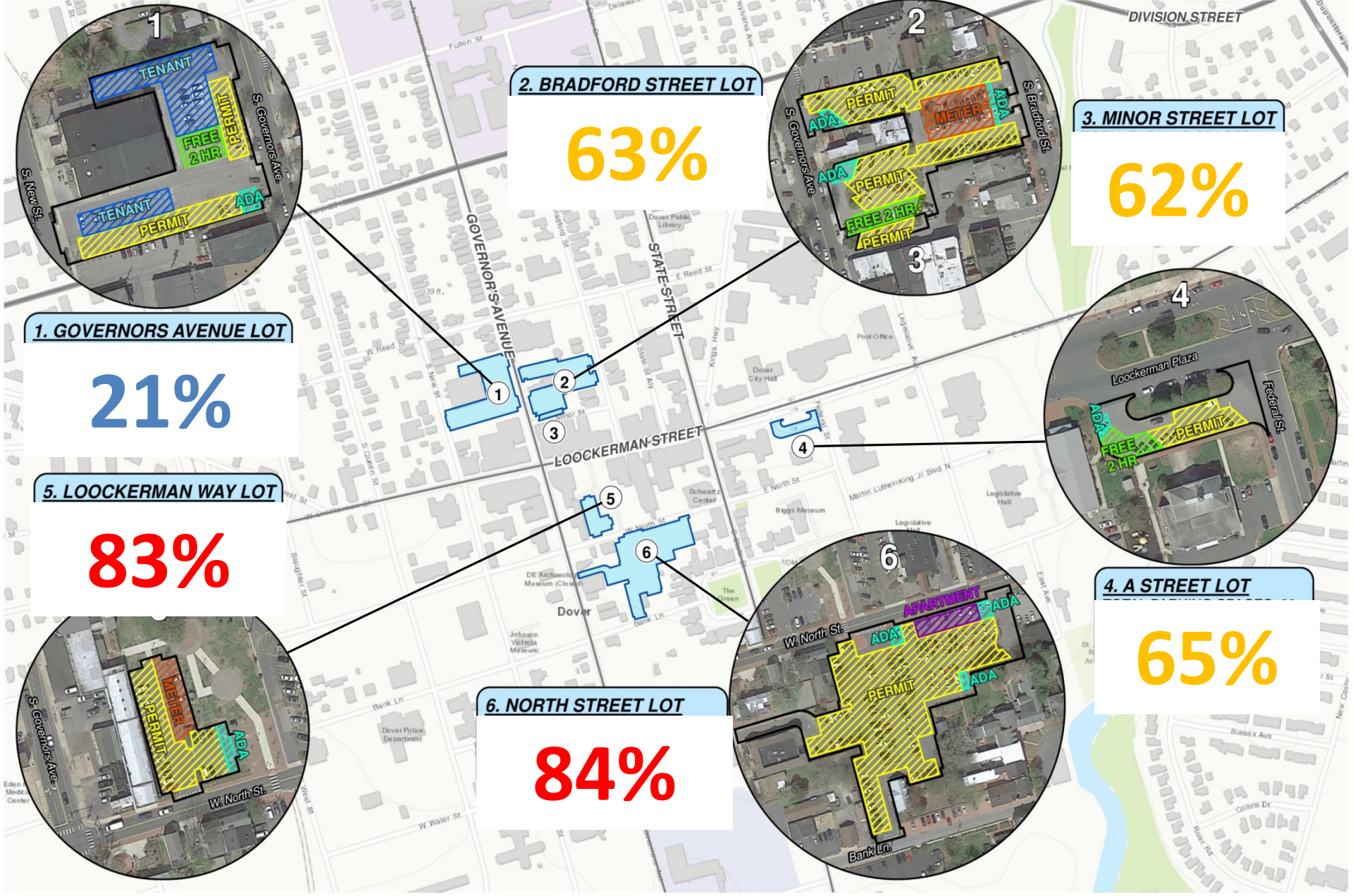
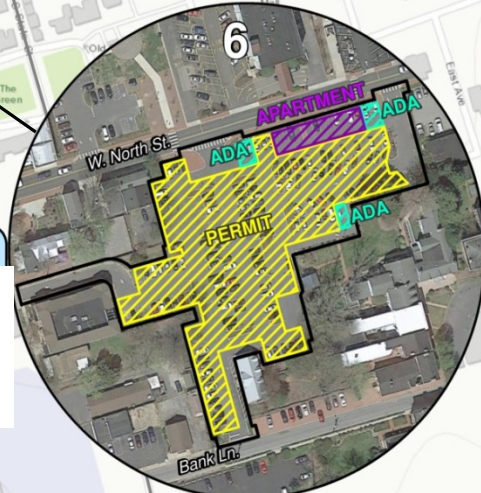
65%

5. LOOCKERMAN WAY LOT

83%

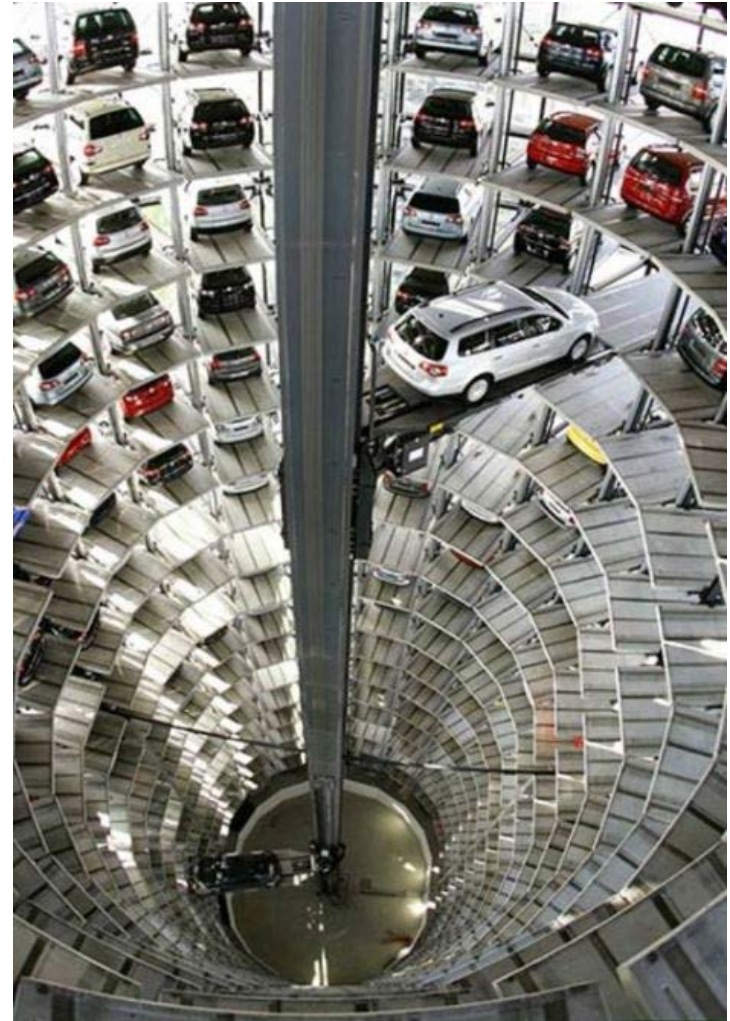
6. NORTH STREET LOT

84%



ISSUES

- *Not easy to understand*
- *Cost of Parking*
- *Perception of Safety*
- *Sense of Place*

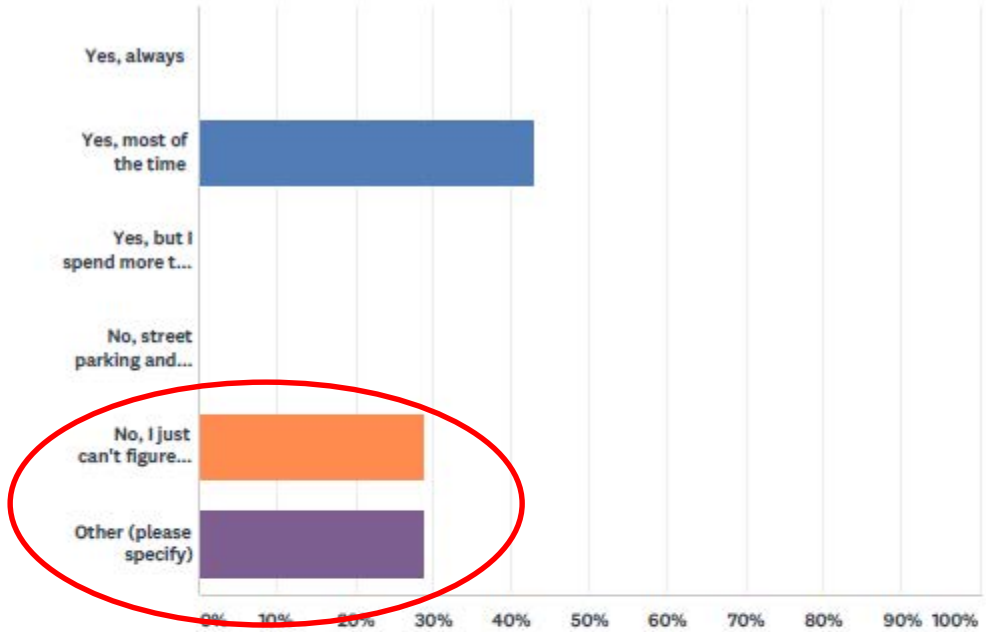


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Q14 Is it easy to find parking?

Answered: 7 Skipped: 1



ANSWER CHOICES	RESPONSES
Yes, always	0.00% 0
Yes, most of the time	42.86% 3
Yes, but I spend more than 10 minutes looking for parking	0.00% 0
No, street parking and parking lots are always full	0.00% 0
No, I just can't figure out where to go to find parking	28.57% 2
Other (please specify)	28.57% 2
TOTAL	7

#	OTHER (PLEASE SPECIFY)	DATE
1	permit holders have taken up much of the parking in lots. The parking lot on North street is dedicated to the EZ pass staff.	8/31/2017 8:08 AM
2	Need handicapped parking, after driving around lots looking for a spot, I gave up	8/30/2017 5:18 PM

Cost of Parking:

(Per Hour /
On Street)

DOVER



Wilmington



Newark



Annapolis, MD



Media, PA



Cost of Parking: (Per Day / Public Lots)

DOVER



Wilmington



Newark



Annapolis, MD



Media, PA



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Current Cost of Parking DAILY:

DOVER



(Per Day / Public Lots)



FREE!

(For 2 Hours / On-Street)



Current Cost of Parking DAILY:

Newark



(Per Day / Public Lots)



(Per Hour / On-Street)



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PUBLIC OUTREACH

- *3 Public Meetings*
- *Newspaper Coverage*
- *Online Survey*



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Questions from Public Outreach: How Would You Spend Your ?

Quick Errand
to Downtown
Dover



, but 20 mins only



/ hr, Off-Street

Day-long Stay



All day, Off-Street



All day, On-Street,
but moving car every 2 hours



All day, On-Street

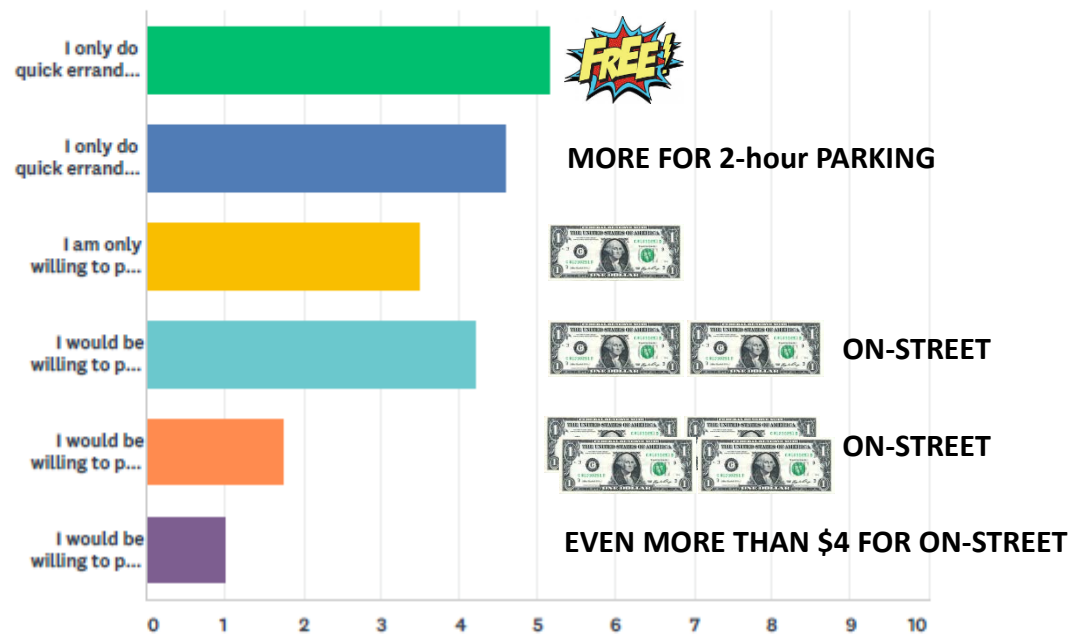


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Q27 How much are you willing to pay for HOURLY AND DAILY PARKING downtown? (Please rank your preferred options below)

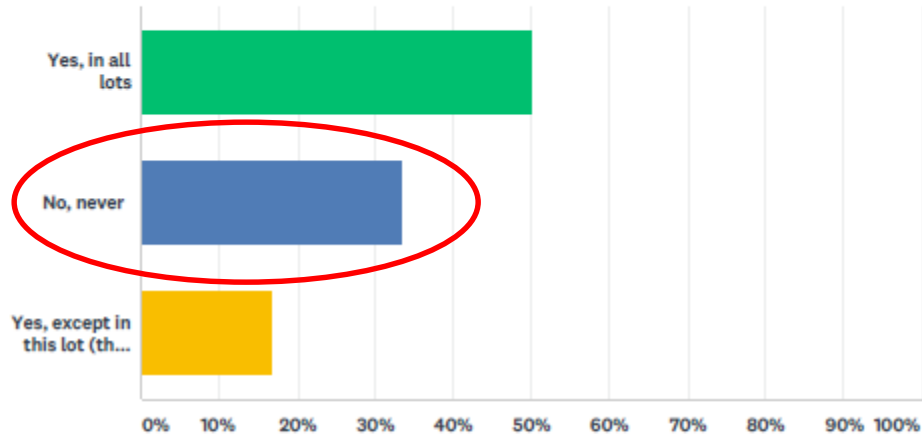
Answered: 6 Skipped: 2



	1	2	3	4	5	6	TOTAL	SCORE
I only do quick errands, so I would only use FREE 15-minute or 2-hour parking	66.67% 4	0.00% 0	16.67% 1	16.67% 1	0.00% 0	0.00% 0	6	5.17
I only do quick errands, but I would be willing to pay for more convenient and available 2-hour parking	0.00% 0	80.00% 4	0.00% 0	20.00% 1	0.00% 0	0.00% 0	5	4.60
I am only willing to pay the current 25 cents per hour, up to \$1 daily - no matter if on-street or off-street	0.00% 0	0.00% 0	75.00% 3	0.00% 0	25.00% 1	0.00% 0	4	3.50
I would be willing to pay \$2 daily for a more convenient on-street spot	40.00% 2	0.00% 0	0.00% 0	60.00% 3	0.00% 0	0.00% 0	5	4.20
I would be willing to pay \$4 daily for a more convenient on-street spot	0.00% 0	0.00% 0	0.00% 0	0.00% 0	75.00% 3	25.00% 1	4	1.75
I would be willing to pay even more for a more convenient OFF-street spot	0.00% 0	0.00% 0	0.00% 0	0.00% 0	0.00% 0	100.00% 3	3	1.00

Q23 Do you feel safe at Dover's municipal parking lots?

Answered: 6 Skipped: 2

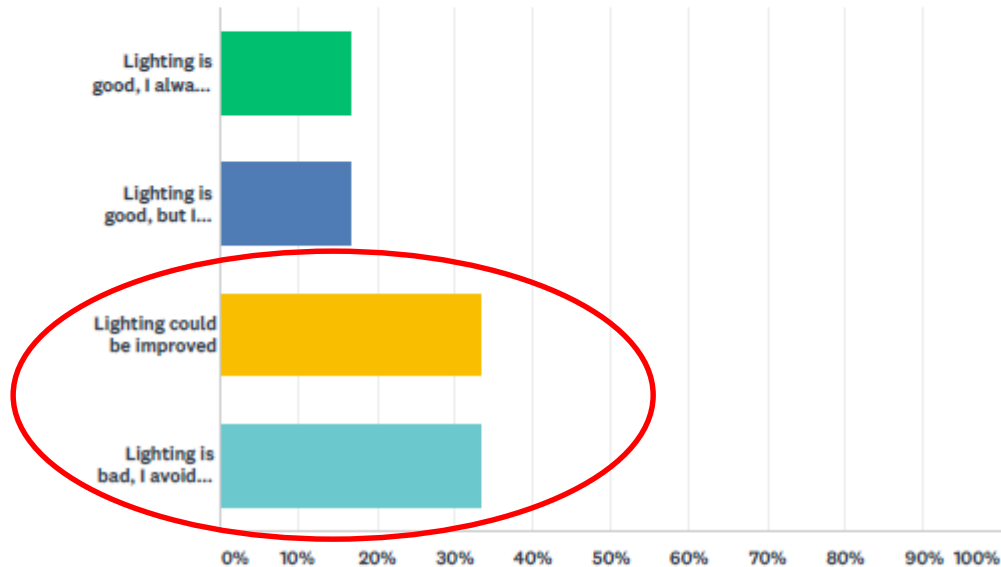


ANSWER CHOICES	RESPONSES	
Yes, in all lots	50.00%	3
No, never	33.33%	2
Yes, except in this lot (these lots):	16.67%	1
TOTAL		6

#	YES, EXCEPT IN THIS LOT (THESE LOTS):	DATE
1	Anything off state street at night	9/2/2017 9:00 AM

Q24 If you park at night, how would you rate lighting around Downtown Dover?

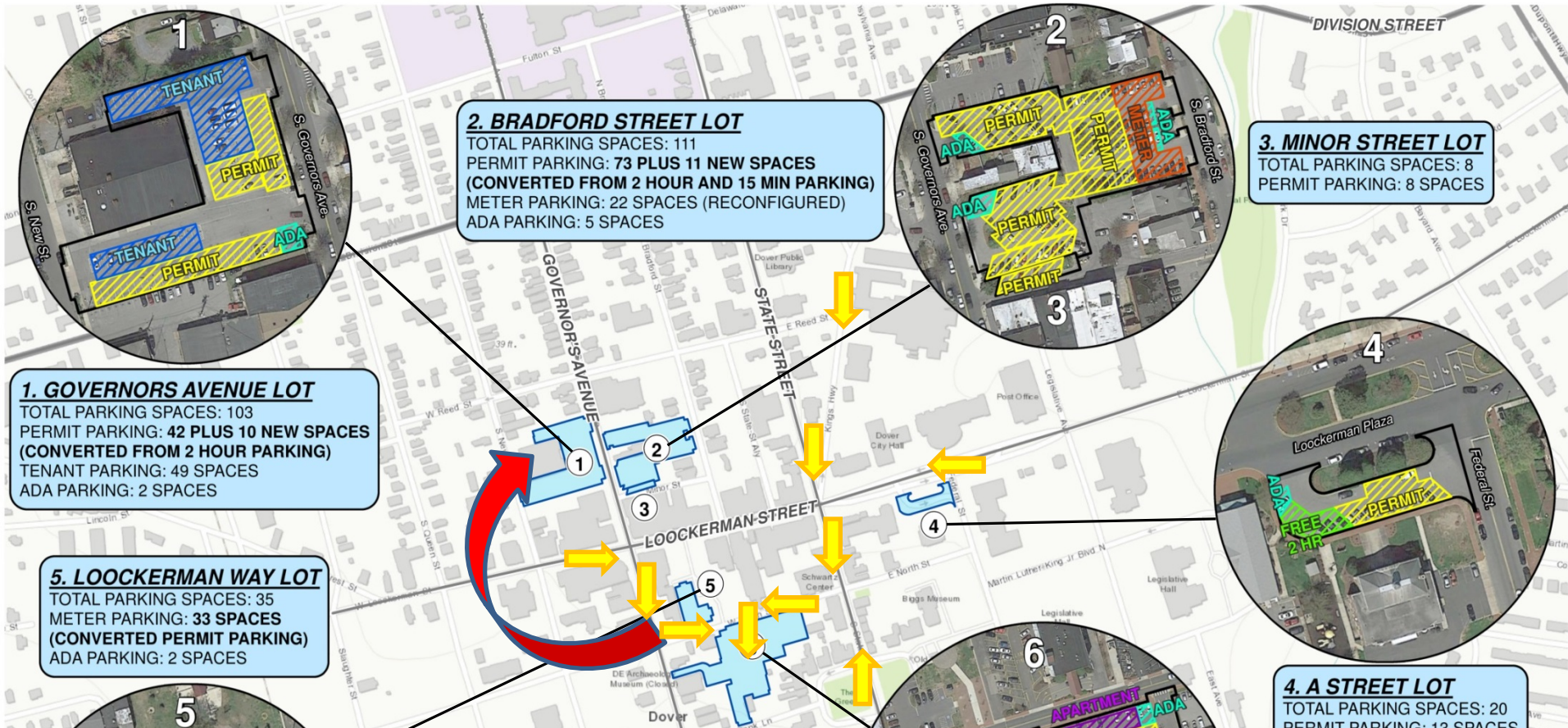
Answered: 6 Skipped: 2



ANSWER CHOICES	RESPONSES
Lighting is good, I always feel safe and can easily get to my destination	16.67% 1
Lighting is good, but I still don't feel safe	16.67% 1
Lighting could be improved	33.33% 2
Lighting is bad, I avoid Downtown Dover at night because of it	33.33% 2
TOTAL	6

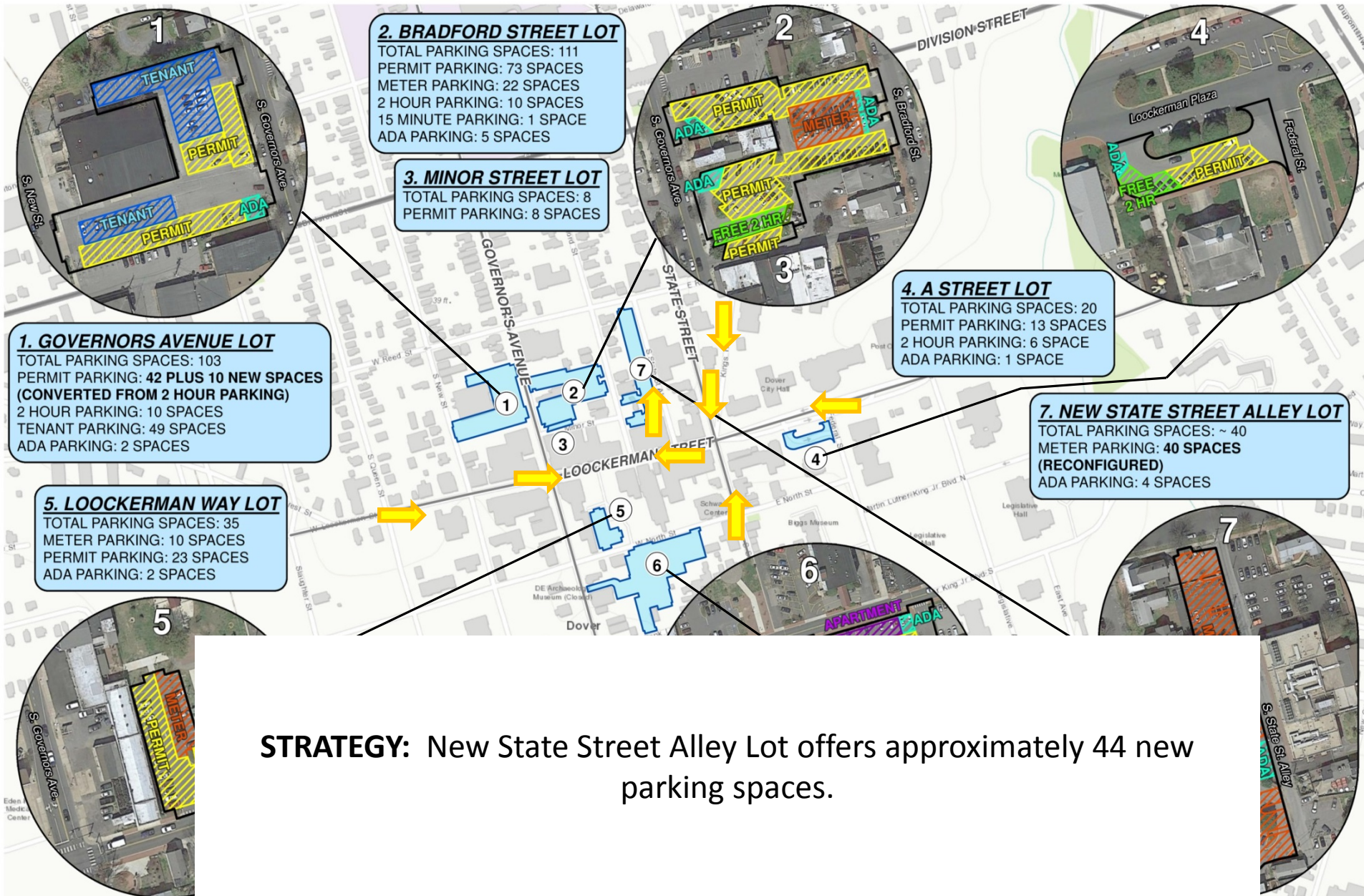
#	LIGHTING IS GOOD, EXCEPT AT THIS (THESE) LOCATION(S):	DATE
1	Anything off state street	9/2/2017 9:00 AM

Potential Improvement Scenario 1

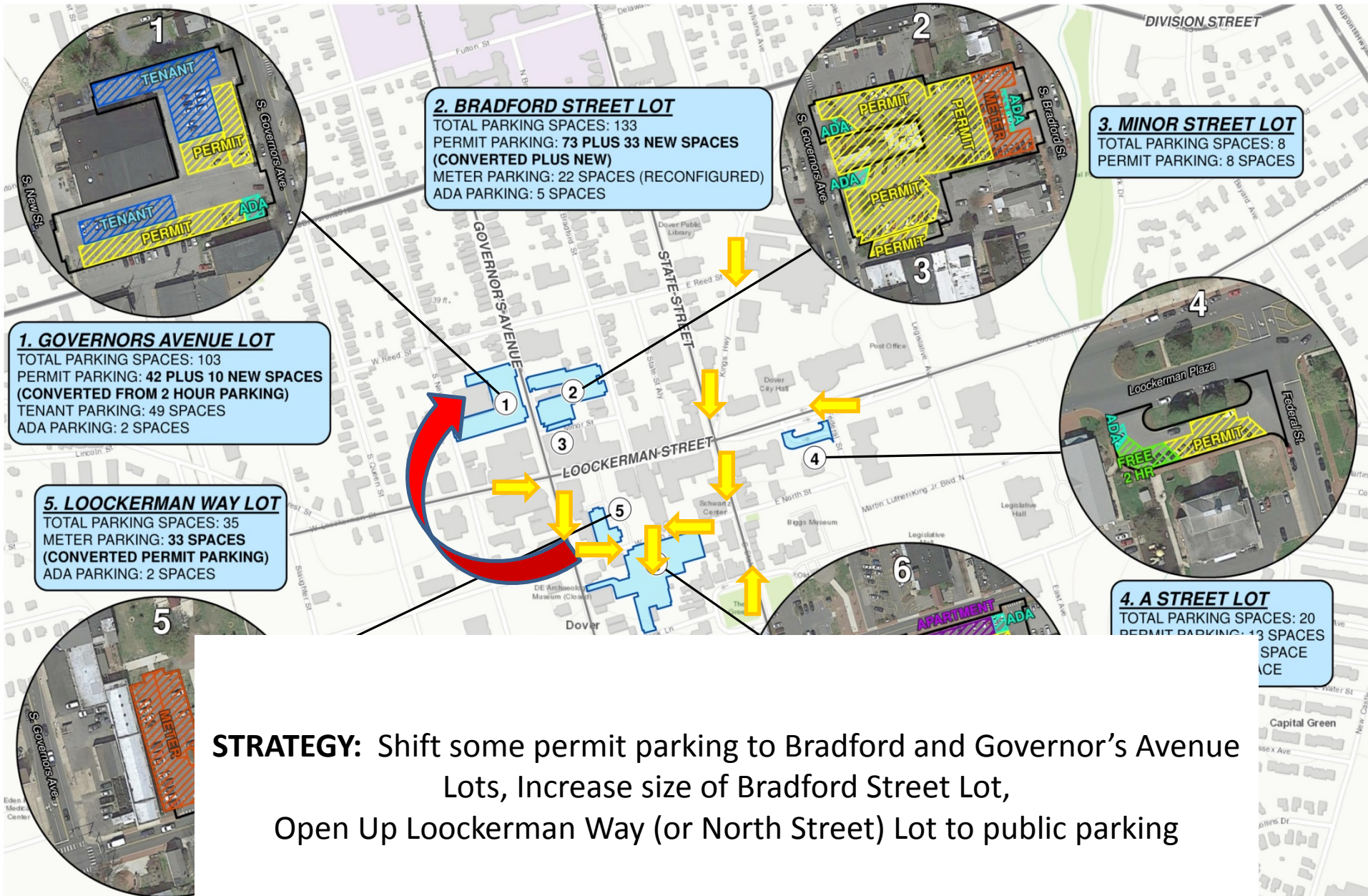


STRATEGY: Shift some permit parking to Bradford and Governor's Avenue Lots, Open Up Lockerman Way (or North Street) Lot to public parking

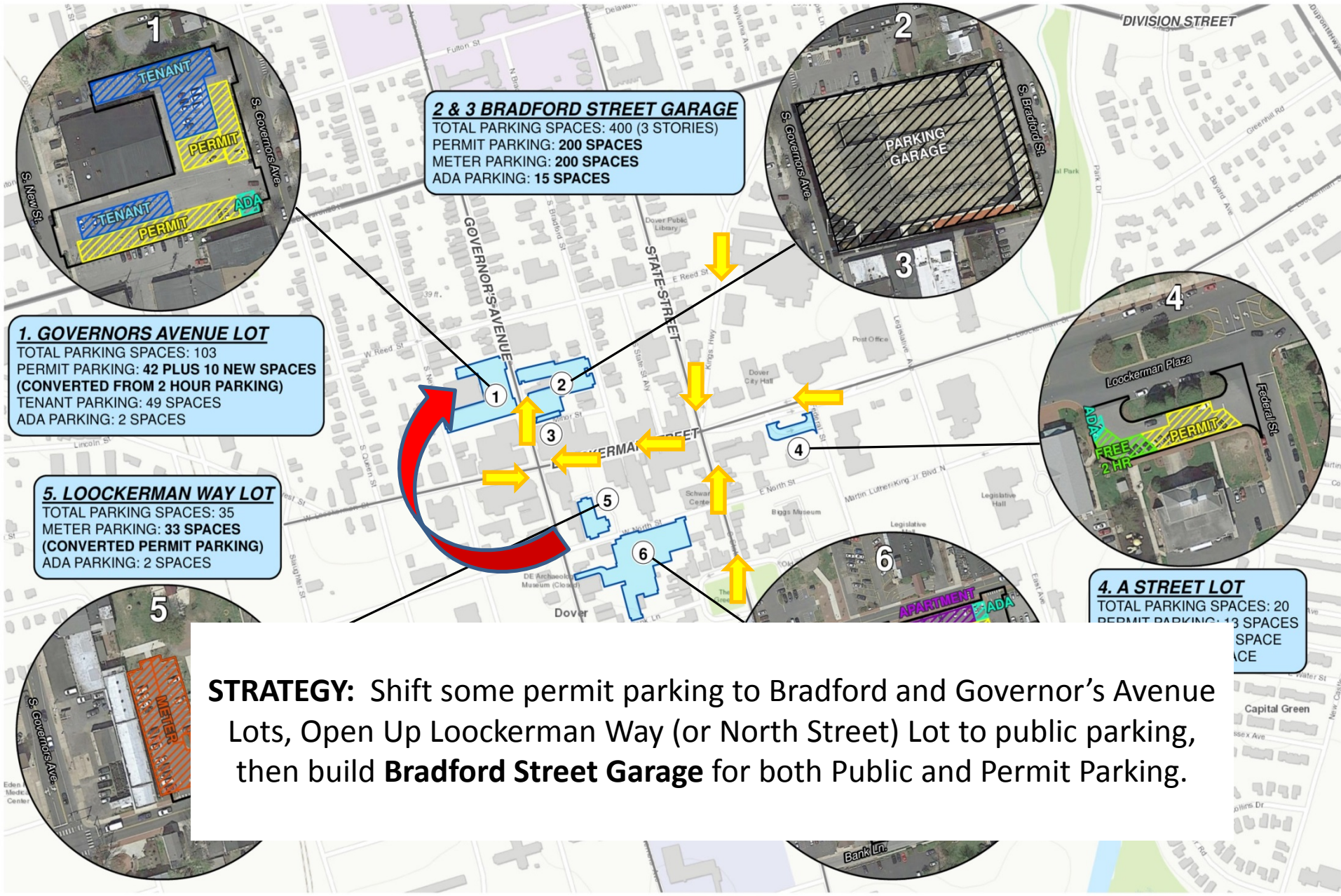
Potential Improvement Scenario 2



Potential Improvement Scenario 3



Potential Improvement Scenario 4



STRATEGY: Shift some permit parking to Bradford and Governor's Avenue Lots, Open Up Lockerman Way (or North Street) Lot to public parking, then build **Bradford Street Garage** for both Public and Permit Parking.

How Would You Spend Your ?

Scenario 1 Less than \$100k

Scenario 2 \$1M to \$2M

Scenarios 1 and 2 \$1M to \$2M

Scenario 3 \$1M to \$2M

Scenarios 2 and 3 \$2M to \$4M

Scenario 4 Over \$10 M



FUTURE DEVELOPMENT SCENARIOS

Land Use	Number of Parking Spots Required			
	Original Demand Model	Scenario 1 – Residential Growth, no new parking	Scenario 2 – Residential Growth, new parking according to zoning	Scenario 3 – Residential and Office Growth, new parking according to zoning
Commercial	414	414	414	414
Office/Industrial	823	823	823	1,107
Residential	260	688	688	688
TOTAL	1,498	1,925	1,925	2,209
Existing Supply	1,762	1,762	2,082	2,415
Calculated Raw Peak Occupancy	85%	109%	92%	91%
Calculated Time of Day / Parking Type Peak Occupancy	60%	79%	67%	58%



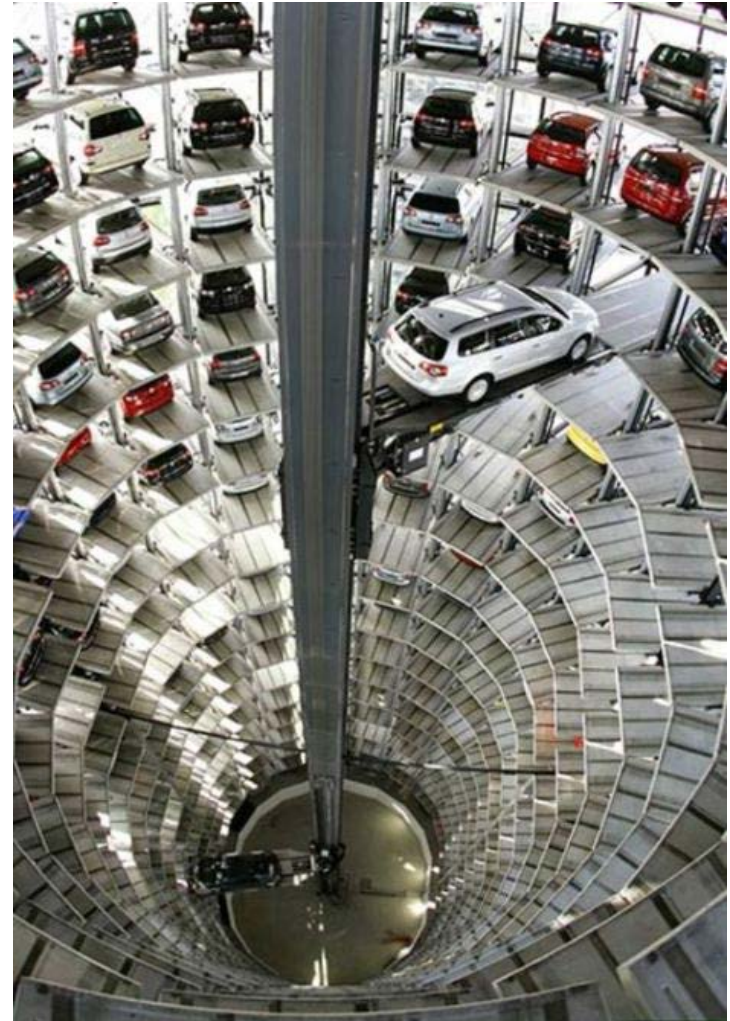
CONCLUSIONS

- *Inefficient distribution of parking capacity*
 - *Some lots over 80% occupancy*
 - *Some lots below 40%*
- *Confusing wayfinding*
- *Long-range planning*
- *BUT, very important: willingness of public to try something NEW*



RECOMMENDATIONS

- *Short-Term*
- *Medium-Term*
- *Long-Term*



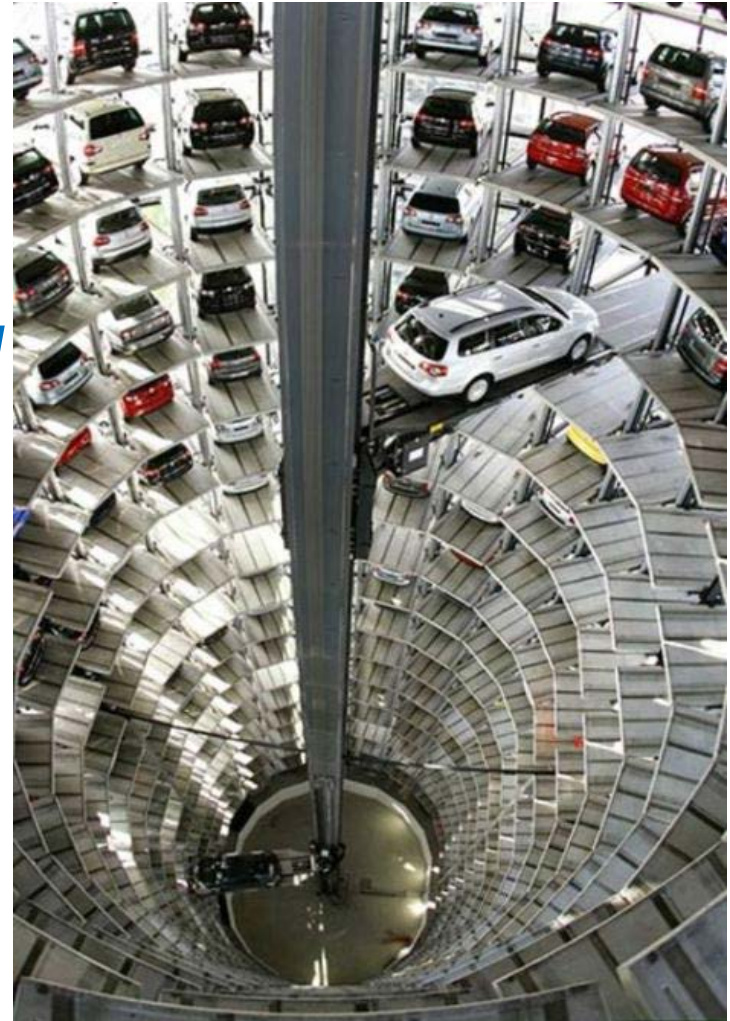
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Short-Term Recommendations

LOW-HANGING FRUIT

1. *Wayfinding – Parking Lot Directional Signage*
2. *Wayfinding – Private Parking Lot Signage allowing evening public parking*
3. *Pilot One-Year New Pricing*
4. *Reconfigure existing lots (paint)*
5. *Shop owner / employee program to discourage on-street parking*
6. *Incentive campaign*

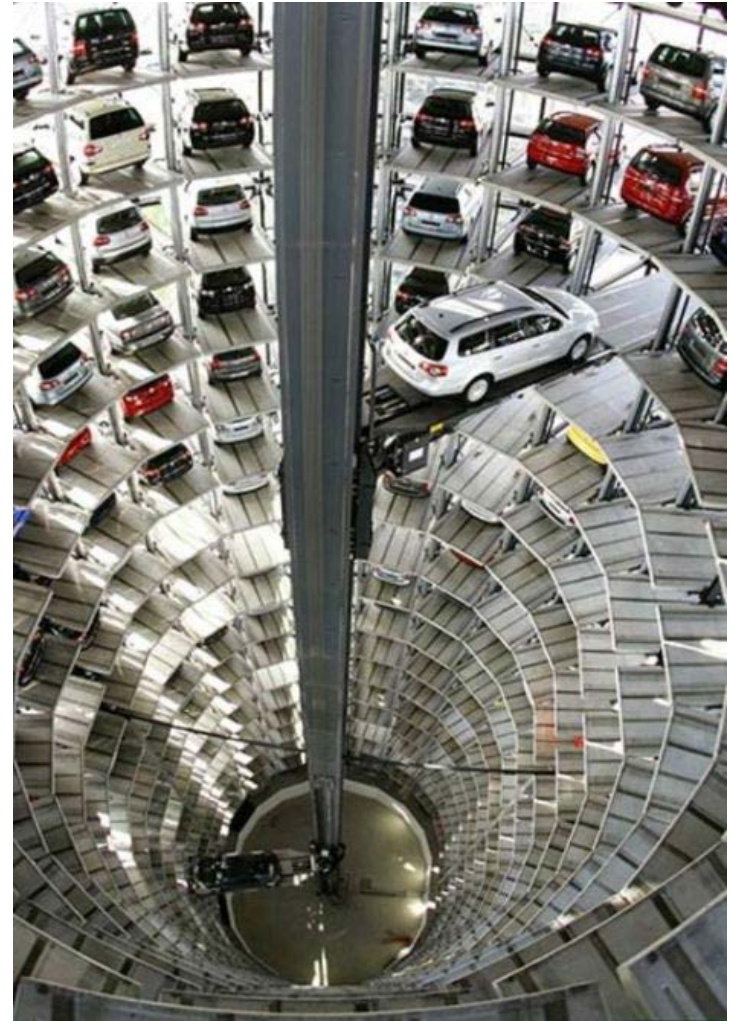


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Medium-Term Recommendations

1. *Wayfinding – Downtown Dover Destination and WELCOME Signage*
2. *Metered Parking on Loockerman Street*
3. *Pilot second phase of pricing strategy*
4. *Streetscape and lighting improvements*
5. *Promote Alternative Transportation Options*
6. *Pay by cell phone*



Long-Term Recommendations

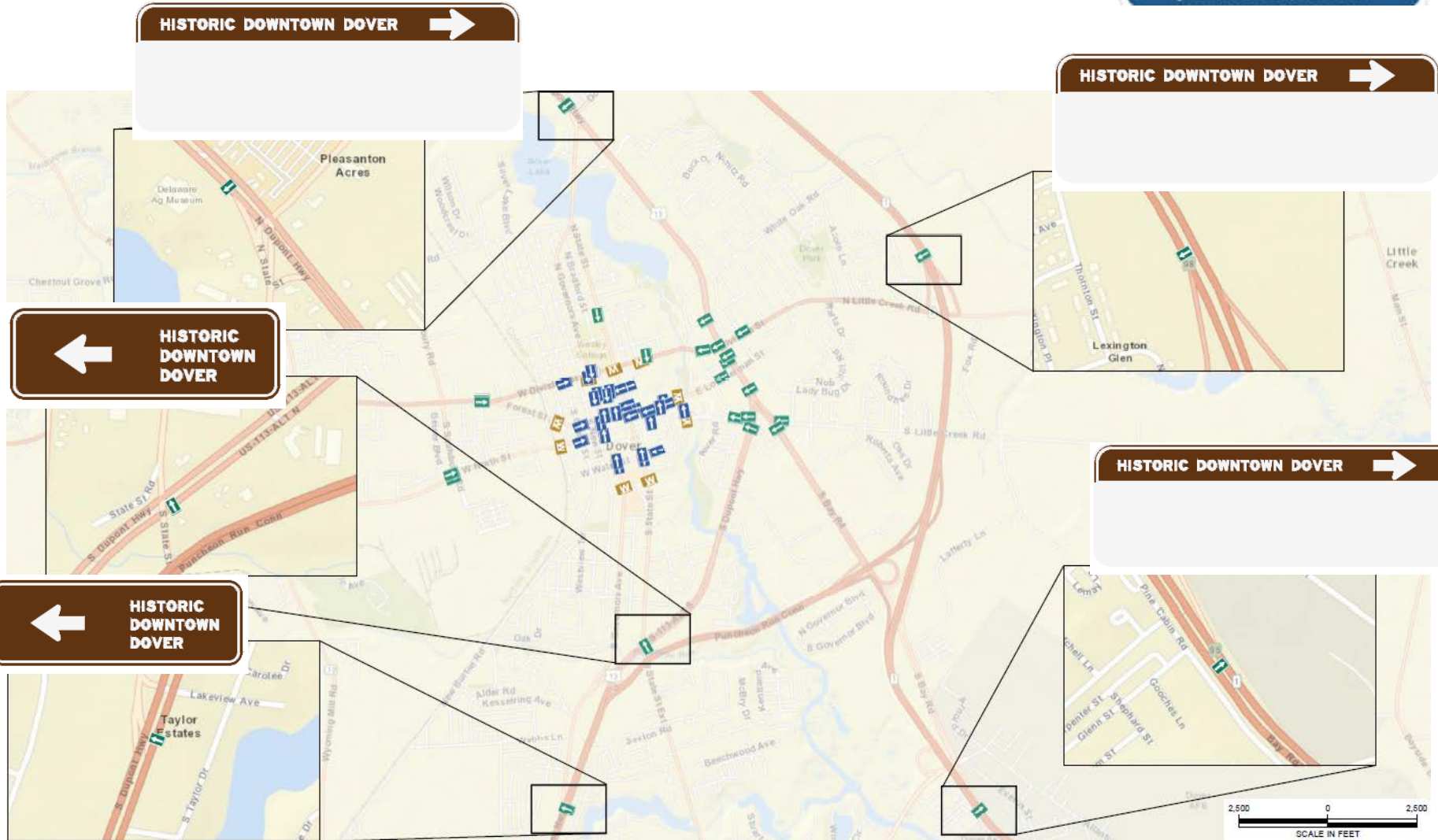
1. *NEW GATEWAY to Downtown Dover*
2. *Long-Term Visitor Promotion Program*
3. *New State Street Alley Lot*
4. *New Parking Garage once development reaches critical mass*



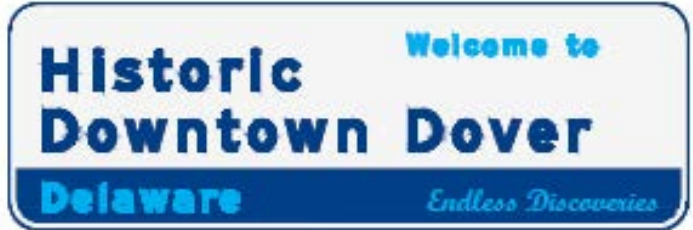
LANGAN



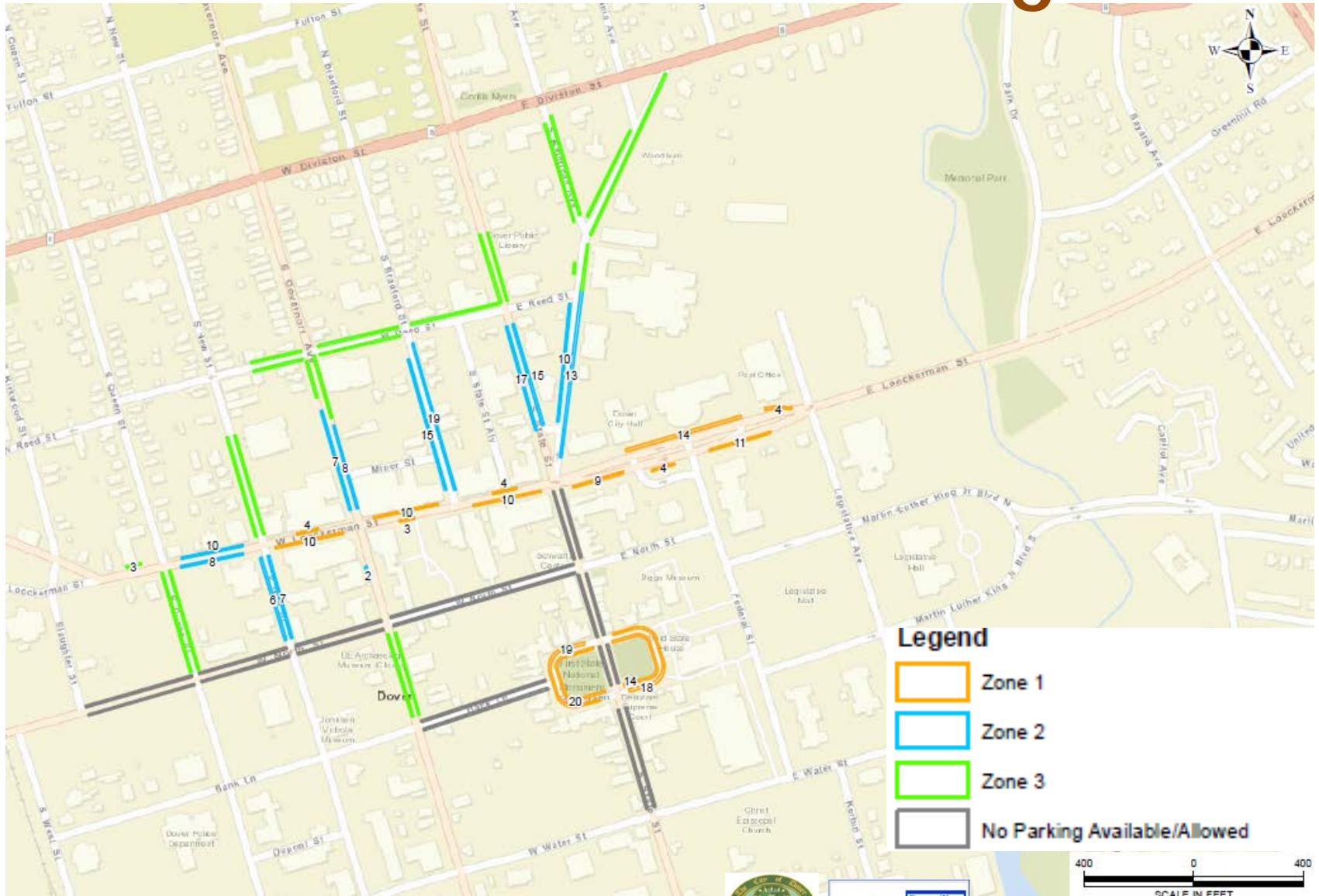
Wayfinding and Signage



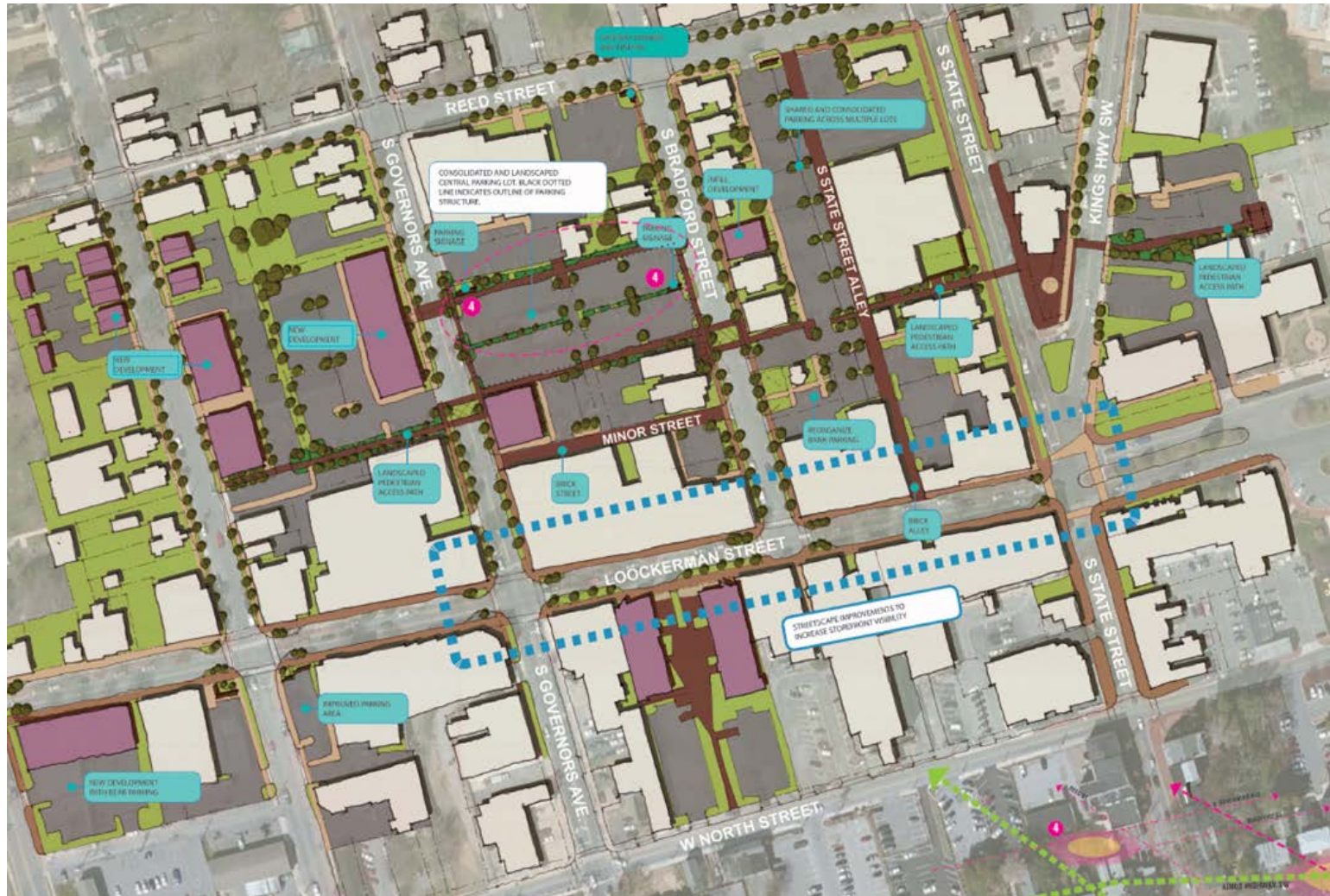
Wayfinding and Signage



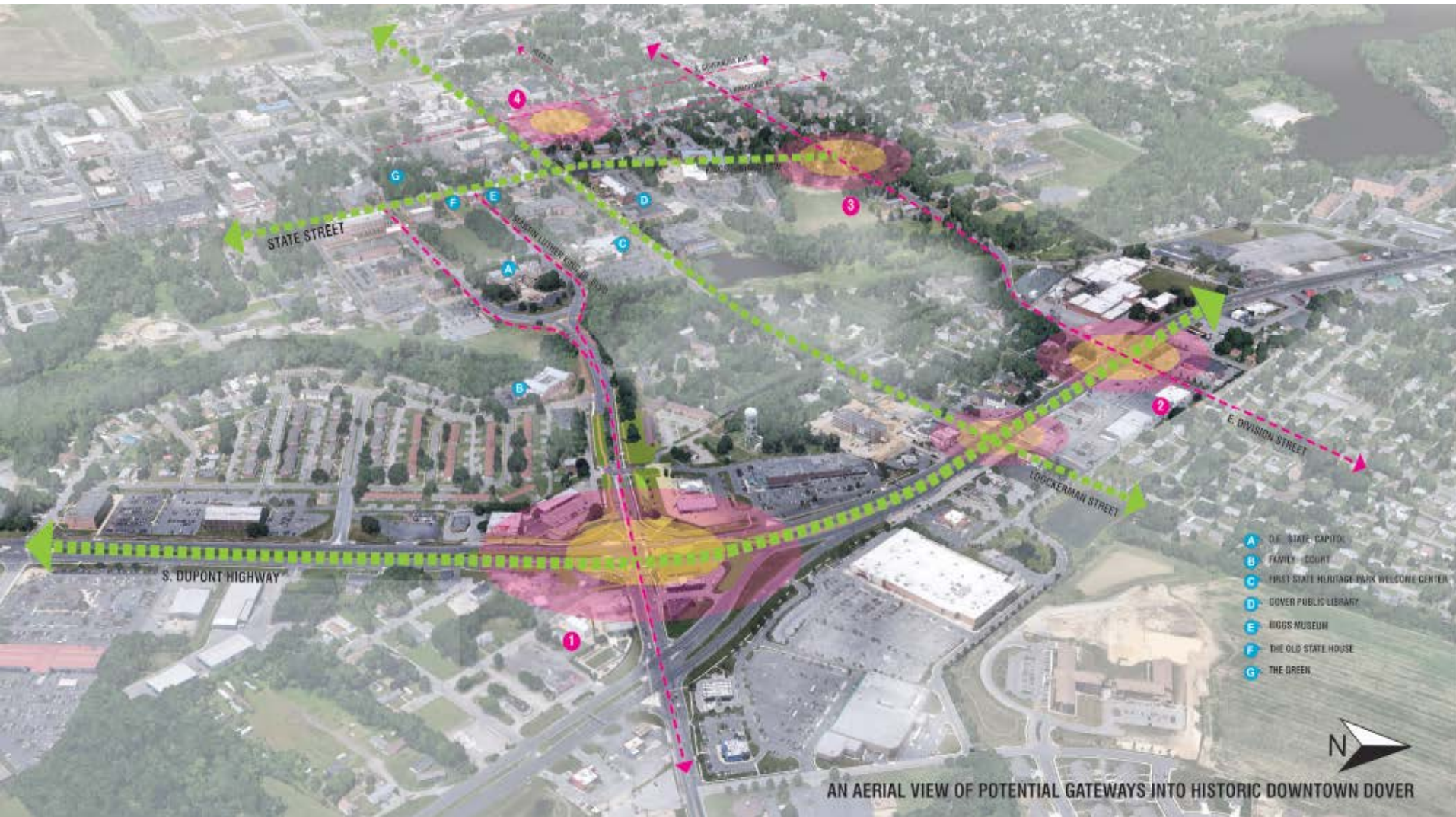
Potential On-Street Parking Zones



Streetscape and Safety



Gateways

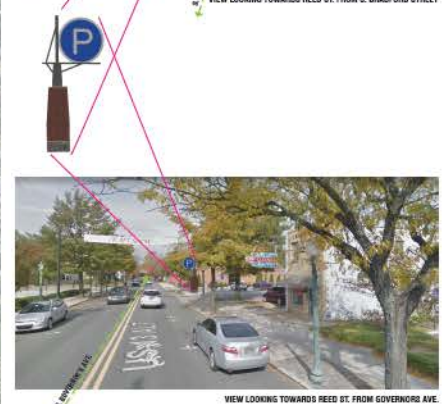


Gateways



Gateways

Welcome to
Historic Downtown Dover
Delaware
Endless Discoveries



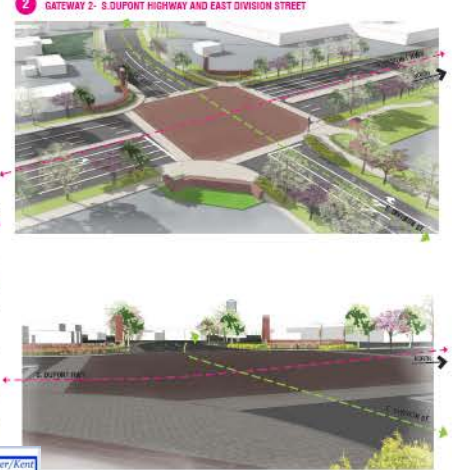
1 GATEWAY 1- MLK AND S. DUPONT HIGHWAY



3 GATEWAYS- KINGSHIGHWAY ST. AND EAST DIVISION STREET



2 GATEWAY 2- S DUPONT HIGHWAY AND EAST DIVISION STREET



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New Technologies



Online Payments



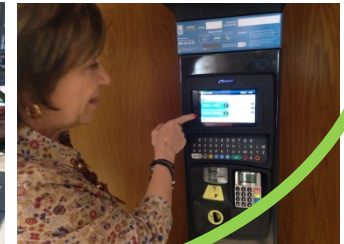
Smart Meters



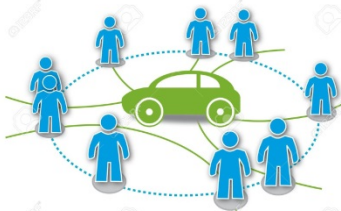
In-Car Meters



Kiosk Meters



Car Sharing



Pay by Phone



Solar PV



Bike Sharing



and more...





REED STREET

S GOVERNORS AVE

S BRADFORD STREET

S STATE STREET ALLEY

S STATE STREET

KINGS HWY SW

MINOR STREET

LOOCKERMAN STREET

S STATE STREET

NEW DEVELOPMENT

NEW DEVELOPMENT

PARKING SIGNAGE

PARKING SIGNAGE

REEL DEVELOPMENT

SHARED AND CONSOLIDATED PARKING ACROSS MULTIPLE LOTS

CONSOLIDATED AND LANDSCAPED CENTRAL PARKING LOT. BLACK DOTTED LINE INDICATES OUTLINE OF PARKING STRUCTURE.

LANDSCAPED PEDESTRIAN ACCESS PATH

LANDSCAPED PEDESTRIAN ACCESS PATH

LANDSCAPED PEDESTRIAN ACCESS PATH

BRICK STREET

REORGANIZE BANK IMAGING

BRICK ALLEY

STREETSCAPE IMPROVEMENTS TO INCREASE STOREFRONT VISIBILITY

IMPROVED PARKING AREA

Potential Cost Range of Improvements

Short Term (Low-Hanging Fruit):

1. Wayfinding – Parking Lot Directional Signage – \$42k
(Grant application submitted – DDP)
2. Wayfinding – Private Parking Lot Signage allowing evening public parking – est. \$2k - \$5k (PPP)
3. Pilot One-Year New Pricing – No cost
4. Reconfigure existing lots (paint) – est. \$2k - \$15k (DDP)
5. Shop owner / employee program to discourage on-street parking – No cost
6. Incentive campaign – None to \$5k



Potential Cost Range of Improvements

Medium Term:

1. *Wayfinding – Downtown Dover Destination and WELCOME Signage – est. \$50k (DeIDOT?)*
2. *Metered Parking on Loockerman Street – est. \$30k - \$60k*
3. *Pilot second phase of pricing strategy – No cost*
4. *Streetscape and lighting improvements , including NEW CONNECTOR ALLEY – cost not estimated, but probably in the \$100k - \$400k range*
5. *Promote Alternative Transportation Options – est. \$0 to \$10k*
6. *Pay by cell phone – est. \$50k + monthly fee to service provider*



Potential Cost Range of Improvements

Long Range:

1. *NEW GATEWAYS to Downtown Dover – cost not estimated, but probably in the \$100k - \$400k range per gateway created / enhanced*
2. *Long-Term Visitor Promotion Program – cost not estimated*
3. *New State Street Alley Lot – cost not estimated, but probably in the \$500k + range*
4. *New Parking Garage once development reaches critical mass – cost not estimated, but likely more than \$10 million*



VISION

Dover is on its way to becoming a vital destination, a great place to be, work, live, and play.

Parking can be used more efficiently

Wayfinding will help parking – but also help Dover's sense of place and community

Streetscape, lighting, and Gateways will help build on that

Pricing strategy can help parking work better

Communicate, communicate, communicate



THANK YOU!

For more information, please contact:

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James Galvin, Dover/Kent County MPO
James.Galvin@doverkentmpo.org

Spencer Finch, Langan Engineering
sfinch@langan.com

Paul Vernon, KSK
pvernon@ksk1.com

Technical Excellence

Practical Experience

Client Responsiveness

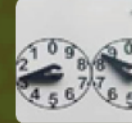
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ENGINEERING & ENVIRONMENTAL SERVICES

Technical Excellence

Practical Experience

Client Responsiveness



March 27, 2018

City of Dover – Cost of Service And Rate Design Study



ECONOMICS

STRATEGY

STAKEHOLDERS

SUSTAINABILITY



www.newgenstrategies.net

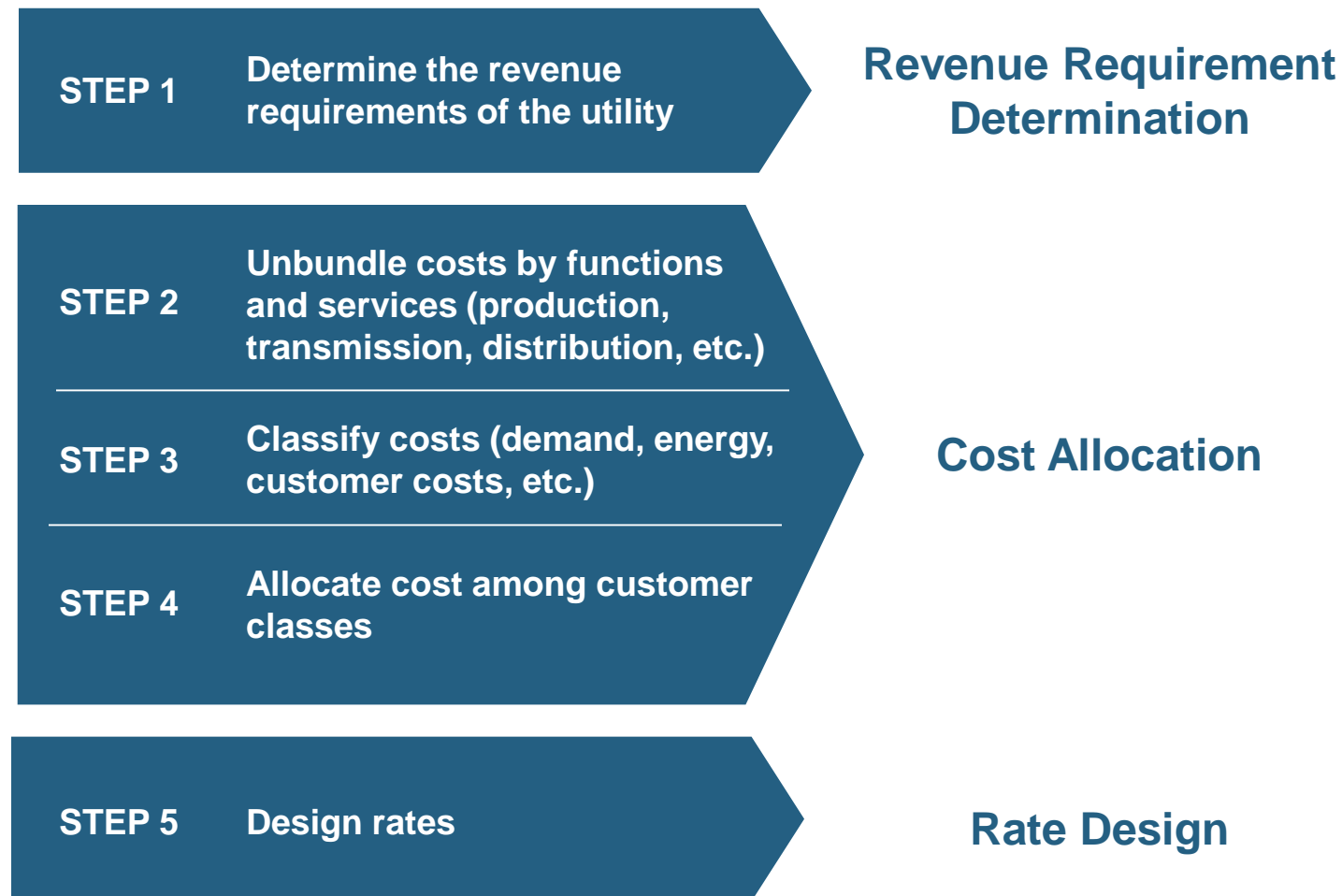
Agenda

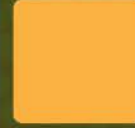
- Cost of Service / Rate Design Overview
- Revenue Requirement
- Cost of Service
- Rate Design
 - Rate Design Proposal
 - Proposed Rates and Rate Impacts
- Discussion



Cost of Service and Rate Design Overview

Steps in the Analytical Ratemaking Process





Revenue Requirement

Revenue Requirement

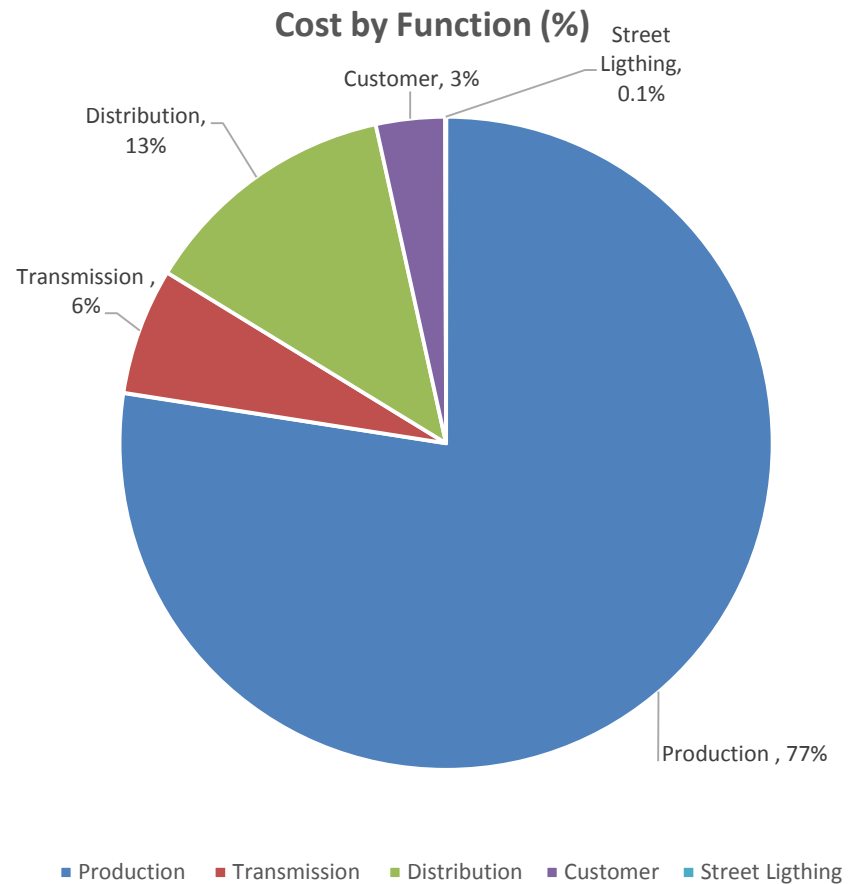
- Revenue Requirement based on five year “Test Year” (FY 2019 – FY 2023)
 - Rely on City’s financial forecast
 - Start with FY 2017 expenses
 - Cash basis
 - Includes system investments for capital
 - Recognizes existing reserve levels / policies
 - Budget projections for operating expenses
 - Includes TEA costs for future fuel / power

Revenue Requirement (\$000)

Item	2017	Cash Adjustments	Test Year
Operation and Maintenance Expense			
Dover Production	\$7,150	\$165	\$7,315
PJM Purchased Power	\$36,256	\$4,683	\$40,939
Transmission & Distribution	\$5,285	\$690	\$5,975
Metering / Customer	\$1,447	\$216	\$1,662
Admin & General	\$4,432	\$842	\$5,274
Subtotal O&M Expenses	\$54,569	\$6,596	\$61,165
Debt Service	\$1,611	(\$2)	\$1,609
Transfer to General Fund	\$10,000	\$0	\$10,000
Appropriations to Reserve Funds	\$11,402	(\$5,050)	\$6,352
Subtotal Revenue Requirement	\$77,582	\$1,544	\$79,126
Less Other Income	(\$922)	\$134	(\$788)
Total Revenue Requirement	\$76,660	\$1,678	\$78,338
Revenue at Current Rates*	\$80,624	\$2,112	\$82,735
Over / (Under)	\$3,964		\$4,397
Difference (%)	4.92%		5.31%

Revenue Requirement

Test Year Revenue Requirement by Function (\$000)	
Production	\$60,789
Transmission	\$4,778
Distribution	\$9,802
Customer	\$2,943
Street Lighting	\$25
Total Cost of Service	\$78,338

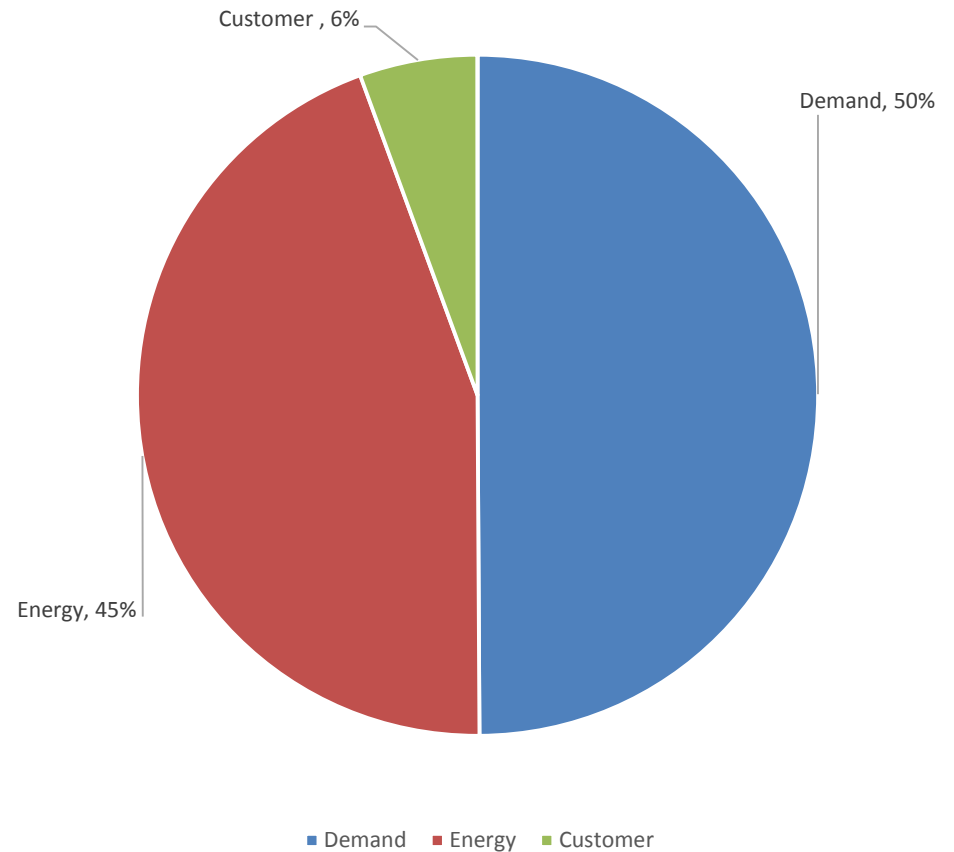


Revenue Requirement

Test Year Revenue Requirement by Cost Classification (\$000)

Demand Related	\$39,092
Costs that vary with system capacity	
Energy	\$34,868
Costs that vary with energy (kWh) sold	
Customer	\$4,378
Costs that vary with number of customers	
Total Cost of Service	\$78,338

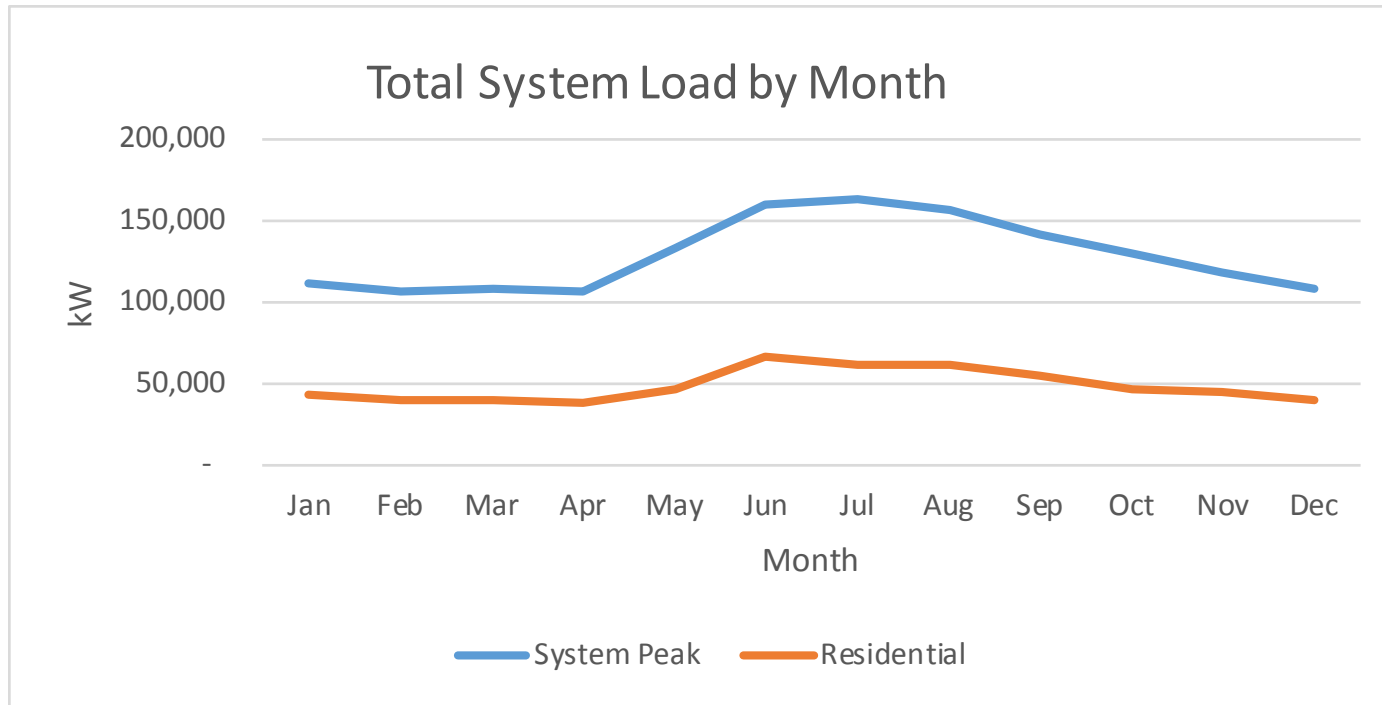
Cost by Classification (%)





Cost of Service

Cost of Service

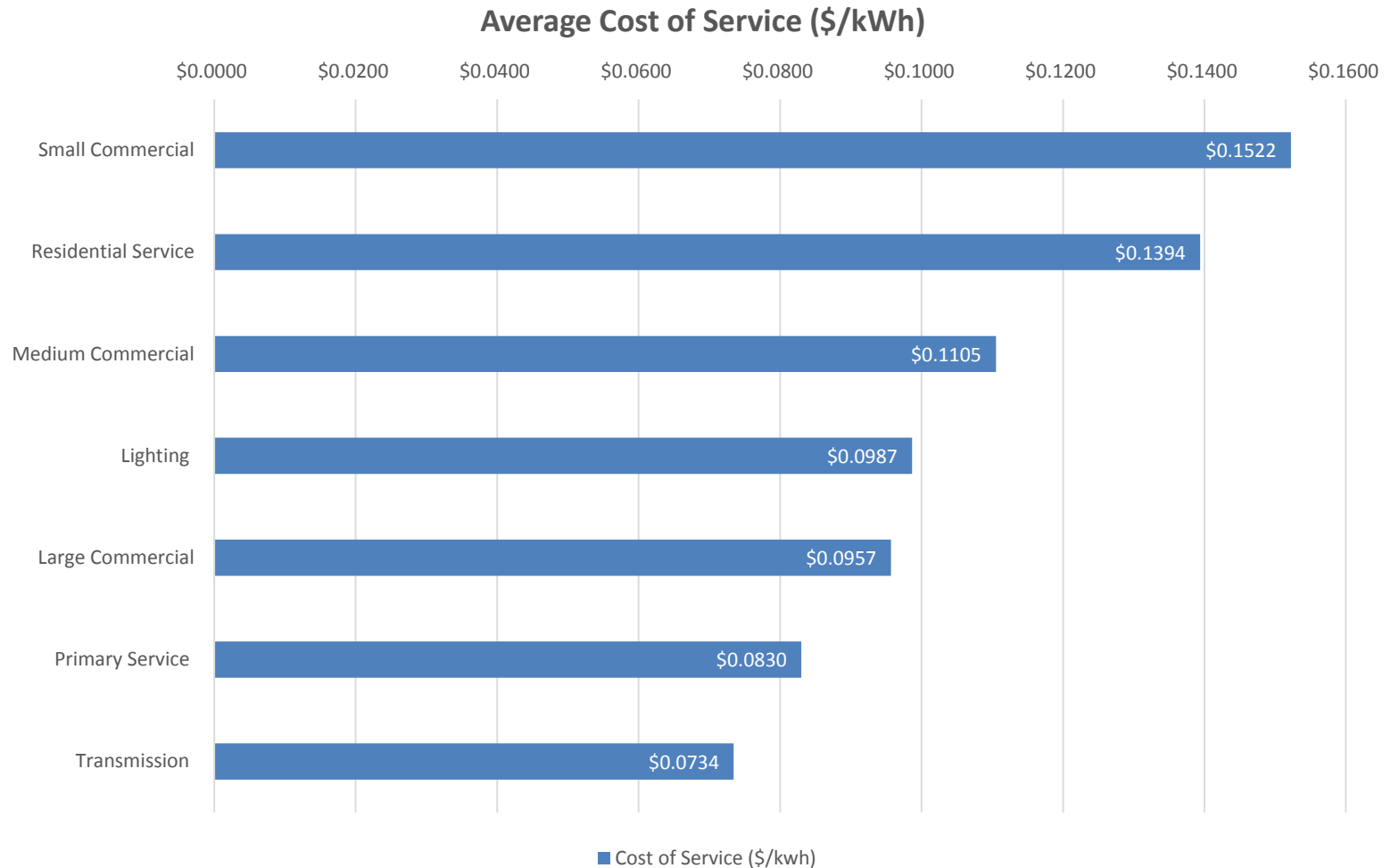


- 2017 System Peak ~ 162.8 MW
 - Peak in June, July, August, September
 - 4 CP Cost Allocator
- Residential Class Peak ~ 66.6 MW
 - Peak in June, July, August, September
 - 4 NCP Cost Allocator

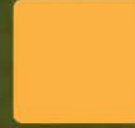
Cost of Service – Test Year (Base Rates)

Class	Cost of Service (a)	Current Revenues (b)	Difference (c)=(b-a)	Proposed Revenues (d)	Difference (e)=(c-a)	% Change (f)= (d/b)-1
Residential	\$28,937,503	\$26,916,943	(\$2,020,559)	\$27,468,331	(\$1,469,171)	2%
Small Commercial	\$4,073,885	\$3,002,651	(\$1,071,233)	\$3,057,524	(\$1,016,361)	2%
Medium Commercial	\$4,923,543	\$5,308,542	\$384,998	\$5,056,954	\$133,411	-5%
Large Commercial	\$15,506,941	\$18,197,969	\$2,691,028	\$16,944,837	\$1,437,896	-7%
Primary	\$15,681,040	\$18,344,980	\$2,663,940	\$17,097,531	\$1,416,490	-7%
Transmission	\$8,220,137	\$9,289,643	\$1,069,506	\$8,654,632	\$434,495	-7%
Other Tran	\$191,020	\$421,017	\$229,996	\$391,884	\$200,863	-7%
Lighting	\$803,592	\$1,208,940	\$405,348	\$1,208,940	\$405,348	0%
Total	\$78,337,661	\$82,690,685	\$4,353,024	\$79,880,632	\$1,542,972	-3.4%

Cost of Service



Excludes PCA



Rate Design

Rate Design Overview

COS and Rate Making

Cost of Service

Cost accounting, allocate utility costs with use, classification

vs.

Rate Making

Policy decisions, used to incentivize specific behavior, rates do not have to precisely match cost of service but should move towards COS

Utility Functions:

Power Supply
(Demand and
Energy
Components)

Distribution
(Demand and
Customer
Components)

Customer
(Customer
Components)

Rate Design Overview

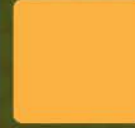
Rate Making Best Practice

- Align a utility's costs with appropriate classifications (e.g. demand, energy, customer)
 - Costs categorized as fixed and variable
- Rates should fairly reflect the cost of service, but policy should be considered
- Rates should incentivize customers to use utility plant efficiently

Rate Design Overview

Objectives

- Reduction in Revenue Requirement
 - Reduction contribution to reserves
- Draw down Working Capital reserves through Purchased Power Adjustment (PPA)
 - Gradual decrease in PPA credit over 5 year period
- Adjust class revenues to better align with cost causation
- Implement changes over 5 year period
 - Rate changes for July 1 for FY19, FY21, FY23
 - Rate change % are constant for each FY



Rate Proposal

Rate Proposal – Residential Service

Class Characteristics

Residential Class Characteristics (Test Year)	
Class Meters:	21,187
Class Annual Sales (kWh):	207,590,560
Average Monthly Sales per Customer (kWh):	732
Average Monthly Demand per Customer (kW):	4.65
Average Monthly Load Factor (%):	26%

Rate Proposal – Residential Service

Phase I Rate Changes / Current Rates / COS Rates

Item/Rate - Residential	Current	Proposed (Phase 1)	COS
Customer Charge (\$/Month)	\$7.50	\$8.46	\$12.53
Energy Charge (\$/kWh)	\$0.1203	\$0.1206	\$0.0466
Green Energy Charge - GEF (\$/kWh)	\$0.00018	\$0.00018	\$0.00
PPA Charge (\$/kWh)	(\$0.0086)	(\$0.0038)	(\$0.0038)
Demand Charge (\$/kW)*	\$0.00	\$0.00	\$16.89
Average Monthly Bill**	\$98.89	\$103.94	
Average Rate (\$/kWh)	\$0.1211	\$0.1273	\$0.1356
Difference (%)		5.11%	11.93%

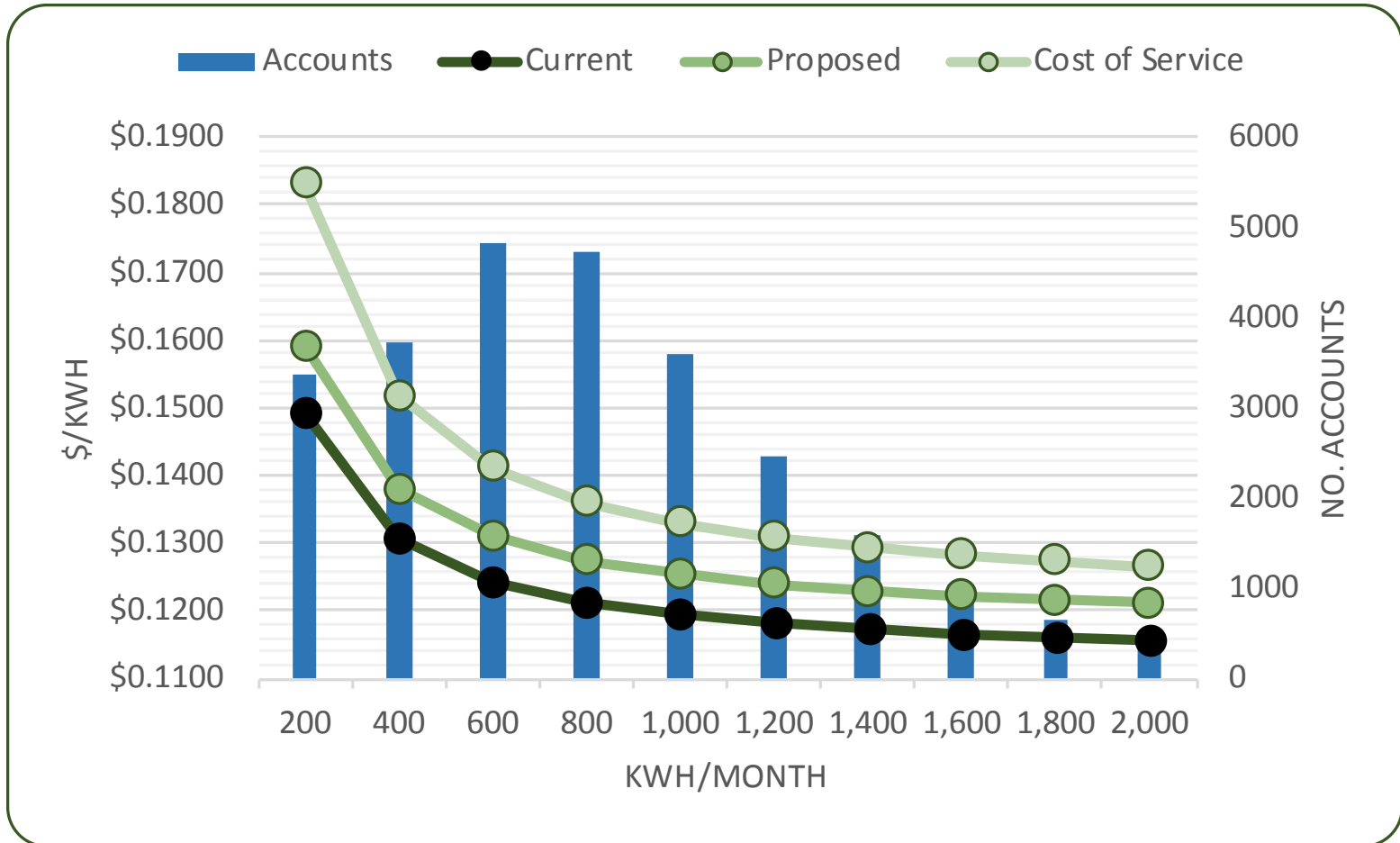
* No Demand Charge for Residential Customers

**Excludes Public Utility Tax

Based on 2017 Billing Database Analysis

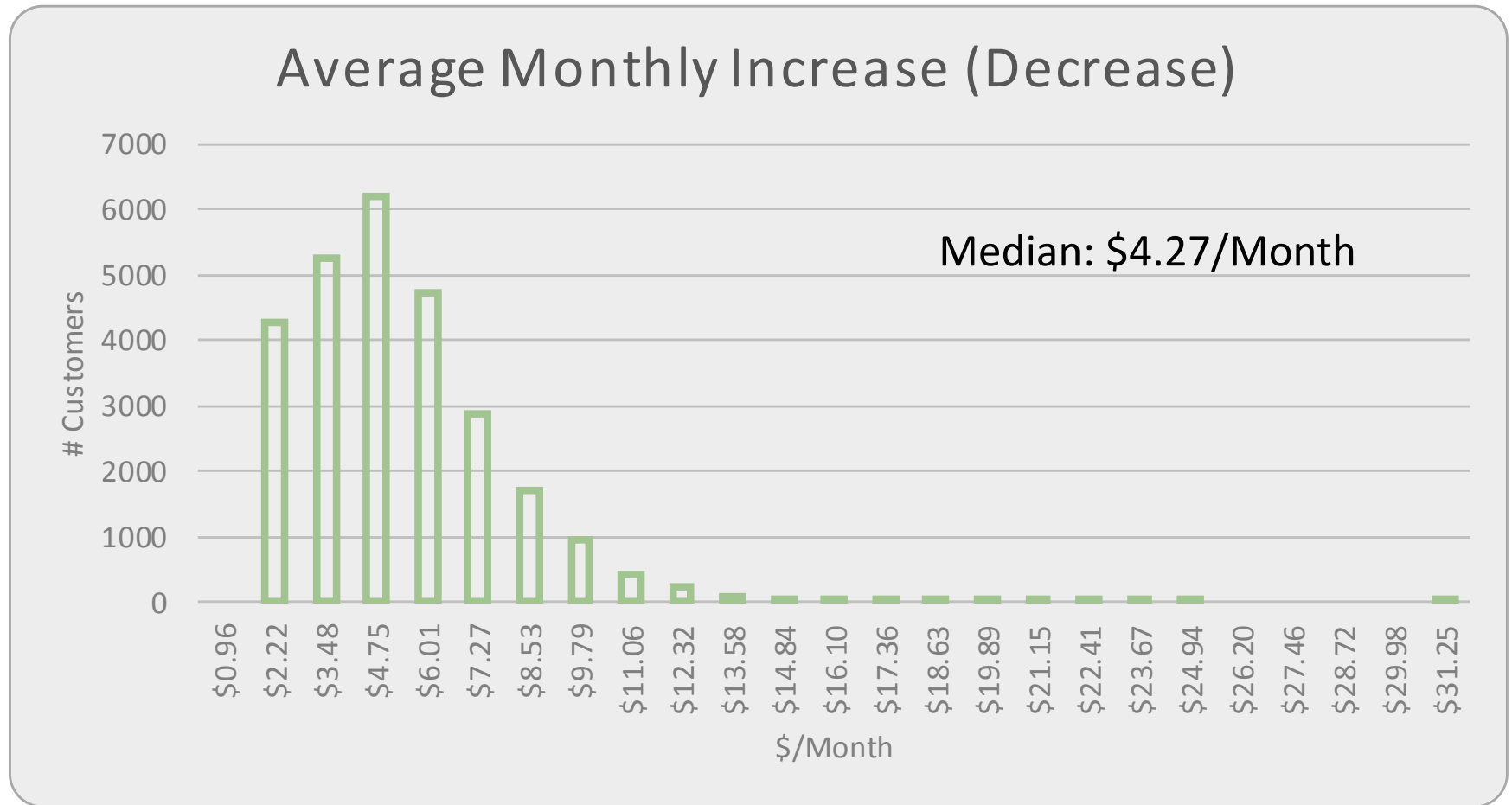
Rate Proposal – Residential Service

Rate Curve Analysis



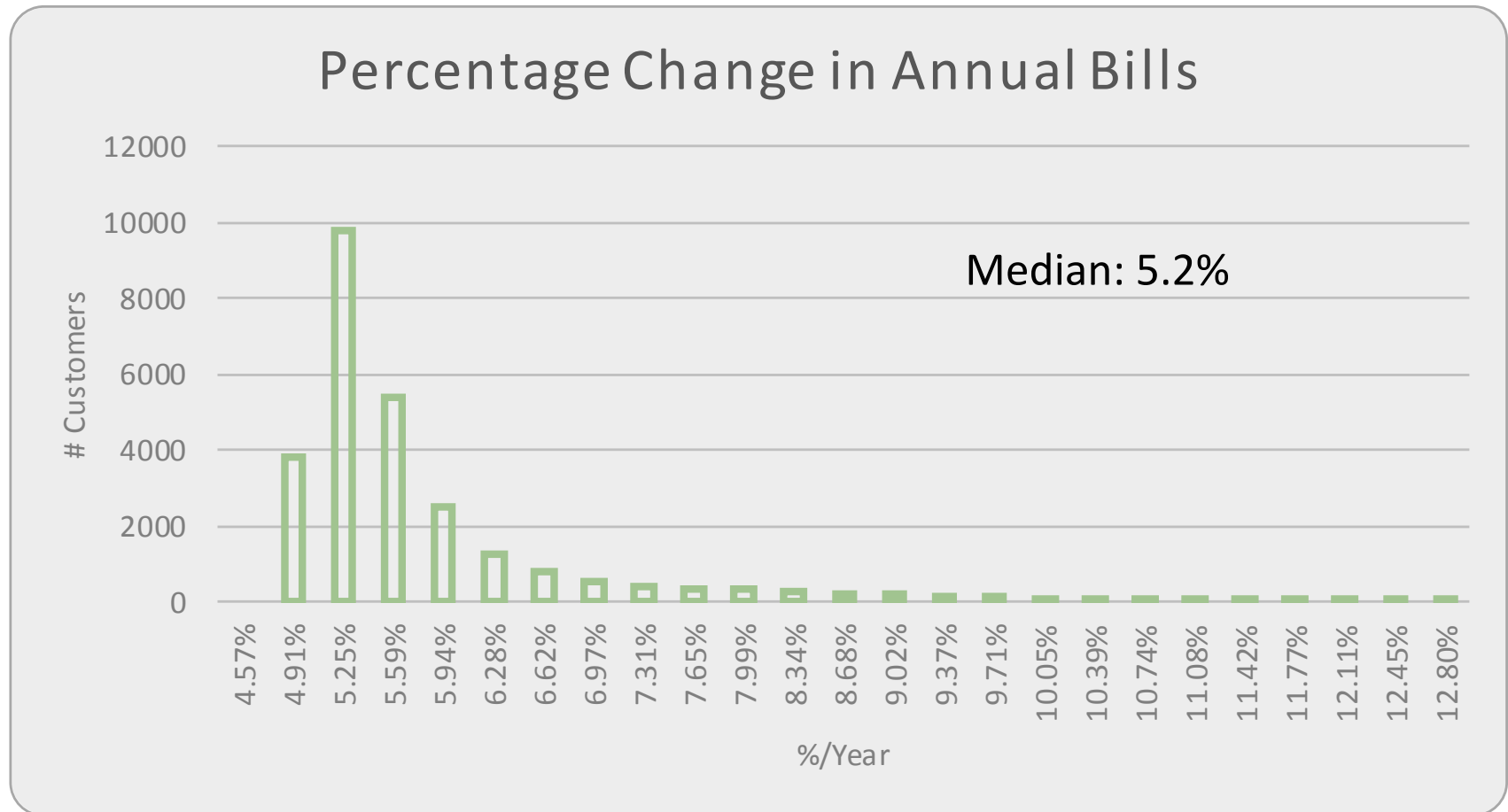
Rate Proposal – Residential Service

Rate Impact Analysis - % Change (Phase I)



Rate Proposal – Residential Service

Rate Impact Analysis - % Change (Phase I)



Rate Proposal – Small Commercial Service

Class Characteristics

Small Commercial Class Characteristics (Test Year)

Class Meters:	2,353
Class Annual Sales (kWh):	26,763,760
Average Monthly Sales per Customer (kWh):	854
Average Monthly Demand per Customer (kW):	4.60
Average Monthly Load Factor (%):	28%

Rate Proposal – Small Commercial Service

Phase I Rate Changes / Current Rates / COS Rates

Item/Rate - Small Commercial	Current	Proposed (Phase 1)	COS
Customer Charge (\$/Month) - 1 Phase	\$7.50	\$8.39	\$27.58
Customer Charge (\$/Month) - 3 Phase	\$22.50	\$23.39	
Energy Charge (\$/kWh)	\$0.1004	\$0.1006	\$0.0466
Green Energy Charge - GEF (\$/kWh)	\$0.00018	\$0.00018	\$0.00
PPA Charge (\$/kWh)	(\$0.0086)	(\$0.0038)	(\$0.0038)
Demand Charge (\$/kW)*	\$0.00	\$0.00	\$17.16
Average Monthly Bill**	\$98.23	\$103.78	
Average Rate (\$/kWh)	\$0.1036	\$0.1095	\$0.1484
Difference (%)		5.65%	43.17%

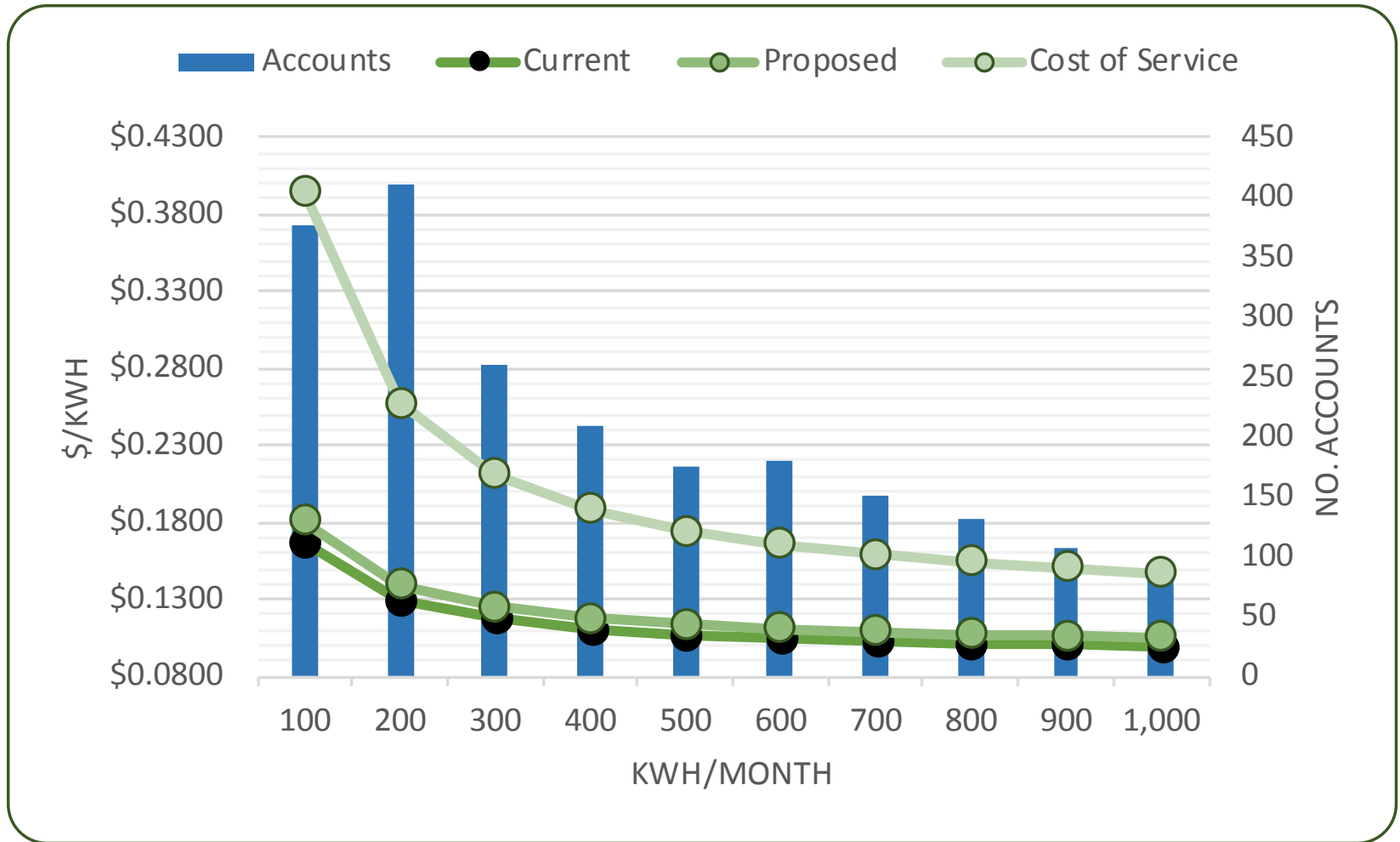
* No Demand Charge for Small Commercial Customers

**Excludes Public Utility Tax

Based on 2017 Billing Database Analysis

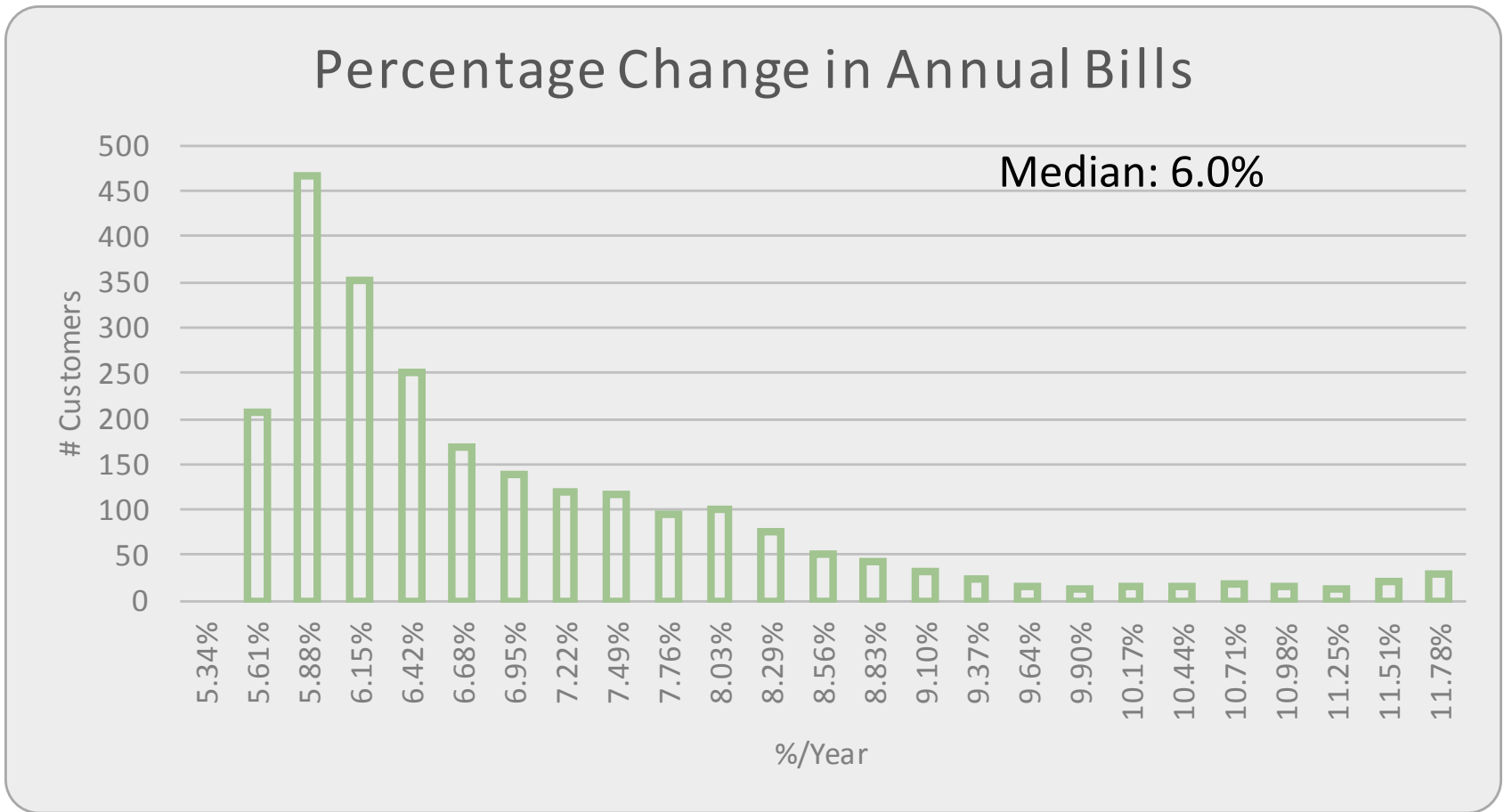
Rate Proposal – Small Commercial Service

Rate Curve Analysis



Rate Proposal – Small Commercial Service

Rate Impact Analysis - % Change (Phase I)



Rate Proposal – Medium Commercial Service

Class Characteristics

Medium Commercial Class Characteristics (Test Year)

Class Meters:	595
Class Annual Sales (kWh):	44,548,720
Average Monthly Sales per Customer (kWh):	6,176
Average Monthly Demand per Customer (kW):	22
Average Monthly Load Factor (%):	39%

Rate Proposal – Medium Commercial Service

Phase I Rate Changes / Current Rates / COS Rates

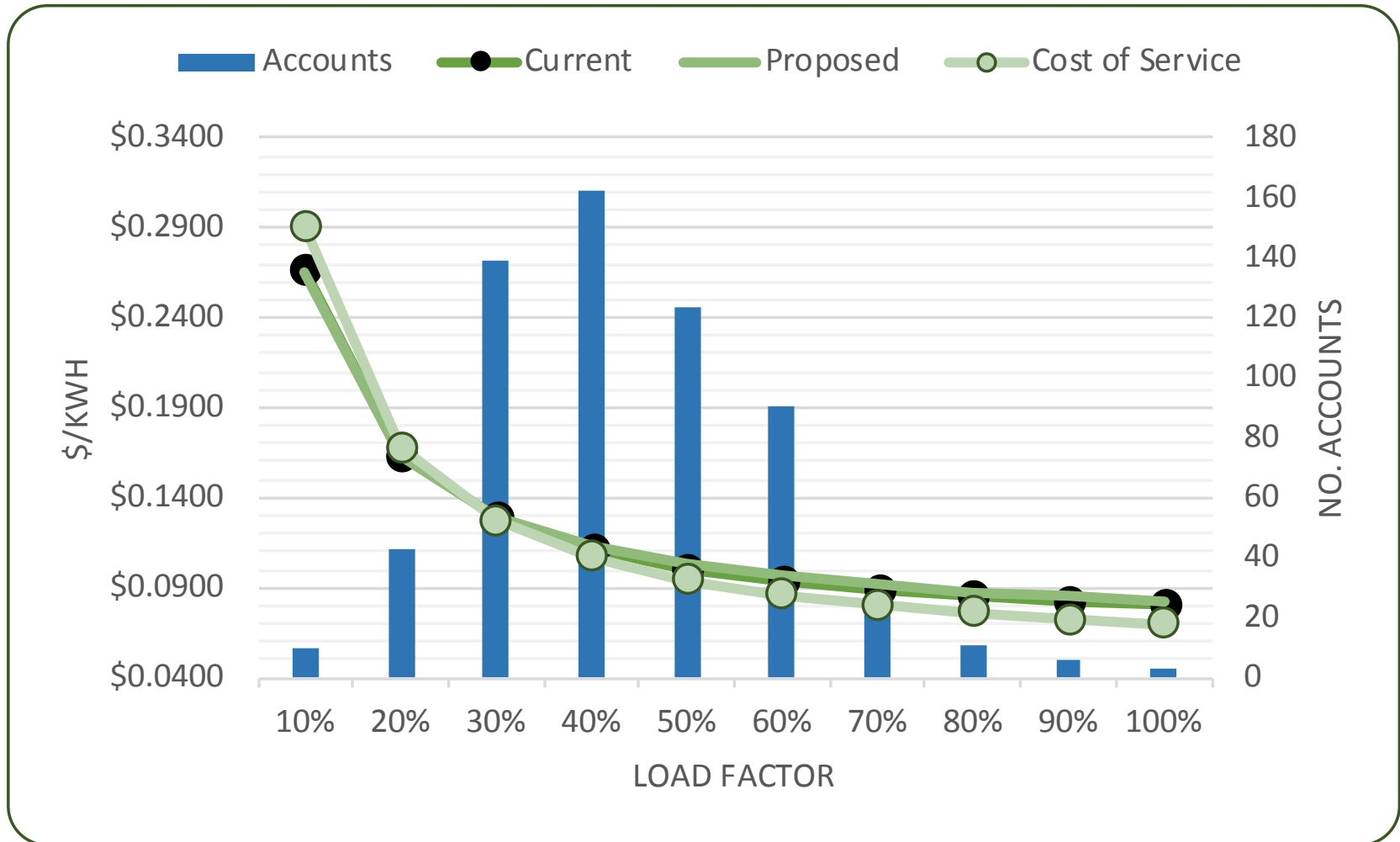
Item/Rate – Medium Commercial	Current	Proposed (Phase 1)	COS
Customer Charge (\$/Month) - 1 Phase	\$7.50	\$11.73	\$28.77
Customer Charge (\$/Month) - 3 Phase	\$22.50	\$26.73	
Energy Charge (\$/kWh)	\$0.0677	\$0.0658	\$0.0487
Green Energy Charge - GEF (\$/kWh)	\$0.00018	\$0.00018	\$0.00
PPA Charge (\$/kWh)	(\$0.0086)	(\$0.0038)	(\$0.0038)
Demand Charge (\$/kW)	\$13.95	\$13.40	\$16.41
Average Monthly Bill*	\$689.56	\$699.39	
Average Rate (\$/kWh)	\$0.1106	\$0.1122	\$0.1067
Difference (%)		1.43%	(3.55%)

*Excludes Public Utility Tax

Based on 2017 Billing Database Analysis

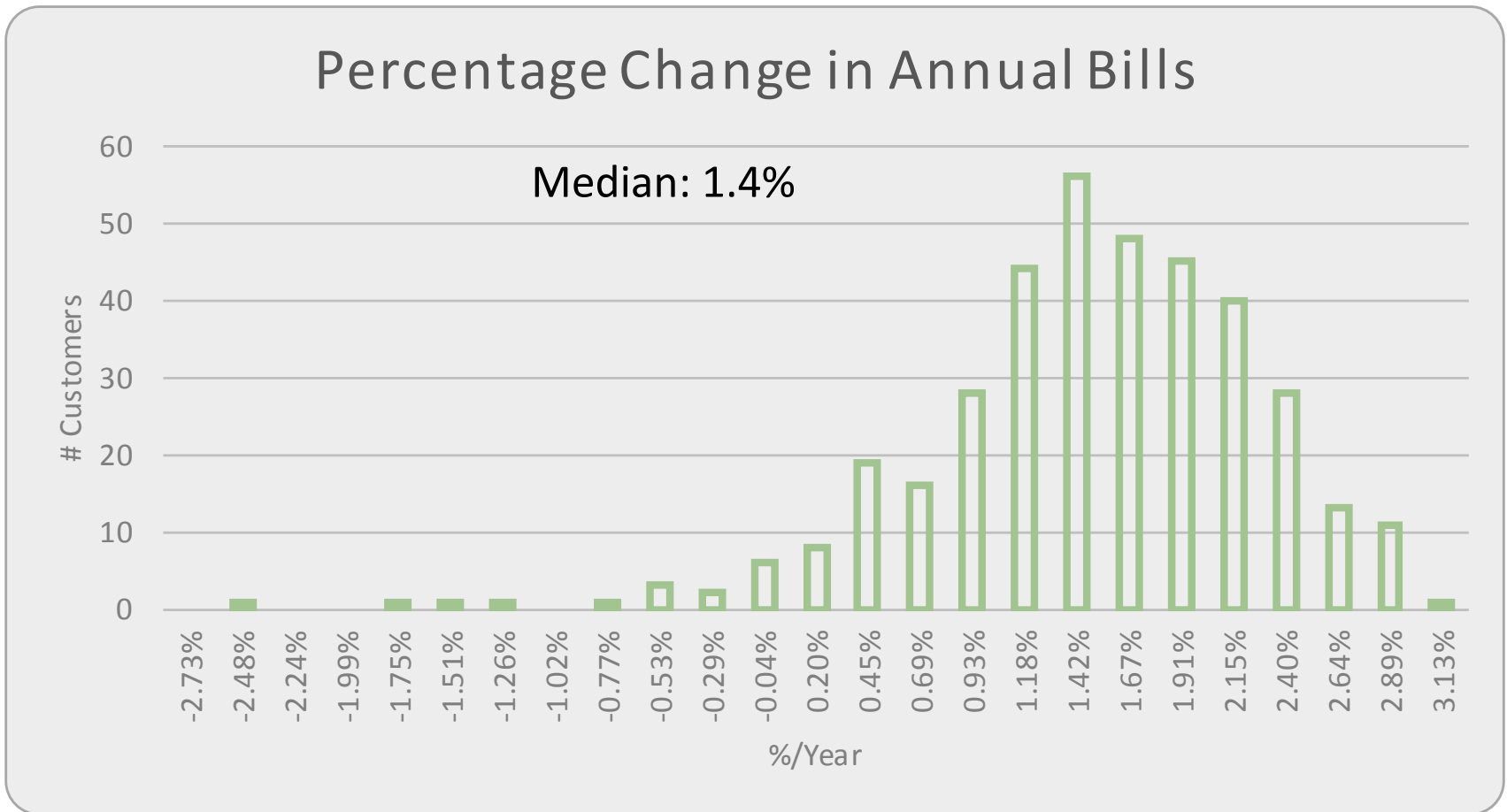
Rate Proposal – Medium Commercial Service

Rate Curve Analysis



Rate Proposal – Medium Commercial Service

Rate Impact Analysis - % Change (Phase I)



Rate Proposal – Large Commercial Service

Class Characteristics

Large Commercial Class Characteristics (Test Year)

Class Meters:	448
Class Annual Sales (kWh):	162,084,240
Average Monthly Sales per Customer (kWh):	28,435
Average Monthly Demand per Customer (kW):	85
Average Monthly Load Factor (%):	46%

Rate Proposal – Large Commercial Service

Phase I Rate Changes / Current Rates / COS Rates

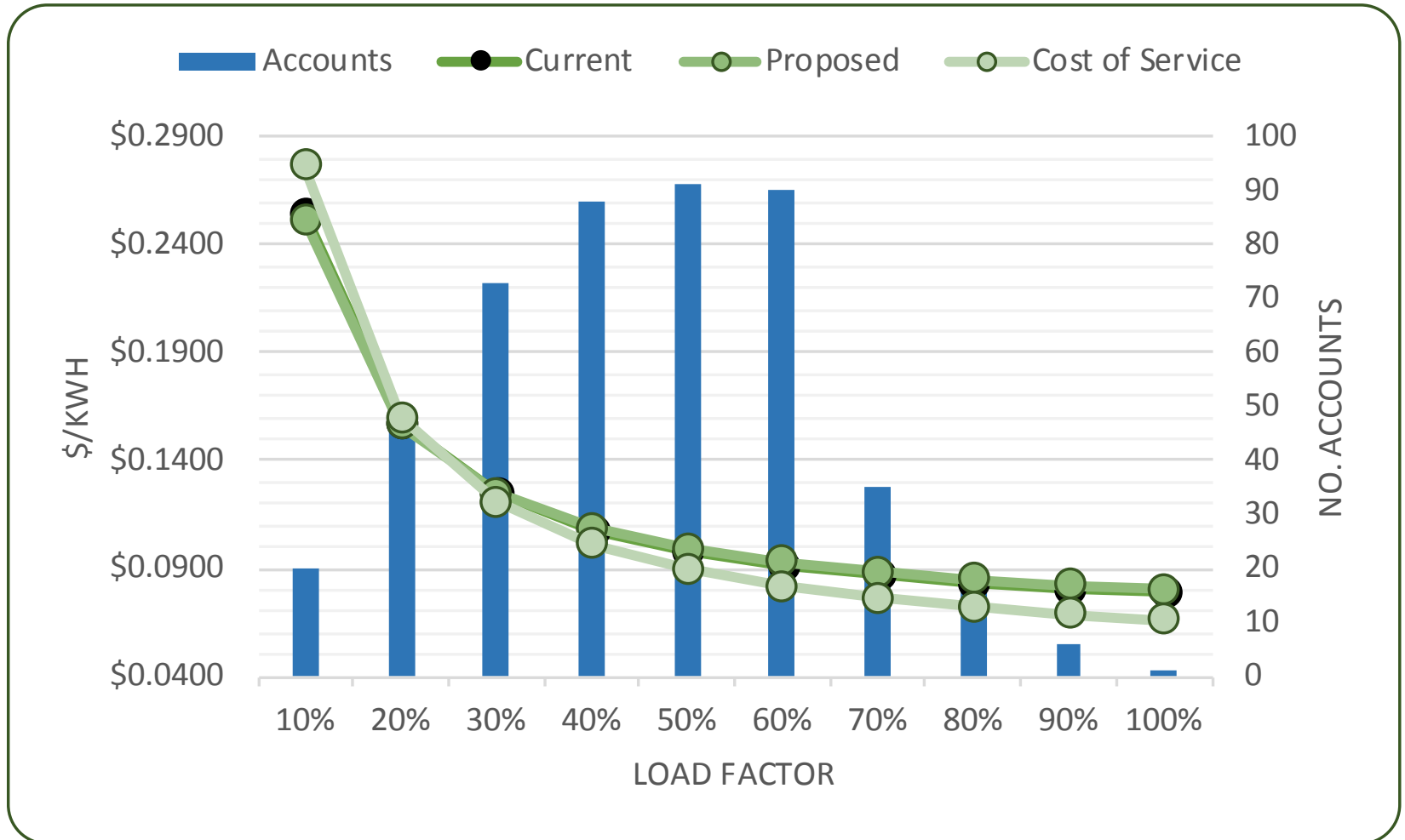
Item/Rate - Large Commercial	Current	Proposed (Phase 1)	COS
Customer Charge (\$/Month)	\$22.50	\$30.11	\$34.43
Energy Charge (\$/kWh)	\$0.0677	\$0.0647	\$0.0466
Green Energy Charge - GEF (\$/kWh)	\$0.00018	\$0.00018	\$0.00
PPA Charge (\$/kWh)	(\$0.0086)	(\$0.0038)	(\$0.0038)
Demand Charge (\$/kW)	\$13.90	\$13.38	\$16.50
Average Monthly Bill*	\$3,130	\$3,142	
Average Rate (\$/kWh)	\$0.1037	\$0.1041	\$0.0918
Difference (%)		0.40%	(11.46%)

*Excludes Public Utility Tax

Based on 2017 Billing Database Analysis

Rate Proposal – Large Commercial Service

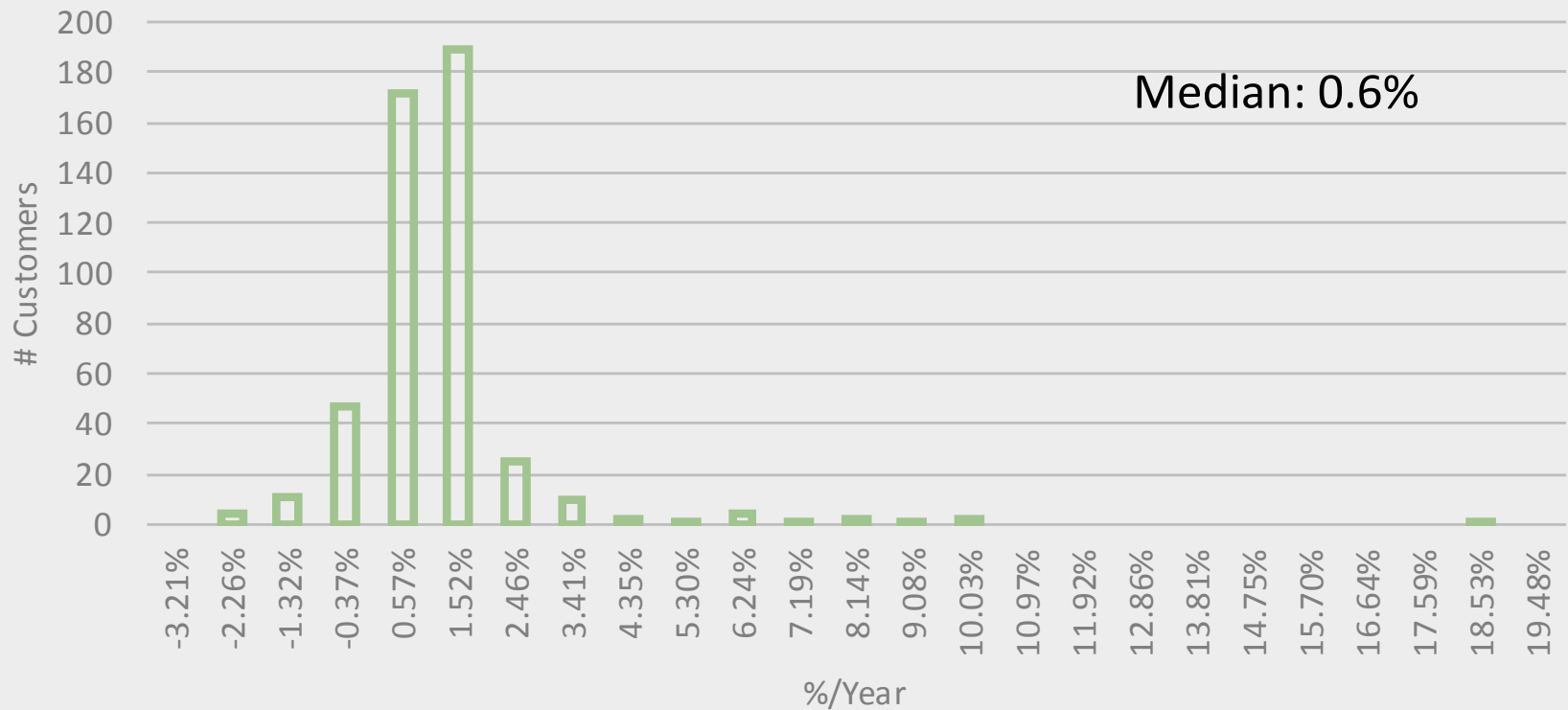
Rate Curve Analysis



Rate Proposal – Large Commercial Service

Rate Impact Analysis - % Change (Phase I)

Percentage Change in Annual Bills



Rate Proposal – Primary Commercial Service

Class Characteristics

Primary Commercial Class Characteristics (Test Year)

Class Meters:	43
Class Annual Sales (kWh):	188,909,620
Average Monthly Sales per Customer (kWh):	385,950
Average Monthly Demand per Customer (kW):	957
Average Monthly Load Factor (%):	56%

Rate Proposal – Primary Commercial Service

Phase I Rate Changes / Current Rates / COS Rates

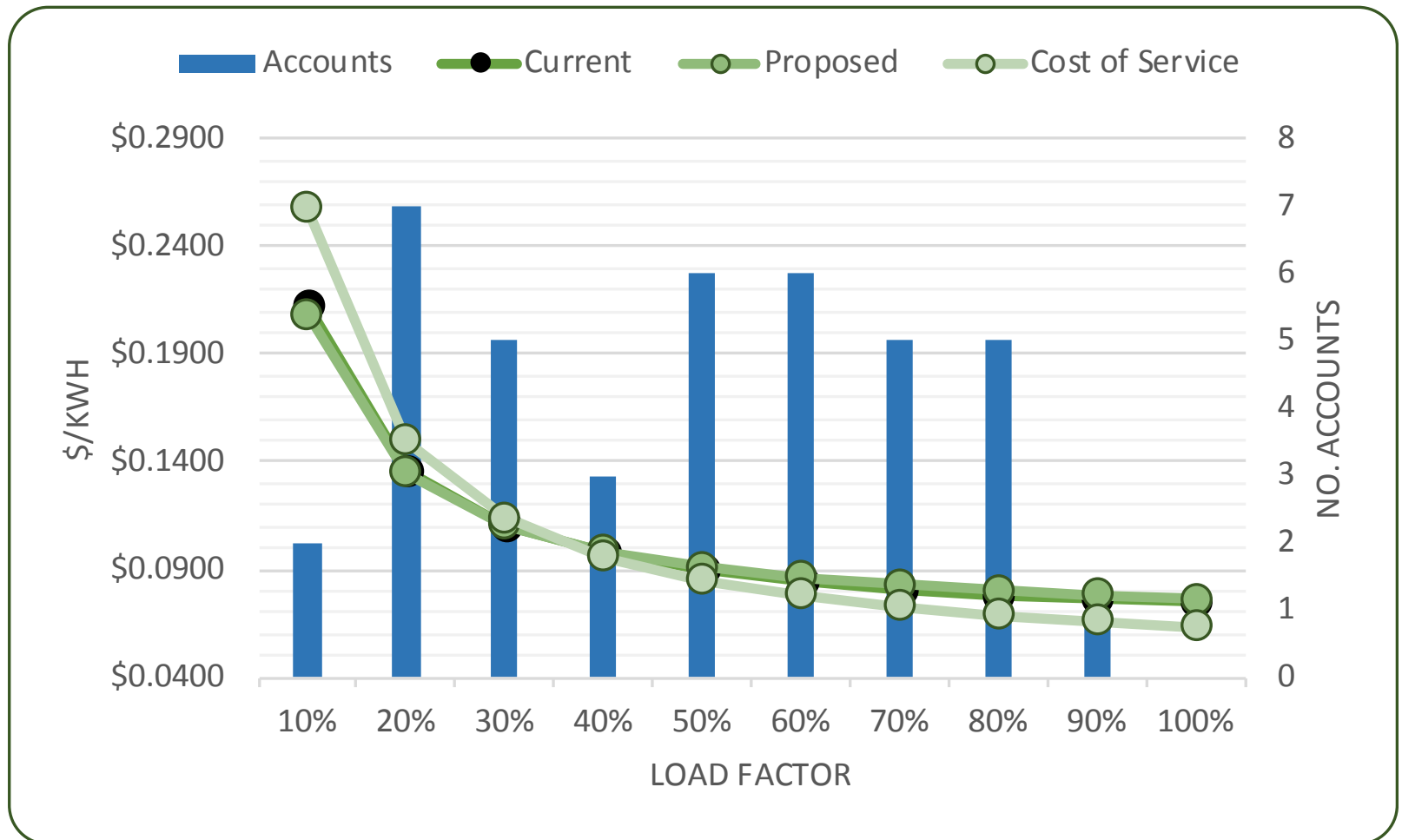
Item/Rate - Primary	Current	Proposed (Phase 1)	COS
Customer Charge (\$/Month)	\$15.00	\$19.66	\$37.71
Energy Charge (\$/kWh)	\$0.0676	\$0.0654	\$0.0456
Green Energy Charge - GEF (\$/kWh)	\$0.00018	\$0.00018	\$0.00
PPA Charge (\$/kWh)	(\$0.0086)	(\$0.0038)	(\$0.0038)
Demand Charge (\$/kW)	\$11.25	\$10.67	\$15.68
Average Monthly Bill*	\$32,448	\$32,831	
Average Rate (\$/kWh)	\$0.0886	\$0.0896	\$0.0792
Difference (%)		1.18%	(10.60%)

*Excludes Public Utility Tax

Based on 2017 Billing Database Analysis

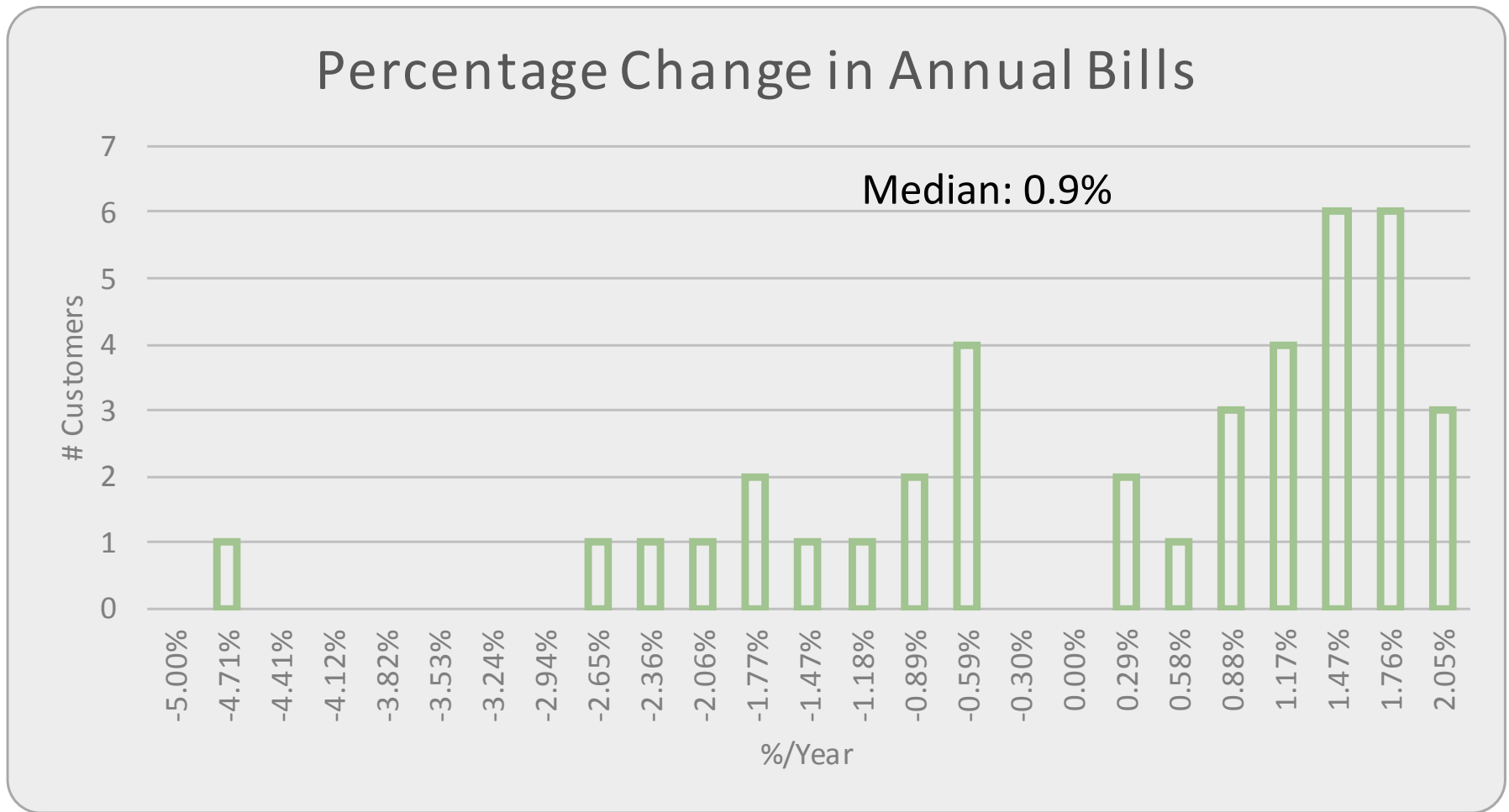
Rate Proposal – Primary Commercial Service

Rate Curve Analysis



Rate Proposal – Primary Commercial Service

Rate Impact Analysis - % Change (Phase I)



Rate Proposal – Transmission Service

Class Characteristics

Transmission Class Characteristics (Test Year)	
Class Meters:	4
Class Annual Sales (kWh):	112,077,720
Average Monthly Sales per Customer (kWh):	2,385,305
Average Monthly Demand per Customer (kW):	4,413
Average Monthly Load Factor (%):	32%

Transmission Class: DAFB, Kraft, P&G and White Oak Solar

Rate Proposal – Transmission Commercial Service

Phase I Rate Changes / Current Rates / COS Rates

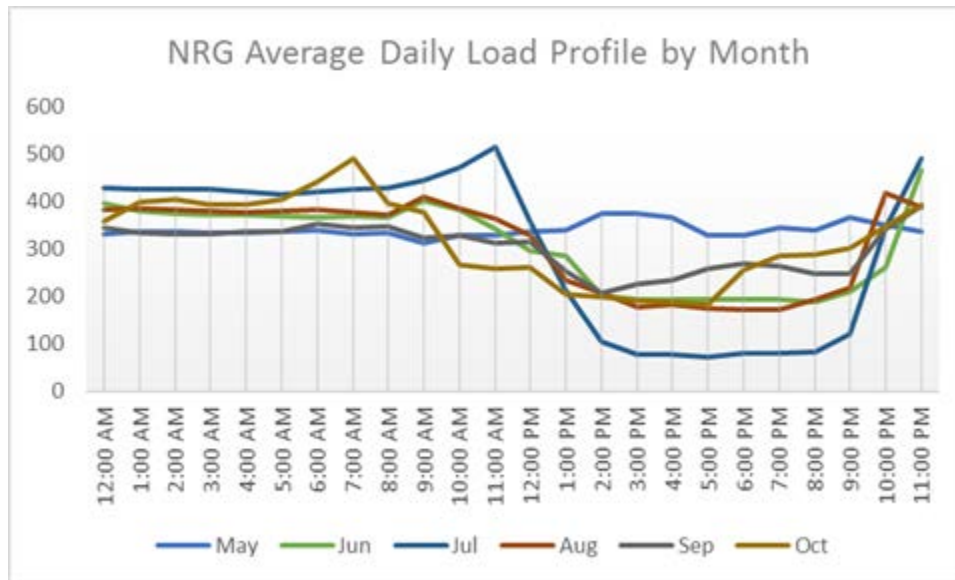
Item/Rate - Transmission	Current	Proposed (Phase 1)	COS
Customer Charge (\$/Month)	\$0.00	\$0.00	\$46.76
Energy Charge (\$/kWh)	\$0.06370	\$0.06180	\$0.0450
Green Energy Charge - GEF (\$/kWh)	\$0.00018	\$0.00018	\$0.00
PPA Charge (\$/kWh)	(\$0.0086)	(\$0.0038)	(\$0.0038)
Demand Charge (\$/kW)	\$10.50	\$9.80	\$14.21
Average Monthly Bill*	\$173,709	\$177,369	
Average Rate (\$/kWh)	\$0.0743	\$0.0759	\$0.0695
Difference (%)		2.11%	(6.50%)

*Excludes Public Utility Tax

Based on 2017 Billing Database Analysis

Rate Proposal – Transmission Service (Supplemental)

- Transmission – Federal
 - Maintain discount on energy (\$0.002/kWh)
- 69 kV Transmission for NRG 88 MW EWG



System Peak:

May: 4:00 PM
June: 3:00 PM
July: 4:00 PM
Aug: 4:00 PM
Sept: 5:00 PM
Oct: 4:00 PM

Rate Proposal – Transmission Service (Supplemental)

- 69 kV Transmission for NRG 88 MW EWG
 - Currently on Transmission Rate
 - \$10.50 / kW
 - \$0.06370 / kWh
 - Proposed Rate
 - \$7.96 / kW
 - \$0.0618 / kWh
 - Implement annual on-peak penalty

Other Rates

- **Business Retention Rate**
 - Maintain discount
- **Private Outdoor Lighting**
 - No change to lighting rates
 - New LED lights at equivalent lumen rate



Discussion

PROPOSED CHANGES TO:



**CITY OF DOVER
DEPARTMENT OF FINANCE
PROCEDURE MANUAL**

TITLE: Grant Application Procedures

PROCEDURE # 317

DATE: November 2, 2007

REVISED: November 7, 2014

Introduction

This procedure is intended to establish clear directions for accounting for and administering the funds and resources received by the City through Federal, State, and other Grants.

It is the City's policy to strictly prohibit any political activities related to Federal, State and other political subdivision assisted programs. The City's employees will not engage in such activities nor spend City funds or grant funds in such activities.

Definitions

"Closeout": The process of finalizing a grant project, including completion of the final financial reports, determination of cash balances, accomplishment of necessary accounting entries and placing all project files in a manageable holding system.

"Department": Departments are the major organizational sub-divisions. They have a broad overall purpose. The City of Dover is organized into departments as follow: Customer Services, Parks & Recreation, Library, Public Works, Police, Public Utilities, Mayor, **Economic Development**, Procurement & Inventory, City Clerk, City Manager, Information Technology, Finance, Human Resources, and **Tax Assessor**.

"Grants": Funds and resources procured by the City which are restricted as to usage by the government or institution providing the funds. Usually, there is an application process whereby the City provides evidence of its need for the funds, its ability to use the funds in a manner approved by the grantor, and detailing the expenditures expected to be incurred. The primary grant providers to the City are the Federal and State governments.

"In Kind Match": A grant where the required match is not a cash contribution, but is existing personnel time, equipment or material made available for the purpose of the grant.

"Matching Funds": Dollars that must be available in order to qualify for a grant. Often grantors will not support the entire cost of a project and require that the applicant provides a certain share of the project cost from other sources.

"NOFA": Notice of funding availability. Grant-making agencies issue a NOFA to solicit applications.

“OMB Circular A-87”: Establishes principles and standards for determining costs for Federal awards carried out through grants, cost reimbursement contracts, and other agreements with State and local governments.

“Pass-Through Entity”: a non-Federal entity that provides a subaward to a subrecipient to carry out part of a Federal program.

“Subaward”: an award of financial assistance in the form of money, or property in lieu of money, made under an award by a recipient to an eligible subrecipient or by a subrecipient to a lower tier subrecipient. The term includes financial assistance when provided by any legal agreement, even if the agreement is called a contract.

“Subrecipient”: a legal entity to which a subaward is made and which is accountable to the recipient for the use of the funds provided.

Departmental Grant Application Decision Making Process

1. The Departments are responsible for seeking out new grant resources. The Department shall analyze the need and future costs of a grant before applying for a grant. A number of questions shall be considered by the department before determining whether a grant application is appropriate. A **Department Grant Application Analysis Form** to be completed by each department can be found in Appendix A.
2. A copy of the **Department Grant Application Analysis Form** should be maintained in the grant folders at the department level and copies distributed to the City Manager and Finance Director for budgeting and auditing purposes.
3. If the annual project/program cost in excess of the grant award exceeds \$25,000 Council approval is required. A copy of the **Department Grant Application Analysis Form** should accompany the appropriate approval forms.

Grant Application Process

1. The Application process is the most critical step. The requesting department prepares the grant application package and submits the approved, completed grant packages to the proper grantor institution. The reviewing body will make their decision solely upon the evidence of need as shown in the application. Therefore, a well-documented proposal is imperative. Departments should review the requirements of the application closely.
2. City Council must approve the application of all grants which require a ‘monetary’ match in funds of \$25,000 or more from the City of Dover or if the grant requires City Council approval. Grants requiring ‘in-kind’ matches do not need Council approval. The Department shall be responsible for acquiring City Council approval before applying for grants with these requirements. Please note if the grant and match have been fully identified in the approved budget, Council approval shall be met. This procedure does not negate any requirements of the City Purchasing Policy.
3. The application cannot be submitted to a grantor for consideration without the written approval of the Department Head regardless of the amount. A copy of the application with the Department Head’s signature should be kept on file within the submitting department.

4. The requesting department will be responsible for ensuring that all approved applications are signed by the Mayor or appropriate official prior to submission.

Grant Award/Post Award Process

1. The requesting department receives the grant award letter. Federal award notification is received by email. If the City is awarded the grant, a Committee Action Form (CAF) is to be prepared for the Legislative, Finance & Administrative Committee to approve the grant award. The CAF shall include any non-grant funded expenses listed in the '**Department Grant Application Analysis Form**' for the current and future fiscal years. The application must include the CFDA# for federal programs and follow the most recently published Office of Justice Financial Guide.

Several types of state funded grants are awarded to local law enforcement agencies state- wide based on annual allocations of funds approved by the State Legislature and quarterly applications for funds resulting from property and drug seizures. The Police Department must conform to the grantor requirements for spending these funds, as well as any procedures for pass through Federal Grants as provided above. The Police Chief approves the application for and disbursing of these particular funds.

2. A grant records file shall be maintained and updated by the requesting department for each application throughout the grant process, including the final accounting and closeout. The file shall consist of, at a minimum, the application, acceptance letter and a spreadsheet detailing cash receipts and disbursements. The Department must maintain records of expenditures including any appropriate supporting documentation in accordance with the Federal/State grant guidelines and City's retention policy. The expenditures must be reviewed to determine if they are an eligible expense under the grant agreement.
3. Confidential records supporting expenditures for informant funds etc, used by the Police Department will be maintained in accordance with current policies and procedures for the department. Procedural notice 42 Criminal Investigations, section VII outlines those procedures to be followed by the Police Department.
4. The Department Head, or his/her designee, shall monitor the status of the grant application and the subsequent award.
5. The original signed grant contract shall be added to the appropriate grant file and identified with a contract number and the performance period.
6. Copies of all documents are to be provided to the Finance Department to monitor compliance and completion of the annual audit.
7. Where applicable, Public Hearings and Advisory Board Meetings must be held in accordance with the grantor requirements throughout the term of the grant.

Subawards and Monitoring Procedures

1. The requesting department receiving the grant award is the award recipient. If the department is approved or required to make subawards for a Federal grant received, the department is also considered a pass-through entity. For these types of grants, the department must ensure the identifying Federal award information and applicable compliance requirements, including applicable special conditions, are clearly designated in the subrecipient award agreement. The subaward or agreement must, at a minimum, include the following information:
 - A. Catalog of Federal Domestic Assistance (CFDA) title and number
 - B. Award name and number
 - C. Name of the Federal awarding agency
 - D. Activities to be performed
 - E. Period of performance
 - F. Project policies
 - G. Original award flow-through requirements that are applicable to the subrecipient
 - H. Instructions and procedures for subaward monitoring compliance
 - I. Other policies and procedures that may apply and need to be followed
 - J. Dollar limitation of the agreement
 - K. Cost principles to be used in determining allowable costs

2. In addition, the department must complete the actions required during the grant program to monitor the subrecipient's use of Federal funds. The methods of monitoring may vary. Following are some of the factors that may be considered in determining the nature, timing, and extent of monitoring:
 - A. Programs with complex compliance requirements that may have a higher risk of non-compliance.
 - B. The larger the percentage of program awards passed through, the greater the need for subrecipient monitoring.
 - C. Larger dollar awards are of greater risk.
 - D. Subrecipients may be evaluated as higher risk or lower risk to determine the need for closer monitoring. Generally, new subrecipients may require closer monitoring. For existing subrecipients, based on results of during-the-award monitoring and subrecipient audits, a subrecipient may warrant closer monitoring (e.g., the subrecipient has a history of non-compliance as either a recipient or subrecipient, new personnel, or new or substantially changed systems).

3. Some of the mechanisms that may be used to monitor subrecipient activities throughout the year include:
 - A. Review monthly financial and performance reports submitted by the subrecipient.
 - B. Perform subrecipient site visits to examine financial and programmatic records and observe operations.
 - C. Review detailed financial and program data and information submitted by the subrecipient when no site visit is conducted. Documents to review might include timesheets, invoices, contracts, and ledgers that tie back to financial reports.
 - D. Regular communication with subrecipients and appropriate inquiries concerning program activities.

4. The purpose of all monitoring activities is to provide reasonable assurance that the subrecipient has administered the pass-through funding in compliance with the laws, regulations, and the provisions of the award and that the required performance goals are being achieved.

Accounting Procedures

1. The Department Head shall request account numbers for grant revenues and expected expenditures from the City Finance office. Where applicable a project number will be assigned to each grant to track receipts and expenses.
2. The Finance Department and Department Head are responsible for maintaining separate records for each grant project to avoid commingling of grant funds.
3. The Department Head is responsible for assuring all grant project funds are expended according to the terms of the grant. All grant project funds must be obligated by the termination date(s) specified in the grant. Any matching funds must be expended and reported timely.
4. The Department Head is responsible for submitting any required reimbursement requests to the grantor as authorized expenditures are incurred. At the end of each fiscal year, the Department Head shall submit to the Finance Department a list of all outstanding reimbursement requests and qualified expenditures incurred, but not submitted to the grantor for reimbursement. Accordingly, the Finance Department shall create a grant receivable entry, reconciling this to the grant activity recorded during the period.
5. Purchase, Invoice and Payment processing shall be in accordance with the City of Dover Purchasing Policy, incorporated into this procedure by this reference. Payroll processing shall be in accordance with City payroll procedures.
6. Retention of records shall be in accordance with the State of Delaware's Local Government General Records Retention Schedule for Grants, which specifies grant financial files are to be retained for ~~five~~ ~~three~~ years after submission of the grant closeout letter and successful audit.
7. Requests for drawdown of funds must be in accordance with award requirements specified by the grantor.
8. Receipts are received and entered into the General Ledger by the Finance Department.
9. The Department Head is responsible for maintaining records of all inventory purchased and are to provide an updated copy to the Finance Department June 30 each year for audit purposes. All records for equipment, non-expendable personal property and real property shall be retained for a period of at least three years from the date of the disposition, replacement, or transfer.
10. Records must be maintained for each non-expendable item that costs \$5,000 or more and has a useful life of one year or more. The Department Head shall send the invoices and appropriate backup data to the Finance Department for recording in the Capital Asset System.
11. The Department Head is responsible for timely submission of reports to the grantor as required under the terms of the grant.

12. The Department Head is responsible for submitting quarterly and final Financial Status Reports (FSR's) for grants if required under the terms of the grant. A copy of any FSR must be submitted to the Finance Department before being sent to the grantor. Finance shall reconcile amounts reported on the FSR with the amounts recorded in the City's accounting system. Any discrepancy shall be resolved by the Department Head and communicated to the Finance Department.
13. The Department Head is responsible for performing and monitoring closeout activities.
14. Any unexpended funds shall be returned to the grantor and any interest earned on cash balances shall be disbursed in accordance with the grant requirements.
15. The Finance Department is responsible for preparing Form SF-SAC, "Data Collection Form for Reporting on Audits of States, Local Governments, and Non-Profit Organizations," in accordance with Federal OMB Circular A-133.
16. A quarterly report will be presented to City Council by the Finance Department for all grants.

Control of Grant Funds

1. Interest earned and expended is promptly recorded in the accounting records and reported on the FSR's. FSR's are due 45 days after the end of the calendar quarter.
2. Grant funds and interest earned is expended by the end of the allowable period.
3. Matching funds are expended and reported timely.
4. Final FSR's are submitted timely.
5. The Department Head will ensure grant requirements are met and if necessary will request changes from the grantor 60 days before the end of the award period.
6. Draw down of Federal funds will be initiated after the Department submits the quarterly FSR's. This ensures that the department has already paid for the cost of goods or services incurred on behalf of Federal grants. Any funds received in advance will be placed in an interest earning account.
7. Department Heads ensure matching funds are spent and that related expenditures are tracked for reporting purposes.
8. Department Heads will obtain permission from federal grantees to spend the interest earned as part of the grant proceeds. They will request a Budget Adjustment Request to augment grant budgets with interest earned revenues that they have received.

DISTRIBUTION

Mayor
City Manager

CDBG Director
Department Heads

Police Department



General Order 17 BUDGET AND PURCHASING PROCEDURES

I. PURPOSE

The purpose of this order is to outline the responsibilities associated with budgeting and purchasing, and the procedures to be followed in carrying out those responsibilities

II. POLICY

The Dover Police Department will manage all budget, grant and purchasing procedures in accordance with the procedures established by the City of Dover. If a conflict between the city procedures and established grant guidelines occurs, the grant guidelines will be followed.

III. BUDGET PROCESS

The Police Resources Manager is responsible for all actions associated with budget preparation and management. These duties include the following:

- A. Request inputs for the annual budget from the Chief of Police, Deputy Chief and Division/Unit Commanders for use in budget planning and preparation.
- B. Prepare a draft budget and follow-up documents using procedures established by the City of Dover.
- C. Review all expenditures throughout the fiscal year and make recommendations to the Chief of Police for any required budget revisions.

IV. GRANT PROCESS

The Police Resources Manager is also responsible for all actions associated with the preparation of grant applications, management, and reporting to include the following duties:

- A. Request inputs for grant applications from the staff for use in their preparation.
- B. Perform all grant management and oversee all purchasing actions.
- C. Prepare financial grant status reports as required. For granting agencies that require the submission of both financial and program status reports, the Police Resources Manager will be responsible for the financial reports and the Administrative Division Commander will complete the program reports. The separation of these duties is mandated by Federal grant guidelines for internal control purposes.
- D. Perform subgrant monitoring as required. There are police grants that may be awarded on a joint basis due to a disparate funding situation identified by the granting agency. The prime example of this includes recurring law enforcement grants the police department receives from the Federal Department of Justice. For these grants, the Dover Police Department shares its award with other agencies as identified in the grant funding authorization document which is published on the USDOJ website at the time of the grant solicitation. Since the Dover Police Department usually is awarded the larger share of funds on these grants, it

becomes the pass-through entity and makes subawards to the other agencies on the joint awarded grant. The following procedures will apply:

1. Grant subawards will be issued and contain any applicable information as identified in the City's Grant Application Procedures (Procedure 317). However, all grant purchases will be made and paid for directly through the City of Dover's financial systems, so the Dover Police Department will ensure all grant purchases comply with the City of Dover Purchasing Policy.
2. Subrecipient monitoring: the grants received in the past were awarded jointly to the Dover Police Department, Smyrna Police Department and Kent County for purchases of law enforcement equipment and/or training. The funding for the subrecipient shares did not exceed \$25,000, so there is less risk involved with completing these types of purchases. As a result, monitoring procedures will include: the review of the program and financial documentation submitted for the grant purchases to ensure they comply with the City of Dover Purchasing Policy and verification that the purchases were made and the required equipment lists are provided to close the grant.
3. The monitoring instructions above will be outlined in the Memorandum of Understanding that is required to be submitted as part of the grant application and in the grant subaward document.

V. PURCHASING PROCEDURES

The Central Services Coordinator is primarily responsible for all department purchases. Additional personnel may be authorized to make purchases by the Chief of Police. The following procedures will be followed:

- A. All purchases will comply with the City of Dover Purchasing Policy.
- B. Commanding officers will be held accountable for those portions of the agency's budget that relate to their functions. Requests for purchases will be based on the approved budget and made through the chain of command to the Police Resources Manager and Central Services Coordinator:
 1. Daily Operating Supplies include office, computer and custodial supplies, uniform items, and other similar items that do not require any special bid actions.
 - a. Ordering - Requests for these items will be provided to the Central Services Coordinator via personal memorandum from the staff or using the Dover Police Department Requisition form. Verbal or voicemail requests will not be honored because there is no audit trail
 - 1) A copy of the form is included in Attachment A and is maintained in the forms directory on the I drive on the department server.
 - 2) This form was created using a workflow application which will automatically route the form electronically through the chain of command via email for the appropriate approvals. As a result, please do not photocopy the form and fill it out manually.
 - a. Pick-up - Once the items have been received, the Central Services Coordinator will notify the individual that the item is in and will coordinate a time for pick-up.

- b. Occasionally, the requestor may need to pick-up ordered items directly from the local vendor. To maintain accountability of the items, approval must be obtained from the Central Services Coordinator prior to pick-up. In addition, the person making the pickup will ensure the receipt for the items is provided to the Central Services Coordinator as a written receipt/verification for all items is required by Finance to make the payment.
 2. Special order items include non-stocked items such as specialized equipment; grant funded equipment, etc.
 - a. Ordering – Requests for these items will be provided to the Central Services Coordinator via personal memorandum for items costing \$5,000 and less or Dover PD Bid Summary form for items valued over \$5,000.
 - b. Bid Information and process – Requestors must perform research to provide bidding information. The minimum information needed to process the request includes: item description, quantity and recommended sources. Three sources are needed and identify vendor names and phone numbers. The Central Services Coordinator will contact the vendors to obtain their particular item specifications. Once the information is received, the Central Services Coordinator will coordinate with the City's Purchasing Agent for formal bids, when required to order the item.
 - c. Pick-up - Once the order is filled and items have been received, the Central Services Coordinator will notify the individual that the item is in and will coordinate a time for pickup.
 3. Exceptions – the only exceptions recognized to the above guidelines apply to the ordering of computer equipment, computer software, building maintenance supplies, weapons and ammunition. The Department LAN Technician, Special Operations Response Team (SORT) Commander, and Building Craftsperson in coordination with the Central Services Coordinator or Police Resources Manager will order these types of items respectively, **and in accordance with the City of Dover purchasing policy.**
- C. All invoices and receipts for items received will be reviewed by the Central Services Coordinator and forwarded to the Police Resources Manager for further processing.
- D. The Police Resources Manager will prepare the necessary documentation required for payment through the City of Dover financial systems. Approval of purchases will be accomplished by the Police Resources Manager or other designee as authorized by the Chief of Police.

VI. ACCOUNTING PROCEDURES

- A. The Police Resources Manager will maintain records of all invoices and payments throughout each fiscal year. A record of all transactions will be maintained for each line item account, including all grant accounts with the exception of salary and fringe benefit accounts.
- B. Accounts established for Petty Cash transactions will be managed in accordance with the City of Dover's Petty Cash Procedures.
- C. All Funds and accounts are subject to the independent audit conducted annually as contracted by the City of Dover.

- D. Accounting of all agency-owned property shall be the responsibility of the Central Services Coordinator in accordance with procedures under separate cover. The Central Services Coordinator shall also be responsible for the maintenance and operational readiness of all stored property.

VII. DEFINITIONS

“Pass-Through Entity”: a non-Federal entity that provides a subaward to a subrecipient to carry out part of a Federal program.

“Subaward”: an award of financial assistance in the form of money, or property in lieu of money, made under an award by a recipient to an eligible subrecipient or by a subrecipient to a lower tier subrecipient. The term includes financial assistance when provided by any legal agreement, even if the agreement is called a contract.

“Subrecipient”: a legal entity to which a subaward is made and which is accountable to the recipient for the use of the funds provided.

VIII. SUPERSEDES

This Procedural Notice supersedes all previous procedures and directives issued orally or in writing that are not in total conformity herewith.

IX. EFFECTIVE DATE

This Procedural Notice shall become effective upon execution and issuance

ORDER EFFECTIVE AND ISSUED THIS ___ day of Mar 2018

Marvin C. Mailey
Chief of Police

Dover Police Department

NOTE: The Requisition Form below is maintained on the I drive forms directory. Please fill out the form from there as it was created using an application that automatically routes the user's request electronically for approvals via email.

BID SUMMARY FORM
-- SAMPLE --

Police Resources Manager Approval

Date

Central Services Coordinator Approval

Date

PFC Smith

4/5/16

Requester

Date

Item Description:

Undercover Joey Wire (4 each)

Funding Source:

Accounting Classification:

EIDE Grant

710-1700-545.20-26

Method of Purchase (Circle One):

Bid

Sole Vendor

Continuity of Service

Declared Emergency

Other - Explain

COMPARISON OF BIDS

Table with 4 columns: Vendor, Contact Person, Phone #, Pricing Info. Rows include Vendor A, Vendor B, and Vendor C with their respective details.

Recommended Vendor: Vendor A

Reason for Award: Lowest Bid