# COUNCIL COMMITTEE OF THE WHOLE

The Council Committee of the Whole met on April 23, 2019 at 6:09 p.m. with Councilman Hare presiding until the arrival of Council President Slavin (arrived at 6:17 p.m.). Members of Council present were Mr. Anderson, Mr. Neil, and Mr. Polce. Mr. Sudler, Mr. Cole, and Mr. Lindell were absent. Mayor Christiansen was also present. Civilian members present for their Committee meetings were and Mrs. Haass (*Utility*), and Mr. Shevock (*Legislative, Finance, and Administration*). Mrs. Doyle (*Utility*) was absent.

**By unanimous consent, the agenda was amended to reverse the order of the committees.**

## 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. Polce and unanimously carried.**

**Proposed Resolution No. 2019-06 Authorizing the Issuance and Sale of up to $5,700,000 General Obligation Bond of the City of Dover to Refinance Certain Prior Debt and Authorizing All Necessary Action in Connection Therewith**
Ms. Lori Peddicord, Controller/Treasurer, reviewed proposed Resolution No. 2019-06 Authorizing the Issuance and Sale of up to $5,700,000 General Obligation Bond of the City of Dover to Refinance Certain Prior Debt and Authorizing All Necessary Action in Connection Therewith.

Staff recommended adoption of Resolution No. 2019-06.

Mr. Neil noted that a refinancing typically results in a savings and asked what kind of savings this refinancing would mean to the taxpayers. In response, Mrs. Peddicord stated that she did not have the savings broken out; however, since the assumption is that the rates are going to continuously increase and the 2014 bond is a variable rate bond, there would be a savings over the remaining life of the bond if the City can lock in the rate at 2.5%.

Responding to Mr. Anderson, Mrs. Peddicord stated that she believed the rate for the 2012 bond was 2.6% and she thought the new rate would be close to that.

In response to Mayor Christiansen, Mrs. Peddicord confirmed that no paper certificates of the bonds would be issued, they are all book entry.

Mr. Polce stated that he appreciated staff's due diligence regarding this matter, noting that he thought it would be advantageous to consolidate these bonds.

**Mr. Neil moved to recommend adoption of Resolution No. 2019-06 (Attachment #1), as recommended by staff. The motion was seconded by Mr. Shevock and unanimously carried.**

**Downtown Dover Business Improvement District (BID) Budget and Assessment (Tax) Rates for Fiscal Year 2019-2020**

Mrs. Cheryl Bundek, Tax Assessor, advised members that staff recommended deferring consideration of the Proposed Budget and Assessment (Tax) Rates for Fiscal Year 2019-20 until the next Council Committee of the Whole/Legislative, Finance, and Administration Committee meeting.

Mr. Anderson noted his belief that the current rate was set to zero and asked to see that brought into the comparison when this matter is brought forward for consideration.

**Mr. Neil moved to defer consideration of the Proposed Budget and Assessment (Tax) Rates for Fiscal Year 2019-20 until the next Council Committee of the Whole/Legislative, Finance, and Administration Committee meeting. The motion was seconded by Mr. Shevock and unanimously carried.**

**Proposed Amendments to Employee Handbook - Part-Time Employment Hours and Benefit Eligibility**

Mrs. Kim Hawkins, Human Resources Director, reviewed the proposed amendments to the Employee Handbook regarding part-time employment hours and benefit eligibility.

Staff recommended approval of the Personnel Handbook amendments to provide the ability for non-bargaining part-time positions to work up to 29 hours per week.

Responding to Mr. Neil, Mrs. Hawkins explained that employees who currently work less than 40 hours per week are technically considered part-time. She advised that employees who work 20 hours per week are entitled to sick and vacation time and, if they take off a shift, the City has to backfill four (4) hours, so the City typically keeps part-time employees at 19 hours per week.

In response to Mr. Hare, Mrs. Hawkins confirmed that employees working 29 hours per week would still not be eligible for health insurance, or sick or vacation leave. She stated that, by law, they would still be covered by worker's compensation leave.

Mr. Anderson stated that he thought this was a good proposal, noting that he thought it would help with staff coverage in certain critical divisions, like the Police Cadets. He explained that he thought this would provide more security for the people of the City, and it works well within the Federal standards. He asked that future consideration be given to grant part-time employees eligibility for bereavement leave, noting that it would not cost the City money like vacation time and is not something that accumulates.

Mrs. Hawkins stated that she thought Mr. Anderson brought up an excellent point, and advised members that this amendment would affect the six (6) cadets currently budgeted for, as well as three (3) employees at the recreation center and three (3) employees at the Library.

Mr. Hare stated that he thought that this would be beneficial for those employees because they would be able to earn more money by being able to work 29 hours. He noted that although they would not have benefits, they did not have them before. In response, Mrs. Hawkins reminded members to keep in mind that these employees were hired with the assumption that they would be working 19 hours, so some of them may only want to work 19 hours; however, this amendment would give them the option to work up to 29 hours if they want to. She stated that she would not recommend terminating a current employee to find someone who wants to work 29 hours.

Mayor Christiansen stated that he thought this amendment was a great idea and expressed his hope that Council would endorse it. He noted that during the recruitment process for cadets, they had found that some of them were interested in working more hours than the City would allow. Mayor Christiansen stated that this amendment would allow the cadets to work more hours, which would result in more coverage.

**Mr. Neil moved to recommend approval of the Personnel Handbook amendments to provide the ability for non-bargaining part-time positions to work up to 29 hours per week, as recommended by staff. The motion was seconded by Mr. Shevock and unanimously carried.**

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

Meeting adjourned at 6:22 p.m.

## UTILITY COMMITTEE

The Utility Committee met with Council President Slavin presiding in the absence of Chairman Cole.

**AGENDA ADDITIONS/DELETIONS**
**Mr. Neil moved for approval of the agenda, seconded by Mr. Anderson and unanimously carried.**

**Evaluation of Bids - Generator Maintenance**
Mrs. Sharon Duca, Public Works Director, reviewed the background and analysis for the evaluation of bids for generator maintenance.

Staff recommended awarding a three (3) year contract with the option for two (2) one (1) year extensions to Roy's Electric, Inc. as per the bid submitted in response to ITB #19-0016COD.

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

**By unanimous consent, the Utility Committee meeting adjourned at 6:25 p.m.**

**Mr. Neil moved for adjournment of the Council Committee of the Whole meeting. The motion was seconded by Mr. Hare and unanimously carried.**

Meeting adjourned at 6:25 p.m.

Timothy A. Slavin
Council President

TAS/TM/dd/jt
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Attachments
Attachment #1 - Resolution No. 2019-06

City of Dover

**MAYOR AND COUNCIL**

**PROPOSED COUNCIL RESOLUTION NO. 2019-06**

**A RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF UP TO $5,700,000 GENERAL OBLIGATION BOND OF THE CITY OF DOVER TO REFINANCE CERTAIN PRIOR DEBT AND AUTHORIZING ALL NECESSARY ACTION IN CONNECTION THEREWITH**

**WHEREAS,** the City of Dover (the "City") is authorized pursuant to Section 50, Volume 77, Chapter 130, as amended ("the City Charter") to issue general obligation bonds for the municipal purposes of the City as set forth in a resolution authorizing such issuance; and

**WHEREAS,** pursuant to the City Charter, the City desires to issue a general obligation bond for the municipal purposes set forth herein (the "2019 Bond"); and

**WHEREAS,** the City has previously issued its General Obligation Bond, Series 2012 (the "Series 2012 Bond") on May 24, 2012 for the purpose of financing the costs of certain capital construction projects and improvements, including, but not limited to, (a) the construction of a new Dover Library; (b) a street repaving program; (c) improvements to City Hall, including installation of sprinkler system; and (d) the costs of issuance of the Series 2012 Bond; and

**WHEREAS,** the City has previously issued its General Obligation Bond, Series 2014A (the "Series 2014A Bond") on November 14, 2014 for the purpose of financing the costs of certain capital construction projects and improvements, including, but not limited to, (a) street and storm water infrastructure at the Garrison Oak Technology Park; (b) radio equipment for police and fire operations; (c) self-contained breathing apparatus for firefighters; and (d) the costs of issuance of the Series 2014A Bond; and

**WHEREAS,** the Series 2012 Bond and Series 2014A Bond (collectively, the "Prior Bonds") can be refunded for savings, and the City desires to issue the 2019 Bond to refund the Prior Bonds (the "Refunding Program").

**NOW THEREFORE THE CITY OF DOVER HEREBY ORDAINS (AT LEAST THREE FOURTHS OF THE MEMBERS OF COUNCIL CONCURRING HEREIN):**

Section 1. Amount and Purpose of the Bond. Acting pursuant to the City Charter, the City shall issue its general obligation bond in the maximum aggregate principal amount not to exceed $5,700,000 to finance the cost of the Refunding Program.

The monies raised from the sale of the 2019 Bond (including the investment earnings thereon) after the payment of the costs of issuance, shall be expended only for the purposes authorized herein or as may otherwise be authorized by subsequent action by City Council. Authorized purposes include the refunding

of the Prior Bonds; interest on the 2019 Bond; and the costs of issuance of the 2019 Bond.

Section 2. Terms of the Bond. The 2019 Bond shall be sold to PNC Bank, National Association (the "Lender") pursuant to (a) a proposal dated April 1, 2019, a copy of which is attached hereto and made a part hereof and which is hereby approved by the City, and (b) the other terms and conditions to be contained in a Loan Agreement between the City and the Lender (the "Loan Agreement"). The 2019 Bond shall bear interest at a fixed rate to be determined by the City based on term to maturity, but not to exceed 2.809%.

Section 3. Security for the Bond. The full faith and credit of the City shall be pledged to pay principal of and interest on the 2019 Bond.

Section 4. Qualified Tax-Exempt Obligation. The Bond is hereby designated as a qualified tax-exempt obligation within the meaning of § 265(b)(3)(B) of the Internal Revenue Code of 1986, as amended (the "Code"). For purposes of § 265(b)(3) of the Code, the Issuer and all entities that issue on behalf of the issuer do not reasonably anticipate issuing more than $10,000,000, inclusive of the Bond, of tax-exempt obligations in calendar year 2019.

Section 5. Details of the Bond. The Mayor and City Treasurer are authorized to determine the details of the 2019 Bond including the following: the date of the 2019 Bond; provisions for either serial or term bond; sinking fund or other reserve fund requirements; due dates of the interest thereon; the form of the 2019 Bond; the denomination and designation of the 2019 Bond; registration, conversion and transfer provisions; provisions for the receipt, deposit and use of the proceeds of the 2019 Bond; provisions for the replacement of a lost, stolen, mutilated or destroyed 2019 Bond; and provisions for issuing uncertificated obligations and all procedures appropriate for the establishment of a system of issuing uncertificated debt. The 2019 Bond shall be executed by the manual or facsimile signature of the Mayor and City Treasurer, shall contain an impression of the City Seal or a facsimile thereof and shall be attested by the manual signature of the City Clerk.

Section 6. Further Action. Each of the Mayor, the President of the City Council, the City Treasurer, the City Manager and the City Clerk are authorized and directed to take such other action on behalf of the City, as may be necessary or desirable, to effect the adoption of this Resolution and the issuance and sale of the 2019 Bond and to provide for their security and to carry out the intent of this Resolution, including the publication of notices and advertisements and the execution and delivery of customary closing certificates.

Section 7. Effective Date. This Resolution shall become effective immediately upon its passage. The City Clerk is hereby directed to publish once in a newspaper published in the City a notice in substantially the following form:

"NOTICE IS HEREBY GIVEN that the City Council of The City of Dover, Delaware on May 13, 2019 pursuant to Chapter 130, Volume 77, Delaware Laws, as amended, adopted a resolution entitled as follows:

"A RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF UP TO $5,700,000 GENERAL OBLIGATION BOND OF THE CITY OF DOVER TO REFINANCE CERTAIN PRIOR DEBT AND AUTHORIZING ALL NECESSARY ACTION IN CONNECTION THEREWITH"

"The purpose of the issuance and sale of said bond is to provide funds (approximately $5,700,000) to pay the costs of the Refunding Program, including the refunding of certain prior debt of the City of Dover and the payment of the costs of issuance of said bond."

"Any action or proceeding to contest the validity of said resolution or any of its provisions must be commenced within thirty (30) days after publication of this notice. After expiration of such period of limitation, no right of action or defense founded upon the invalidity of said resolution or any of its provisions shall be asserted, nor shall the validity of said resolution or any of its provisions be open to question in any court upon any ground whatsoever, except in an action or proceeding commenced within such period."

By order of the City Council of the City of Dover

_____
City Clerk

ADOPTED this 13th day of May, 2019.

CITY OF DOVER, DELAWARE

Attest:

_____ _____
Clerk, Dover City Council President, Dover City Council

APPROVED by the Mayor of the City of Dover on the 13th day of May, 2019.

_____
Mayor

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