COUNCIL COMMITTEE OF THE WHOLE

The Council Committee of the Whole met on August 11, 2026, at 6:00 p.m. with Council President Neil presiding. Members of Council present were Mr. Anderson, Ms. Arndt, Ms. Hall, Mr. Lewis (via Webex), Dr. Pillsbury (via Webex), and Dr. Sudler. Mr. Boggerty and Mr. Rocha were absent. Mayor Christiansen was also present via Webex. Civilian members present for their Committee meetings were Mr. Lewis *(Parks, Recreation, and Community Enhancement)*, Dr. Iriowen (via Webex) and Mr. Wilson (via Webex) *(Utility),* and Mr. Garfinkel and Mr. Shevock (via Webex) *(Legislative, Finance, and Administration)*. Mr. Cunningham *(Parks, Recreation, and Community Enhancement)* was absent.

ADOPTION OF AGENDA

Ms. Arndt moved for adoption of the agenda, seconded by Mr. Anderson and unanimously carried.

Mayor Christiansen explained that he had been feeling a little under the weather but believed Council needed to know he would continue to fulfill his responsibilities as Mayor of the City of Dover, while providing the appropriate notifications to the Vice Mayor, Chief of Police, and his administrative staff. He stated that he was also participating in the meeting to reinforce the efforts and work of the Opioid Commission that had been appointed, as well as the prudence and due diligence the Commission had exercised. He indicated that he would speak further on that matter later in the meeting. Mayor Christiansen stated that he wanted the public to know that he was present and continued to perform his duties. He also stated that he wanted to allay any concerns from members of Council regarding whether he was fulfilling his responsibilities in accordance with the Charter of the City of Dover and invited any members with questions to reach out to him.

Council Reports – JULY 2026

First District

Dr. Pillsbury was absent; no report was given.

Mr. Rocha was absent; no report was given.

Second District

Mr. Lewis was absent; no report was given.

Ms. Hall had nothing to report.

Third District

Ms. Arndt reported that she had attended the Bike Rodeo at the Dover Elks Club. She explained that the event was designed to teach bicycle safety to children and was held in partnership with Dover Parks and Recreation. Dover Parks and Recreation had brought children participating in its camp programs to the Elks Lodge. The Dover Police Department and Delaware Veteran's Post 2 had also participated. She noted that participants received demonstrations and instruction on bicycle riding and traffic safety. Ms. Arndt further reported that 23 bicycles had been distributed to children who demonstrated a need and stated that it had been exciting to see the children receive

bicycles and learn to ride during the event. Ms. Arndt also reported that she had attended the National Night Out event at Dover High School. She described the event as fantastic and well attended, stated that she had learned a great deal, and had the opportunity to speak with many people. She expressed that she had been happy to attend the event.

Fourth District

Dr. Sudler reported that he had spoken with residents in the Fourth District near the Lincoln Park area regarding ongoing dumping issues and stated that a camera should be considered for the area near Bertrand Avenue and Lincoln Park/Simon Circle. He also noted that speeding remained an issue despite the presence of signage. On a positive note, he stated that constituents had noticed a decrease in panhandling downtown. He reported that he had worked with Dr. Kenneth Bell regarding concerns related to the Nottingham Development in the First District and had forwarded those concerns to Mr. Rocha, Dr. Pillsbury, and Mr. Boggerty, with additional information forthcoming in the report. He also raised concerns regarding the need for pressure washing and additional cleanup in certain areas downtown, noting that Bobby Wilson had provided photographs and a video regarding the condition of the area. Dr. Sudler further reported that he had worked with the mayor and other members of council on the proclamation for Lemonade Stand Day.

Mr. Anderson reported that residents had been kept informed of various events and issues, including street closures and water interruptions, and thanked staff for their efforts to provide timely information. He also thanked staff for addressing dumping issues off Queen Street and removing a large amount of trash from the area. Mr. Anderson noted the success of several recent events, including the Downtown Dover Farmers Market and National Night Out. He reported concerns from downtown businesses and residents regarding access during upcoming street closures associated with piping upgrades and emphasized the importance of managing those concerns while completing the necessary work. Mr. Anderson further reported that he had been working with three organizations to identify grant opportunities to assist the city and local nonprofit organizations, completed several letters of support, and had additional requests pending. He noted that Grant Finder and other resources were available to assist organizations seeking grant opportunities. He also reported receiving numerous constituent requests and complaints and thanked staff for responding to each in a professional manner. Mr. Anderson commended the quality and professionalism of Team Dover and city staff and asked the City Manager to convey his gratitude to staff for their work.

At-Large

Mr. Boggerty was absent; no report was given.

Council President Neil

Council President Neil reported that Mayor Christiansen had notified him that he would be on vacation from August 1 through August 10 and that Mr. Neil would serve as Acting Mayor during that period. He noted that the mayor would remain in contact with his administrative aide and Chief Johnson. Mr. Neil further reported that the mayor had formally notified him that he was under the weather and would not attend the Council meetings on August 10 and 11, and that the Clerks had also been notified.

Mr. Neil reported that he had received an email from the builder of the 4 Cecil Street townhouses regarding conflicting language concerning the sprinkler system requirements and had referred the

matter to City Manager Duca. He also reported that he had requested a proclamation for Marianne Gellman in recognition of her retirement from NeighborGood Partners on August 20. He noted that she had played a major role in fundraising for the organization, which he described as providing positive community action. Mr. Neil further reported that, in early August, he had received a telephone call from a constituent in Persimmon Park Place regarding an additional bill from Chesapeake Utilities. He stated that, after reaching a representative, he had assisted in resolving the recent widow's issue. Mr. Neil reported that he had participated in an appeals hearing with Mr. Boggerty and Mr. Rocha on April 15; attended a Library Board meeting and an Alderman Court restoration meeting with Chairman Anderson and others on July 21; attended a second appeals hearing on July 29; and attended a conference on August 4 regarding the redevelopment of the former post office and retail site. He noted that City Manager Duca and members of the Planning Department staff had also attended the conference, during which changes requested by the developers due to unstable soil beneath the former post office site were discussed.

PARKS, RECREATION, AND COMMUNITY ENHANCEMENT COMMITTEE

The Parks, Recreation, and Community Enhancement Committee met with Chairwoman Hall presiding.

Adoption of Agenda

Ms. Arndt moved for adoption of the agenda, seconded by Mr. Anderson and unanimously carried.

Potential Changes to Active Recreation Requirement for Residential Development (Jason Lyon, Water/Wastewater Director and Ann Marie Townshend, Rossi Group)

Mr. Jason Lyon, Water/Wastewater Director, and Ms. Ann Marie Townshend, Rossi Group, reviewed the presentation regarding the Potential Changes to the active recreation requirement for residential development.

Staff recommended forwarding a recommendation on how to proceed with the proposed framework to City Council, with a recommendation to draft ordinance(s) for review according to the proposed timeline.

Mr. Anderson stated that he supported the general framework and believed minor subdivisions should be exempt in order to encourage infill development, reduce blight, and promote affordable housing. He stated that he did not support an impact fee, expressing concern that developers should not be required to pay twice. He supported the use of cash-in-lieu payments or the provision of recreation amenities for other minor subdivisions but stated that those providing recreation should not also be required to make a payment. Mr. Anderson further stated that cash-in-lieu payments should remain in the Parks and Recreation fund.

Responding to Ms. Arndt, Ms. Townshend stated that approximately five years ago, Smyrna had a national expert conduct a comprehensive impact fee review, which is why their fee is around $2,500, while everyone else's is around $300.

Ms. Arndt requested clarification regarding the proposed flat fee, asking whether the fee would only apply to smaller developments and whether it would be an option for larger developments in lieu of providing recreational opportunities.

Responding to Ms. Arndt, Ms. Townshend explained that, as currently drafted, developments would be required to provide the required recreational space, with the flat fee applying to developments below the established threshold. Larger developments would be expected to provide the required land area and recreational opportunities. The drafting process could consider allowing cash in lieu for larger developments under limited circumstances; however, limiting exceptions would provide greater clarity, predictability, and consistency.

Ms. Arndt noted that developers should not be permitted to choose the flat fee simply because it would be less expensive than providing recreational amenities, such as a playground, thereby preventing those amenities from being provided to the community.

Responding to Dr. Sudler, Ms. Townshend explained that, under the current code, developers are required to provide land for active recreation. She stated that cash in lieu allows a developer to provide a monetary contribution to the Parks Department's capital fund instead of providing physical land or recreational amenities. The funds are used for capital expenses related to parks.

Ms. Arndt moved to recommend acceptance of the staff recommendation to forward a recommendation on how to proceed with the proposed framework to City Council, with the recommendation to draft ordinances for review according to the proposed timeline. The motion was seconded by Mr. Lewis and unanimously carried.

Ms. Hall moved for adjournment of the Parks, Recreation, and Community Enhancement Committee meeting, hearing no objection the meeting adjourned at 6:42 p.m.

UTILITY COMMITTEE

The Utility Committee met with Dr. Sudler presiding in the absence of Chairman Rocha.

Adoption of Agenda

Ms. Arndt moved for adoption of the agenda, seconded by Ms. Hall and unanimously carried.

Request for Alley Abandonment (Improved) – Liberty Street (Dawn Melson-Williams, Principal Planner)

Ms. Dawn Melson-Williams, Principal Planner, presented a request for the abandonment of an improved alley/street known as Liberty Street. She explained that the right-of-way is located adjacent to Legislative Hall and extends between Martin Luther King Jr. Boulevard North and Martin Luther King Jr. Boulevard South. The State owns the properties on both sides of the right-of-way and is requesting that the approximately 19,000-square-foot segment be vacated and consolidated with the adjacent parcels.

Ms. Melson-Williams stated that the right-of-way was identified and researched during the review of the Legislative Hall expansion project. She explained that the abandonment process requires review by the Development Advisory Committee and Planning Commission before proceeding to the City Council. The Planning Commission considered the request at its July 20 meeting, conducted a public hearing, and received no public comments. The Planning Commission recommended approval by an 8-0 vote.

Ms. Melson-Williams further noted that the city reviewed the request for potential impacts to utilities. She stated that a waterline is located along the eastern edge of the right-of-way and is being evaluated for potential relocation in connection with the Legislative Hall project. She advised that, following consideration by the Utility Committee, the request would proceed to City Council for a formal public hearing and further review. The Committee was asked to consider a motion to advance the street abandonment request through the approval process.

Staff recommended abandonment of Liberty Street as recommended by Public Works and the Planning Commission.

Ms. Arndt moved to recommend acceptance of the staff recommendation for the abandonment of Liberty Street as recommended by Public Works and the Planning Commission. The motion was seconded by Mr. Anderson.

Responding to Dr. Sudler, Ms. Melson-Williams clarified that abandonment of the right-of-way would effectively transfer the city's interest and maintenance responsibilities for the property to the adjacent property owner. She explained that the area is a city street right-of-way but currently functions as a parking lot drive aisle rather than a typical city street. Upon abandonment, the approximately 19,000-square-foot area would become part of the adjacent properties, both of which are owned by the State of Delaware, resulting in one consolidated parcel. Ms. Melson-Williams noted that the city does not appear to currently provide significant maintenance to the area due to its existing configuration.

Ms. Arndt moved to recommend acceptance of the staff recommendation for the abandonment of Liberty Street as recommended by Public Works and the Planning Commission. The motion was seconded by Mr. Anderson and unanimously carried.

Dr. Sudler moved for adjournment of the Utility Committee meeting, hearing no objection the meeting adjourned at 6:52 p.m.

LEGISLATIVE, FINANCE, AND ADMINISTRATION COMMITTEE

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

Adoption of Agenda

Mr. Anderson requested that Item #3 – Proposed Ordinance #2025-19 Adoption of the 2024 ICC Codes be moved to Item #1.

Mr. Neil moved for adoption of the agenda as amended, seconded by Mr. Shevock and unanimously carried.

Proposed Ordinance #2025-19 – Adoption of 2024 ICC Codes (Matthew Brown, Deputy Fire Marshal, and Dave Naples, Master Code Professional, Code Solutions International, LLC)

Mr. Matthew Brown, Deputy Fire Marshal, reviewed Proposed Ordinance #2025-19, which proposes updating the city's building, residential, existing building, pool, fire, and property maintenance codes from the 2009 International Code Council editions to the 2024 editions. He stated that the update would modernize the city's codes, align them with current national standards and professional practices, and address newer construction technologies, structural and weather-related hazards, energy storage systems, accessibility, fire protection, and other current requirements.

Mr. Brown explained that the proposed ordinance includes Dover-specific amendments and coordinates city requirements with Delaware's State-controlled energy, mechanical, fuel gas, plumbing, and fire prevention regulations. The ordinance would maintain existing zoning, floodplain, permitting, and the city's 18-inch flood-freeboard requirements. It would also align certain foundation frost protection requirements with Kent County.

Mr. Brown reviewed proposed provisions regarding residential fire sprinklers, noting that sprinklers would continue to be required for newly constructed one- and two-family dwellings and townhouses, but the update would not require sprinkler retrofits for existing homes unless otherwise triggered by applicable code provisions. He also discussed provisions addressing home daycares, tiny homes, accessory dwelling units, batteries and energy storage systems, and other emerging construction considerations, noting that zoning requirements and other existing approvals would remain unchanged.

Mr. Brown stated that the International Property Maintenance Code would also be updated to the 2024 edition while retaining the city's existing weed height, insect screen, and heat supply requirements. The International Fire Code would similarly be updated to address current fire safety provisions, including energy storage systems, lithium-ion batteries, carbon monoxide hazards, and access-controlled egress, while preserving the authority of the Delaware State Fire Marshal.

Mr. Brown explained that valid permits issued before adoption would remain subject to the applicable prior codes. Certain projects with documented design work by a registered design professional before the effective date would also be permitted to proceed under the 2009 codes, subject to review by the Building Official.

Mr. Brown emphasized that the ordinance would not amend the city's zoning ordinance, create zoning approval for tiny homes, accessory dwelling units, or daycare uses, require blanket upgrades to existing buildings, or replace State-controlled codes or regulatory authority.

Staff recommended forwarding Proposed Ordinance #2025-19 to council for approval.

Responding to Mr. Anderson, Mr. Brown stated that Kent County is currently utilizing the 2018 codes and is in the process of upgrading to the 2024 standards.

Responding to Ms. Arndt, Mr. Brown stated that there would be no codes that would still utilize the 2009 version.

Responding to Mr. Garfinkel, Mr. Brown explained that the proposed codes address changes in occupancy and use. He stated that a change from residential to commercial use would be subject to the applicable requirements of the International Building Code and State fire prevention regulations, including sprinkler requirements when triggered by the new occupancy. He provided the example that converting a residence to a small office may not require sprinklers, while converting a residence to a restaurant with a larger occupant load could require installation of a sprinkler system.

Responding to Dr. Sudler, Mr. Brown stated that, while they do not have a formal written outreach plan, staff have been communicating the proposed code updates to builders and developers through direct contact and city newsletters. He noted that major home builders and developers have been informed of the proposed transition to the 2024 codes and that some applicants have already prepared projects using the 2024 editions in anticipation of adoption. Mr. Brown stated that, if Council determines additional outreach is needed prior to consideration by the full City Council, staff could coordinate an informational session for builders and other interested parties.

Responding to Dr. Sudler, Mr. Brown explained that the current 2009 code requires the city to maintain three physical copies of the code, which cost approximately $800 to $900 per set. Under the proposed ordinance, the city would maintain one physical copy in-house and provide access to the ICC codes through a free online resource posted on the Building Inspections website. He added that the ordinance would allow the Code Official to eliminate the physical-copy requirement in the future if it is determined that the copies are no longer needed or if the city transitions to a paperless system.

Responding to Mr. Shevock, Mr. Brown explained that additions or renovations to existing residential structures would trigger a sprinkler requirement when the scope of the work reaches the 50% threshold. He clarified that when the threshold is met, sprinklers would be required throughout the entire structure. For example, adding 1,000 square feet to a 1,000-square-foot home would trigger the requirement for the entire 2,000-square-foot structure, while adding 500 square feet would not.

Responding to Mr. Anderson, Mr. Jason Osika, Fire Marshal, explained that renovations exceeding the 50% threshold would require the structure to comply with the current building and life-safety codes. He stated that the threshold could be triggered by an addition, renovation, fire damage, or other substantial work, and that once triggered, the applicable requirements would apply to the entire structure, including sprinkler requirements. He noted that the 50% threshold is intended to balance the need to bring older properties into compliance with updated life-safety standards while avoiding requirements for smaller projects below the threshold.

Mr. Anderson expressed support for the proposed change to the sprinkler requirements, noting that the cost of installing sprinklers in new construction may be manageable, but retrofitting existing properties could be significantly more expensive and potentially make redevelopment projects financially unfeasible. He expressed concern that high costs could hinder property revitalization, affordability, and efforts to address blight. Mr. Anderson emphasized the importance of balancing

life-safety requirements with the potential financial impact on property owners and redevelopment efforts.

William G. Faust, Jr., Dover, questioned whether insurance companies would cover the installation of a fire sprinkler system if a home was damaged and had to be rebuilt.

Responding to Mr. Faust, Mr. Brown explained that if a home were destroyed by a storm, fire, or other event, it would generally be required to comply with the building codes in effect at the time of reconstruction. He noted that many insurance policies include coverage for code upgrades required during rebuilding, although coverage varies by policy.

Bonnie Pennington, Dover, expressed concern regarding the proposed requirement for residential sprinkler systems, questioning the basis for requiring homeowners to install systems in privately owned residences against their wishes. She stated that homeowners already bear the costs of their homes and insurance and expressed concern that the requirement would impose an additional financial burden.

Responding to Ms. Pennington, Mr. Brown explained that residential sprinkler requirements are included in the International Residential Code as part of the evolution of national building and fire safety standards. He stated that modern construction can allow fires to spread more rapidly, and sprinkler systems are intended to contain fires until occupants can evacuate, and emergency responders arrive. He clarified that the proposed ordinance is not creating a new sprinkler requirement but is incorporating the requirement contained in the adopted code.

Paul Eichler, a Dover resident, Dover firefighter, and Chairperson of the Delaware Fire Sprinkler Coalition, spoke in support of adopting the 2024 International Residential Code without amendments to the residential sprinkler provisions. He noted that the residential sprinkler requirement has remained in successive editions of the code since its adoption in 2009 and stated that several Delaware municipalities currently require residential sprinklers.

Mr. Eichler emphasized the importance of residential sprinklers in addressing the increased speed and intensity of modern residential fires, citing changes in construction materials, lightweight construction, and household contents. He stated that sprinklers provide protection for both residents and responding firefighters by controlling fires and reducing exposure to hazardous conditions. He noted that the city has previously considered residential sprinkler requirements and stated that the recommendation has been under consideration for several years.
Mr. Eichler encouraged Council to retain the sprinkler provisions as published in the 2024 International Residential Code, citing the benefits to public safety and the protection of firefighters and other first responders.

Responding to Dr. Sudler, Mr. Eichler clarified that the residential sprinkler provisions referenced in the 2024 International Residential Code applies specifically to single-family homes, duplexes, and townhouses and are based on the applicable National Fire Protection Association residential sprinkler standard. He emphasized that these requirements are separate from sprinkler requirements applicable to apartment buildings and commercial structures. Mr. Eichler further noted the increased fire and structural risks associated with modern residential construction materials and lightweight structural components. He stated that residential sprinkler systems

provide an additional level of protection for occupants and responding firefighters. Regarding cost, Mr. Eichler agreed that approximately $2 per square foot is a reasonable current estimate for residential sprinkler installation and stated that costs are expected to decrease as more Delaware municipalities adopt residential sprinkler requirements and demand increases, allowing for greater competition and efficiencies among contractors.

William Summers questioned why the cost of residential sprinkler systems would be borne by homeowners, particularly for newly constructed homes. He suggested that builders, architects, or insurance companies should be responsible for incorporating the systems into new construction, noting that sprinkler systems provide an important life-safety benefit. He expressed concern that requiring homeowners to absorb the additional construction cost could create an undue financial burden.

Adrienne Miller, Building Department Supervisor for the Town of Middletown and a member of the Clayton Town Council, spoke in support of the proposed residential sprinkler requirements. She stated that Middletown adopted the residential fire sprinkler provisions of the International Residential Code several years ago and shared the town's experience with the requirement. Ms. Miller explained that residential sprinklers are incorporated into the overall life-safety approach of the International Residential Code and that removing the provision at the local level eliminates one layer of protection that may require other safety measures.

Ms. Miller acknowledged concerns regarding construction costs but encouraged consideration of the long-term benefits of residential sprinkler systems. She stated that sprinklers provide occupants additional time to evacuate, can control fires before firefighters arrive, reduce heat and smoke conditions, and provide additional protection in attached dwellings such as townhomes where a fire can spread between units. She noted that fire-resistance assemblies are important but are intended to delay fire spread, while sprinkler systems actively control the fire. She also addressed concerns regarding potential water damage from sprinkler activation, stating that property damage from water can be repaired or replaced, while lives and personal losses resulting from a fire cannot. She emphasized that residential sprinklers also provide greater protection for firefighters and first responders by reducing fire temperatures, slowing fire growth, and creating safer conditions for emergency personnel. Ms. Miller stated that following Middletown's adoption of residential sprinklers, builders, contractors, and staff adjusted to the requirement, and it became a routine part of residential construction. She encouraged the city to support the residential sprinkler provisions as an opportunity to promote safer homes, communities, and conditions for first responders.

Belinda Main, Dover, expressed support for fire sprinklers but noted that the public should be involved in deciding to add the requirement to the code.

Mr. Eichler further clarified that residential sprinkler systems are designed to activate individually in response to heat, with typically one sprinkler head activating to control or extinguish a fire before it spreads. He stated that a properly designed residential system generally discharges approximately 15 to 25 gallons of water per minute through the activated sprinkler head, limiting the extent of fire and water damage. He explained that NFPA 13D, the residential sprinkler standard, was specifically designed to provide life-safety protection while addressing cost considerations. He noted that the standard focuses sprinkler coverage on living areas where fire fatalities most frequently occur and generally does not require sprinklers in areas such as garages

and attics. He further stated that residential sprinkler systems can reduce overall water usage because firefighters may discharge significantly greater volumes of water once they arrive at a fire, citing approximately 150 gallons per minute as an example. He emphasized that sprinklers could begin controlling a fire before firefighters arrive, reducing the extent of fire damage and the amount of water ultimately required for suppression.

Responding to Mr. Anderson, Mr. Eichler explained that there has been research conducted by the Fire Service Research Institute regarding the changing contents and furnishings found in residential homes. He stated that modern furniture and household materials, including polyester-covered and polyurethane-foam furniture, can ignite and become fully involved much more rapidly and at higher temperatures than furnishings used decades ago. He explained that firefighters historically had approximately 10 to 15 minutes before a residential fire became significantly involved, whereas current studies indicate that occupants may have only two to three minutes to escape.

Mr. Eichler acknowledged the importance of working smoke alarms but noted that smoke alarms are sometimes removed, have depleted batteries, or are otherwise disabled. He stated that residential sprinkler systems provide an additional immediate layer of protection by controlling a fire at its source and providing occupants with additional time to safely evacuate.

Mr. Osika addressed questions regarding the residential sprinkler requirements and stated that the transition to lightweight construction materials was a significant factor in the International Residential Code's inclusion of residential sprinkler provisions. He explained that lightweight construction reduced building costs, but also created additional fire and structural safety concerns, and that the sprinkler requirement was incorporated as part of the overall safety approach developed by the International Code Council. He emphasized that residential sprinklers are a significant life-safety measure for both occupants and first responders. He noted that occupants may have only two to three minutes to escape a modern residential fire and questioned whether fire companies could consistently arrive within that timeframe, particularly given the geographic areas and response distances within the city. Mr. Osika also provided a local example involving sprinkler-equipped townhomes on Silver Lake. He stated that a fire occurred in a garage shortly after the townhomes were constructed and that activation of the sprinkler system contained the fire to a small area. He indicated that, without the sprinkler system, the fire likely would have resulted in significantly greater damage to the unit. He noted that some townhomes had previously received waivers related to rear access in connection with the installation of sprinkler systems.

Ms. Arndt moved to accept the staff recommendation and forward Proposed Ordinance #2025-19 to council for approval. The motion was seconded by Ms. Hall and carried with Mr. Anderson voting no.

Dr. Sudler moved to propose an amendment to exempt existing residential structures from the sprinkler requirement. The motion was seconded by Mr. Anderson with Mr. Neil abstaining.

Ms. Arndt clarified that the intent of the amendment was to explore exempting existing properties from the sprinkler requirement when renovations are made. Under the proposed amendment,

sprinklers would only be required in the renovated portion or any addition to the existing structure, rather than in the original, unrenovated portion of the structure.

Mr. Anderson confirmed that this was the intent of the amendment.

Investment Portfolio Presentation (Patricia Marney, Controller/Treasurer, Martin Hammong, Managing Director, and Jeff Fasino, Senior Managing Consultant, PFM Asset Management)

Ms. Patricia Marney, Controller/Treasurer, and Mr. Jeff Fasino, Senior Managing Consultant, PFM Asset Management, reviewed the presentation entitled Investment Performance Review for the Quarter Ended June 30, 2026.

This item was informational; committee action was not required.

Discussion – Fiscal Year 2026 Audit Program (Robin Dickerson, Accounting and Reporting Manager, and Patricia Marney, Controller/Treasurer)

Ms. Patricia Marney, Controller/Treasurer, and Ms. Robin Dickerson, Accounting and Reporting Manager, reviewed the presentation entitled Fiscal Year 2026 Audit Program.

Staff recommended acceptance of the 2026 Audit Program.

Responding to Mr. Anderson, Ms. Marney stated that MD&A stands for the Management's Discussion and Analysis section of the Annual Comprehensive Financial Report (ACFR).

Responding to Dr. Sudler, Ms. Marney identified staffing and training as a current weakness within the Finance Department. She stated that, although the department has reached its authorized headcount, it is not yet operating at full strength due to the recent filling of two accountant positions that remained vacant for several years. She explained that the department had relied on temporary staff during that period, which resulted in ongoing training and learning curves due to staff turnover. Ms. Marney noted that both positions are now filled with permanent employees, including one internal transfer and one recent hire with fund accounting experience. She stated that recruiting individuals with both governmental and fund accounting experience has been challenging because of the specialized nature of the work.

As a strength, Ms. Marney identified the dedication of the department’s permanent staff and their commitment to learning the city’s operations. She stated that staff is reviewing procedures and policies to ensure that processes are documented and transferable so that, if an employee leaves the organization, another individual can assume the responsibilities with minimal disruption.

Responding to Mr. Neil, Ms. Marney explained that the cash receipt handling procedure and policy referenced in the audit findings is currently being reviewed and has not yet been identified as an official finding. She stated that the Finance Department is working proactively to address the auditors’ concerns and strengthen internal controls in coordination with the City Manager’s Office and Customer Service Department. Ms. Marney explained that the review involves the handling and reconciliation of returns, refunds, and reapplications of payments, including non-cash batches used when payments are transferred or reapplied between accounts. She stated that, as part of the daily cash posting and bank reconciliation process, staff must ensure that corresponding reversal

batches properly clear the General Ledger. She noted that the current and prior procedures combined these entries on a single daily cash report. Based on the auditors' recommendation, the city is working to separate the information to provide clearer documentation and ensure the accuracy and integrity of the city's accounting records.

Responding to Mr. Neil, Ms. Marney explained the city's health benefits reconciliation process, noting that Finance conducts quarterly reconciliations of employee benefit coverage, including health insurance, dental insurance, and ASI Flex. She stated that the reconciliation verifies that amounts paid by the city for employee benefits are properly offset by corresponding employee payroll deductions. For retirees, Finance verifies that the required benefit payments are recorded through pension deductions or direct payments, depending on the retiree's payment arrangement.

Responding to Mr. Anderson, Ms. Marney stated that, in response to public requests for greater transparency regarding the Police Academy, the city established a separate division specifically for the Police Academy, effective Fiscal Year 2027. She explained that, provided expenditures are properly coded by the Police Department at the time they are incurred, Police Academy expenditures will be tracked and reported separately as part of the city's annual budget.

Responding to Dr. Sudler, Ms. Marney stated that the coding process is a multi-step process. Depending on the expenditure, the department, the City Manager's Office, or the Controller Treasurer is responsible for coding. She noted that they would also be reviewed as monthly reports are prepared for council.

Responding to Dr. Sudler, Ms. Marney explained that Police Academy revenue and expenditures are tracked through separate accounting processes. She stated that revenue is coded to a dedicated Police Extra Duty revenue line item, while payroll expenses are assigned specific codes that identify employees working for the Police Academy and allocate their wages to the Police Academy division.

She further explained that other expenditures are processed through the city's accounts payable system and are coded by the Police Department based on the applicable invoices. The coding is reviewed against the approved budget to ensure expenditures are properly allocated. She stated that, for Fiscal Year 2027, a portion of the Police Department's approved budget was specifically allocated to the Police Academy based on information provided by the Police Chief to the City Manager's Office and Finance Department.

Responding to Dr. Sudler, Ms. Marney clarified that the allocation of payroll expenses to the Police Academy division is automated through the city's payroll accounting system, provided the Police Department properly codes the employees' time and assignments.

Ms. Arndt moved to recommend acceptance of the staff recommendation for the acceptance of the 2026 Audit Program. The motion was seconded by Dr. Sudler and unanimously carried.

Delaware Opioid Settlement Commission Funding Disbursement (Dr. Roy Sudler Jr., OUD Task Force Chairman)

Dr. Roy Sudler Jr., reviewed the background and analysis regarding the proposed opioid settlement funding disbursements.

Staff recommended approval of the funding disbursements.

Kim Petters, a Magnolia, Delaware resident, expressed concerns regarding the accessibility and transparency of the application process. She stated that she was unable to locate information online regarding the application, required steps, or process, and, after contacting city staff in person, staff was also unable to readily locate the information. Ms. Petters stated that the difficulty in accessing the information could create an unequal opportunity for individuals who are interested in applying but are unaware of how to obtain the necessary information. She suggested that the process and application materials be made readily available on the city's website to ensure equal access and transparency.

Responding to Ms. Petters, Dr. Sudler stated that the city did not maintain a separate application portal and explained that the application process was administered through the State. He stated that information regarding the State's application portal and available assistance was provided during publicly advertised meetings.

Kaligah Parker, a Dover resident and recipient of the city's Opioid Use Disorder (OUD) funds, stated that he found the application and allocation process to be fair and thorough. He explained that the process took approximately one year and included multiple meetings and steps intended to ensure applicants understood the purpose of the funding and how to use the funds effectively. Mr. Parker stated that the funds were ultimately allocated to individuals and organizations actively working with the youth. He noted that the meetings and information regarding the funding opportunity were widely publicized and expressed support for the process.

Cammerin Norwood, a Dover resident, stated that applicants needed to attend the meetings and review Council agendas to understand that the funding process was administered through the State and to learn where to submit an application. He noted that information was also shared through word of mouth and that the process occurred over an extended period and included multiple meetings. Mr. Norwood stated that, from his perspective, the process was fair for individuals who followed the meetings and remained informed, while acknowledging that individuals who were not able to consistently attend or follow the process may have had difficulty becoming involved.

Jeannie Anderson, Dover, questioned if any medical staff were on the board and what the criteria used were.

Responding to Ms. Anderson, Dr. Sudler explained that the city's committee did not establish the eligibility criteria or evaluate individual applications for the OUD funding. He stated that the State was responsible for vetting applicants and determining which applications were approved or denied, while the city's role was to facilitate meetings, provide information, and connect prospective applicants with State representatives. He noted that the State also provided assistance to applicants who needed help completing their applications and offered guidance regarding areas that could be strengthened before submission. He stated that the city received feedback from the

State regarding application outcomes but did not independently determine eligibility. He referenced an application that was not approved because the proposed scope of services did not sufficiently focus on the City of Dover, noting that the specific eligibility criteria would be best confirmed by the State. He further explained that the decision to leave the application review, monitoring, and auditing responsibilities with the State was influenced by the Mayor due to IRS and auditing considerations, as well as city staffing limitations. He stated that the Mayor's Blue-Ribbon initiative was structured with the mayor participating in the process, while City Council could have established a separate committee if it had chosen to assume a greater role in overseeing the funding process.

Bonnie Pennington, Dover, agreed that a fair process had been followed. She noted that if applicants were interested, they needed to fight for their spot by getting on the website and filling out the paperwork.

William Gregory Summers, representing Thoths Light Bridges, expressed concerns regarding the competitive OUD grant process and the accessibility of the application. He stated that his organization provides direct services to Dover residents but was not awarded funding and questioned whether the process adequately considered organizations already serving the community. Mr. Summers encouraged the city to consider greater support for organizations addressing homelessness, employment, and the opioid crisis.

Responding to Mr. Summers, Dr. Sudler stated that there were six recommendations that were focused on youth, workforce development, developing a detox center in Kent County, and telehealth services. He noted that their focus was to create optimal well-being for the constituents who have been impacted by opioids.

Responding to Mr. Summers, Dr. Sudler explained that the city could not establish its own application process for the current funding round because the State maintained oversight of the program. He stated that additional funding rounds are expected over the next 12 years and that City Council could consider establishing a city-managed application portal and oversight process for future rounds, subject to applicable State guidelines and direction from the mayor.

Mayor Christiansen clarified that the State was responsible for distributing the opioid settlement funds pursuant to the terms of the original lawsuit. He stated that he requested the formation of the city's committee to review funding needs and make recommendations to the State to ensure Dover received an appropriate allocation and that the funds addressed the needs of residents affected by the opioid crisis.

Mayor Christiansen commended Dr. Sudler and the committee for their work and emphasized the importance of transparency and accountability. He stated that the State would provide quarterly accounting of the funds and that the city had requested monthly financial reporting from organizations receiving grants to ensure the funds are spent appropriately and for their intended purposes.

Dr. Sudler stated that, at the Mayor's request, he served as the Chief Compliance Officer to monitor grant recipients' quarterly deliverables and assist them in meeting established benchmarks. He explained that the committee prioritized organizations with demonstrated experience providing

direct services in the community and emphasized the importance of ensuring that grant funds are properly managed and used for their intended purposes. He stated that the committee would continue its oversight and due diligence to promote transparency, accountability, and effective use of the opioid settlement funds.

Mr. Anderson recommended providing a link to the State's information on the city's website, as Kent County did.

Responding to Ms. Main, Dr. Sudler stated that Mr. Doug Fair abandoned his investment idea due to the cost and some possible zoning issues.

Keenan Jones recommended a hyperlink be added to the city website to promote awareness and provide a fair collection of applications.

Ms. Petters spoke on behalf of Booted and Suited, a Dover-based organization that provides job training and employment opportunities to individuals affected by addiction, incarceration, and other hardships. She highlighted the organization's community cleanup efforts and partnerships with local schools and businesses. Ms. Petters stated that the organization is seeking to expand a program that provides participants with work experience, training, and eventual job placement with local employers, unions, and construction organizations.

Deniera Gibson, Booted and Suited Executive Director, expressed appreciation for the discussion regarding the grant funding and stated that Booted and Suited plans to apply for future opioid settlement funding to provide additional recovery, mental health, and peer support services to program participants.

Dr. Sudler requested that Ms. Rivera read the recipients that were approved by the State. He stated that the committee was seeking Council approval to move forward with the organizations pre-approved and vetted by the State for opioid settlement funding. He explained that approximately $68,000 remained unallocated and that the committee was considering using a portion of those funds for a potential partnership with Capital School District, Biggs Museum, and Delaware State University for a youth education campaign addressing the risks of illicit drugs. He clarified that the current request was limited to approving the State-pre-approved recipients.

Arielle Rivera, Assistant City Clerk, read the approved organizations, their approved funding amount, and their project scope into the record.

Ms. Arndt moved to recommend approval of the funding disbursements. The motion was seconded by Ms. Hall and carried by a unanimous roll call vote (Boggerty, Rocha, Lewis absent).

Mayor Christiansen reminded the committee that the $16,000 balance would need to be approved. He noted that September would be the ideal time for interested parties to put in their request for the next round so that they could secure funding.

Mr. Anderson requested that the grant funding awarded by the State and Kent County for expansion of the Dover Police Department's Behavioral Health Units be placed on the September

City Council agenda for formal acceptance. He emphasized the need for additional staffing to expand the program and continue its services.

Mayor Christiansen stated that staff is developing a plan to maximize the use of the Kent County grant funds, including potentially increasing the number of clinicians serving the community through various schedules. He emphasized the importance of transparency and accountability and noted that an accountability structure has been established to ensure the funds are spent appropriately and in a manner that can be reported to City Council and Kent County.

Drafting a Temporary Moratorium for Data Centers (Councilwoman Hall and Paul Waddell, Electric Director)

Councilwoman Hall and Mr. Paul Waddell, Electric Director, reviewed the background and analysis for the proposed temporary moratorium regarding data centers.

Ms. Hall introduced a proposed 18-month moratorium on new data center development to allow the city time to evaluate the long-term impacts of large electrical users and develop appropriate policies and protections. She noted that the Electric Department had received an inquiry regarding a proposed 35-megawatt data center and expressed concerns regarding electrical capacity, costs to ratepayers, and impacts on future residential and economic development. She stated that the city should evaluate capacity, rates, service agreements, backup generation, financial guarantees, and infrastructure costs while coordinating with the State's developing regulatory framework. She emphasized that the moratorium would not ban data centers but would provide time for informed policy development and requested that Council advance the proposal for committee consideration and public review.

Paul Waddell, Electric Director, stated that the proposed moratorium is not intended to determine whether data centers are beneficial to the community, but rather to allow the city time to finalize regulations and interconnection requirements, conduct additional research, consult with Dayton Power and Light Company (DP&L) and industry experts, and ensure the city is prepared for future data center development.

Responding to Ms. Arndt, Ms. Hall stated that the proposed 18-month moratorium would provide sufficient time to complete necessary regulations, studies, and other preparations before making a decision regarding future data center development. She noted that the city anticipates the work could take approximately nine to twelve months but wants to allow additional time to ensure the process is not rushed. Ms. Hall stated that staff is finalizing draft language for a proposed ordinance to bring before Council. She also noted that the moratorium could be lifted if a decision is reached sooner than the proposed 18 months.

Mr. Neil stated that there is another priority on the horizon that must be considered, noting that hydrogen development could potentially lower the city's cost of electricity, although that opportunity is still some time away. He stated that the public may not fully understand the complex nature of the issues the city is dealing with, noting that although the city's electricity rates recently increased by one cent, they remain approximately five cents per kilowatt-hour below the State average. He emphasized that the issue is not simply the cost of electricity, but whether sufficient electricity will remain available for city residents if additional capacity is committed to large users. Mr. Neil also referenced the city's efforts to promote energy efficiency, noting that helping

residents reduce their electricity usage can reduce the amount of electricity the city must obtain and deliver. He stated that the city must balance the various demands for additional electrical capacity, including potential hydrogen development, and may already be receiving requests to reserve future capacity. He concluded that the proposed moratorium is a prudent approach and that the matter should be placed in the hands of the city's experts so they can evaluate the issues and return with a recommendation.

Linda Parkowski, Kent Economic Partnership, commended the work that went into developing the proposed ordinance and stated that it reflected comprehensive consideration of the issue. She cautioned, however, that a moratorium could be interpreted as a signal that Dover is not open for business or does not want new development. Ms. Parkowski encouraged Council to develop and adopt a comprehensive ordinance sooner rather than later, noting that Kent County recently adopted an ordinance with safeguards to protect its residents. She stated that Dover's draft included many of the same protections and suggested that energy generation requirements could be addressed through the ordinance, including requiring applicants to provide their own generation or demonstrate their ability to provide it. Ms. Parkowski emphasized the importance of protecting Dover residents while avoiding a message that the city is closed to economic development, particularly following the recent hydrogen project announcement.

Mr. Faust stated that his primary concern is not the cost of data centers but the impact on the city's infrastructure. He said that if a project benefits the community, he would not oppose it, but questioned whether the city's electric system could handle the significant demand of a data center without causing brownouts or imposing additional costs on residents. He also raised concerns about water usage, sewer capacity, pipelines, and whether the city's existing systems are prepared for the additional demand from data centers and other planned residential development. Mr. Faust questioned whether the city could face future tax or fee increases to address infrastructure needs and expressed concern that economic incentives could give away too much revenue. He emphasized that there are many issues beyond the cost of electricity that should be evaluated and stated that residents should have these questions answered during the proposed moratorium before the city makes a long-term commitment.

Jason Lyon, Water and Wastewater Director, stated that water is a significant issue that should be included in any investigation of potential heavy users and incorporated into the proposed moratorium. He explained that he, City Manager Duca, and Mr. Waddell have discussed developing a process to evaluate water impacts, including allocation, pressure, and pipe capacity, using the city's water modeling software. He noted that the city does not yet know the water demands associated with the proposed data center and stated that this should be addressed as part of the review. Mr. Lyon also noted that the city's wastewater treatment capacity is limited by its agreement with Kent County and should be considered, although he anticipated less concern regarding wastewater because cooling water is typically recirculated. He stated that under the city's current code, developers are responsible for improvements needed to provide water or wastewater service, such as additional wells or booster stations. Mr. Lyon emphasized that water availability involves competition with other municipalities and agricultural communities and requires coordination with DNREC, noting that having sufficient allocation does not necessarily mean the city has the infrastructure and pressure needed to deliver the water throughout the system.

Mr. Neil moved to recommend acceptance of the staff recommendation to have staff work with councilmembers to prepare an ordinance to be forwarded to council. The motion was seconded by Dr. Sudler and unanimously carried.

Mr. Waddell stated that under normal system operations, the city's electric system is more than capable of handling the large loads currently being considered. However, he explained that the city must also plan for contingencies, such as losing a transformer and operating at reduced capacity, which is where his primary concern lies. He agreed that significant new users could limit organic growth within the city, noting that while the city would receive revenue from new customers, it would also incur costs to provide them with electricity. Mr. Waddell further noted that increased power purchase costs are a significant component of the city's rate structure and that how rates are structured will determine where those additional costs are ultimately allocated.

Mr. Waddell provided an update on the proposed solar park at the McKee property, noting that Council previously approved $100,000 from the Green Energy Fund to assist with securing the Investment Tax Credit (ITC). He reported that approximately $60,000 had been spent and that the city had officially secured the ITC, which is expected to provide a 50% credit on eligible project costs. He stated that the city could receive approximately $3.5 million in credits on a $7 million project. Mr. Waddell thanked the contractors involved and Public Works staff, particularly Mr. Antonio Bray, for completing necessary road work at the property.

Mr. Anderson moved for adjournment of the Legislative, Finance, and Administration Committee meeting, hearing no objection the meeting adjourned at 10:06 p.m.

Mr. Neil moved for adjournment of the Council Committee of the Whole meeting, hearing no objection the meeting adjourned at 10:06 p.m.

Fred A. Neil
Council President