UTILITY COMMITTEE

The Utility Committee Meeting was held on January 13, 2014 at 5:00 p.m. with Mr. Perza presiding in the absence of Chairwoman Williams. Members present were Mr. Slavin, Mr. Blakeman, and Mr. Snaman. Members of Council present were Mr. Dixon and Mr. Hutchison. Mayor Carey was also present (arrived at 5:10 p.m.).

AGENDA ADDITIONS/DELETIONS

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

Request for Abandonment (Improved) - Budd Street - City of Dover

Mr. Scott Koenig, City Manager, advised members that City of Dover staff requested the abandonment of Budd Street, an improved street running east-west from South State Street to Kings Highway and located north of Weyandt Hall at 5 East Reed Street, and south of the former Dover Public Library at 45 South State Street and the City-owned property adjacent to South American Avenue. Members were provided a map depicting the right-of-way proposed for abandonment (noted in red).

Mr. Koenig explained that the abandonment of Budd Street would resolve mapping issues and lay the foundation for a potential re-subdivision or sale of the former Dover Public Library site. He stated that part of this right-of-way appears to have been abandoned years ago, possibly when Weyandt Hall (formerly the WSFS Building) was built; however, staff research and current mapping indicate that a ten foot (10') wide portion of Budd Street exists and is improved, since it includes the sidewalk area in front of the former library site.

Mr. Koenig stated that the Budd Street abandonment was subject to the Development Advisory Committee (DAC) review process and Public Works Department staff indicated that public utility easements would be required for the existing water and wastewater infrastructure located within the subject right-of-way. In accordance with City policy, half of the right-of-way, or five feet (5'), would be conveyed to the adjacent properties.

The Planning Commission recommended approval of the request for abandonment, as recommended by the Planning Staff. Public Works staff recommended: 1) abandonment of the subject right-of-way with conveyance of five feet (5') of said right-of-way to 5 East Reed Street, 45 South State Street and Tax Parcel Number ED-05-077.05-04-36.00 on South American Avenue, currently owned by the City of Dover, in conjunction with the provision of a public utility easement for each parcel; and (2) adoption of a Resolution by Council setting a public hearing regarding the proposed abandonment for February 10, 2014.

In response to Mr. Perza, Mr. Koenig explained that approval of the current request would abandon half of the right-of-way to each adjacent property, which would allow for future internal adjustments through sale or subdivision of the property.

Mr. Blakeman moved to recommend approval of staff's recommendation and adoption of a Resolution by City Council setting a public hearing regarding the proposed abandonment for February 10, 2014, as recommended by staff. The motion was seconded by Mr. Snaman and

unanimously carried. ***[City Clerk's Office Note: In accordance with the City's Procedure for Alley Abandonments, Resolution No. 2014-01 setting a Public Hearing (Attachment #1) will be presented to Council for consideration.]***

TEA/NAES Report (November)

The TEA/NAES Monthly Report for November 2013 was provided to members to enable them to monitor electric sales and revenues received, which will provide a better understanding of any fluctuations that occur and allow the opportunity to make improvements if deemed necessary.

Referring to the Executive Summary on Page 1 of the report, Mr. Scott Koenig, City Manager, explained that the graph depicted that the City's actual power supply costs through the first five (5) months of Fiscal Year 2014 had been tracking slightly higher than budgeted and stated that staff would continue to monitor this issue. He noted that the City's actual load was tracking very close to what was anticipated with the new load numbers developed for Fiscal Year 2014.

As indicated during the Committee meeting of December 9, 2013, Mr. Koenig stated that staff was very concerned about the reactive service charge related to a reallocation of costs within the PJM grid, which had affected a number of entities. He informed members that Mr. Robert Trinnear, Director of Risk Management and Financial Trading, The Energy Authority (TEA), was scheduled to attend the January 27, 2014 Committee meeting to discuss the issues associated with the charge.

Referring to the YTD Variance Report on Page 12 of the report, Mr. Koenig noted that, so far this year, the City was running approximately $473,000 over budget for the total utilities cost. He expressed concern with this overage and indicated that staff was monitoring this issue, but that the cost was being driven by the reactive service charge. TEA and other effected entities have been in serious discussions with PJM to determine why this cost is impacting these entities in this manner. Mr. Koenig explained his understanding that there were some changes to the cost formulas and allocations, and these increases seem to have been unexpected; however, he indicated that they are real charges which are unlikely to be readjusted.

Mr. Koenig reiterated that staff would continue to monitor these costs since the adjusted revenues and load budgets for Fiscal Year 2014 are very tight. He stated that the City was steadily under budget every month last fiscal year.

Mr. Blakeman expressed his appreciation for the inclusion of the alphabetical listing of the PJM charges and the addition of the summary of the accounts.

Mr. Blakeman moved to recommend acceptance of the TEA/NAES Monthly Report for November 2013, seconded by Mr. Slavin and unanimously carried.

GARRISON OAK TECHNICAL PARK PROJECT UPDATES

Members were provided the following updates:

City Infrastructure

Mr. Scott Koenig, City Manager, stated that the City was in the final processes of getting all of the approvals ready for the Garrison Oak Technical Park infrastructure. He noted that the City received an approval from the Delaware Department of Transportation (DelDOT) approximately one week ago and staff was wrapping up all of the final approvals so that the final plan package could be stamped as approved. Mr. Koenig explained that bids were received last week and staff was currently reviewing those bids; however, the bids appeared to be a little higher than anticipated and they were working to determine whether any value engineering could take place. In the near future, staff will be bringing these bids before Council either to request bid approval or a budget adjustment in order to bring the bids forward for approval.

Calpine Energy Center

Mr. Scott Koenig, City Manager, informed members that staff was continuing weekly conference calls with Calpine and construction seemed to be on schedule. Last week, Calpine indicated that all of the heavy hauls that were coming in by barge through Leipsic and being transferred down Route 9 and White Oak Road were completed. He stated that this had been a major concern for him and the successful completion of the deliveries was a major milestone. Mr. Koenig credited the contractors and all of the agencies associated with the move for the flawless completion of the deliveries. He noted that a number of deliveries remained, including some oversized deliveries, but that they would all be tractor trailer loads.

Additionally, Mr. Koenig informed members that staff was finishing up the easement work for the radio transmission line, which will run from the Garrison Energy Center to the Cartanza Substation. The administrative plans for the water tower had been signed off on and staff expected construction to begin soon. He stated that a lot of construction activity was planned for this area, including Calpine and City infrastructure, and there was also potential for Uzin Utz to start construction in the coming months. Mr. Koenig noted that The Energy Center was moving forward with the critical date of June 2015, when Calpine will transmit energy to the grid.

In response to Mr. Blakeman, Mr. Koenig explained that the route for the radio transmission line had been laid out, staff had completed all of the easement preparation, as well as the appraisals of the easements, and had the official alignment. At this time, staff was only awaiting final signatures.

Responding to Mr. Hutchison regarding construction of the water tower, Mr. Koenig stated that the whole contract was for approximately 400 days, so by the end of this year the tower should be ready for operation.

Dover Sun Park

Mr. Scott Koenig, City Manager, noted that members were provided a spreadsheet - Electric Revenue Fund, FY14 - White Oak Solar Park Incremental Cost, based on previous requests and comments. He advised members that the incremental Sun Park cost, from July through November, was $196,192. Mr. Koenig explained that the incremental Sun Park cost reflects the increased cost to the City as a result of using solar energy, compared to the amount that would have been paid if

the City used regular fossil fuel. He stated that solar energy is necessary for the City to meet the demands under the regional portfolio standards, as well as to comply with the Governor's legislation for renewables. While it is more expensive, it is performing as expected.

Mr. Blakeman moved for adjournment, seconded by Mr. Slavin and unanimously carried.

Meeting adjourned at 5:12 p.m.

Adam M. Perza
Acting Chair

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Attachment
Attachment #1 - Proposed Resolution No. 2014-01 - Setting a Public Hearing for Abandonment of Improved Right-of- Way - Budd Street

City of Dover

MAYOR AND COUNCIL

DRAFT PROPOSED COUNCIL RESOLUTION NO. 2014-01

A RESOLUTION PROPOSING THE VACATING AND ABANDONMENT OF A CERTAIN IMPROVED STREET SITUATED IN THE CITY OF DOVER.

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

Section 1. The Council of the City of Dover favors the vacating and abandoning of Budd Street, as specified below:

Adjacent to 5 East Reed Street (ED-05-077.05-04-35.00)
Being a portion of that certain piece or parcel of land situated in the City of Dover, Kent County, State of Delaware, being an improved public street running in a west to east direction, located to the north of East Reed Street, said portion of street beginning at a point identified as the northwest corner of Parcel No. ED-05-077.05-04-35.00; thence running with Parcel No. ED-05-077.05-04-35.00 North 86 degrees 32 minutes East 282.39 feet along the southerly line of the 10' wide street to the northeast corner of Parcel No. ED-05-077.05-04-35.00; thence running North 7 degrees 5 minutes West 5 feet crossing into said 10' wide street to a point in the center of the street, opposite the northeast corner of Parcel No. ED-05-077.05-04-35.00; thence running South 86 degrees 32 minutes West 282.39 feet parallel to the southerly line of the 10' wide street to a point; thence running South 7 degrees 5 minutes East 5 feet to the southerly side of the 10' wide street, being the point and place of beginning and containing 0.0324 acres (1,411.95 square feet) of land be the same more or less. The above described parcel of land shall be considered a public utility easement, reserving the rights of the City of Dover, their agents or assigns to free access for ingress and egress to these premises and every part thereof at all times for purpose of installing, maintaining and operating its existing public utilities.

Adjacent to 45 South State Street (ED-05-077.05-04-33.00)
Being a portion of that certain piece or parcel of land situated in the City of Dover, Kent County, State of Delaware, being an improved public street running in a west to east direction, located to the east of South State Street, said portion of street beginning at a point identified as the southwest corner of Parcel No. ED-05-077.05-04-33.00; thence running with Parcel No. ED-05-077.05-04-33.00 North 86 degrees 32 minutes East 173.5 feet along the northerly line of the 10' wide street to the southeast corner of Parcel No. 05-077.05-04-33.00; thence running South 7 degrees 5 minutes East 5 feet crossing into said 10' wide street to a point in the center of the street, opposite the southeast corner of Parcel No. 05-077.05-04-33.00; thence running South 86 degrees 32 minutes West 173.5 feet parallel to the northerly line of the 10' wide street to a point; thence running North 7 degrees 5 minutes West 5 feet, being the point and place of beginning and containing 0.0199 acres (867.5 square feet) of land be the same more or less. The above described parcel of land shall be considered a public utility easement, reserving the rights of the City of Dover, their agents or assigns to free access for ingress and egress to these premises and every part thereof at all times for purpose of installing, maintaining and operating its existing public utilities.

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Adjacent to ED-05-077.05-04-36.00

Being a portion of that certain piece or parcel of land situated in the City of Dover, Kent County, State of Delaware, being an improved public street running in a west to east direction, located to the west of South American Avenue, said portion of street beginning at a point identified as the southwest corner of Parcel No. ED-05-077.05-04-36.00; thence running with Parcel No. ED-05-077.05-04-36.00 North 86 degrees 32 minutes East 108.89 feet along the northerly line of the 10' wide street to the southeast corner of Parcel No. 05-077.05-04-36.00; thence running South 7 degrees 5 minutes East 5 feet crossing into said 10' wide street to a point in the center of the street, opposite the southeast corner of Parcel No. ED-05-077.05-04-36.00; thence running South 86 degrees 32 minutes West 108.89 feet parallel to the northerly line of the 10' wide street to a point; thence running North 7 degrees 5 minutes West 5 feet, being the point and place of beginning and containing 0.0125 acres (544.45 square feet) of land be the same more or less. The above described parcel of land shall be considered a public utility easement, reserving the rights of the City of Dover, their agents or assigns to free access for ingress and egress to these premises and every part thereof at all times for purpose of installing, maintaining and operating its existing public utilities.

Section 2. The Council of the City of Dover will sit on Monday, February 10, 2014, at 7:30 p.m., in the Council Chambers at City Hall, Dover, Delaware, to hear the objections of such residents of the City or owners of the property affected as shall attend, in accordance with the provisions of Section 27 of the Charter of the City of Dover (Chapter 130, Volume 77, Laws of Delaware).

Section 3. The Clerk of Council is hereby directed to post copies of this Resolution in five or more public places in the City of Dover.

ADOPTED: *

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CARLETON E. CAREY, SR.	DAVID L. BONAR
MAYOR	COUNCIL PRESIDENT

Actions History:
January 27, 2014 - Introduced at City Council

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