UTILITY COMMITTEE

The Utility Committee Meeting was held on April 25, 2011 at 5:00 p.m. with Chairman Ruane presiding. Members present were Mr. Bonar, Mr. McGiffin, and Mr. Snaman. Major Kosior was absent. Members of Council present were Council President Hogan and Mr. Leary. Mayor Carey (arrived at 5:24 p.m.) was also present.

AGENDA ADDITIONS/DELETIONS

By unanimous consent, the agenda was approved, as presented.

East Dover Hills Water Line Replacement Project

Mr. Ronald Lunt, Director of Public Utilities, introduced Mr. Jason Lyon, Civil Engineer, who is serving as the Project Engineer. Mr. Lyon stated that the Bayard Avenue area is known as East Dover Hills and that the Water Line Replacement Project began on April 4, 2011 with preparation of the area. Installation of the water line began on April 25, 2011 at the intersection of Division Street and Bayard Avenue. Mr. Lyon stated that this phase of the project includes Bayard Avenue in its entirety, from Division Street south to the Bayard Tower Tank. Once completed, staff will test the line to assure there are no chemical concerns and the project will then continue with Greenhill Road, from Park Drive to Route 13. After this section is complete, the next phase will include the alley between Bayard Avenue and Park Drive. Once all water lines are complete and positive test results achieved, each individual lot will be provided new water service.

Mr. Lyon advised members that he is in the process of going "door-to-door" to explain the project to each resident, determine if they have any questions or concerns, and provide his contact information. The anticipated project completion date is September 2011.

Responding to Mr. Ruane regarding the purpose of the replacement, Mr. Lyon reminded members that this project was identified in 2006 by the water model study as one of the main projects needing completion. He advised members that this area serves as a thoroughfare from Division Street to the Bayard Tower tank and that 16-inch pipe is used to provide the maximum pressure possible in the transmission of water. In addition, Mr. Lyon stated that there have been numerous complaints of brown water, explaining that there are undersized (two (2) inch) mains in the area; therefore, all mains are being upgraded to eight (8) inches. The cost of this project is approximately $450,000.

In response to Mr. Bonar, Mr. Lyon stated that, in addition to contacting the residents personally, correspondence has been sent to residents who are not home during the day.

Division Street Inflow & Infiltration Project

Mr. Jason Lyon, Civil Engineer, advised members that the Division Street Inflow and Infiltration (I & I) Project is part of a larger I & I project that encompasses the northwest interceptor, which includes William Street and Washington Street behind the Capital School District property. The project was put out for bid and was anticipated to begin during the week of April 25, 2011; however, since this is a heavily traveled area, staff determined that it would be better to delay the project until July 9, 2011, after upcoming festivities (Old Dover Days, Race Weekend, the African American Festival, the Fourth of July, etc.) have concluded.

Mr. Lyon stated that the contractor will work 24 hours per day until the project is complete and that the project will require closure of Division Street, from King's Highway to West Street, for approximately 5-7 days. He assured members that all required permits will be obtained and there will be customer "outreach" to businesses and residents. Mr. Lyon advised members that the overall project cost will be approximately $1.8M.

Responding to Mr. Bonar, Mr. Lyon stated that there have been no difficulties in obtaining necessary approvals from the Delaware Department of Transportation (DelDOT), including the road closure.

Review of Utility Related Capital Investment Plan (CIP) (Electric and Water/Wastewater) *(January and February)*

Members were provided Project Tracking Reports, as of January 31, 2011 and February 28, 2011, for the Utility (Electric and Water/Wastewater) Related Capital Investment Plan (CIP). Noting that there will be new Committee members, Mr. Ruane suggested that staff provide members a summary of each project to allow them full understanding.

Referring to the Route 13 Water Main Project, Mr. Ronald Lunt, Public Utilities Director, stated that there have been many challenges related to the Delaware Department of Transportation's (DelDOT) involvement with this project. He indicating that DelDOT has delayed approval of the project for over one (1) year and has required a traffic maintenance plan, which added substantial cost to the project. It was Mr. Lunt's feeling that, although this project exemplifies some of the problems with the relationship between the City and DelDOT, the Division Street Project reflects some of the successes. He explained that the City has routine meetings with DelDOT to discuss upcoming projects, which help the City to better understand the needs of DelDOT and vice versa.

PACE/NAES REPORT

The PACE/NAES Monthly Report for February 2011 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.

Mr. Ronald Lunt, Director of Public Utilities, noted that sales were greater than projections by approximately 4,000 hours due to cold weather. He noted that Units 3 and 11 successfully achieved capacity rating, which is approximately102 megawatts for Unit 3 and 43 megawatts for Unit 11.

In response to Mr. Bonar, Mr. Lunt indicated that there were no environmental impact concerns at this time; however, this could change depending on potential actions of the Environmental Protection Agency (EPA).

Responding to Mr. Ruane, Mr. Lunt stated that the agreement for the contract with the The Energy Authority (TEA) will soon be complete and services will begin July 1, 2011. He stated that PACE has been very cooperative with this transition and has provided assistance.

Mr. Snaman moved to recommend acceptance of the PACE/NAES Monthly Report for February 2011, seconded by Mr. McGiffin and unanimously carried.

Update - Green Energy Funding and Programming

Mr. Ronald Lunt, Director of Public Utilities, stated that there have been no changes in Green Energy Funding and Programming since the previous report. He advised members that he approved an additional application submitted by a psychiatric center. He noted that the application was for delayed grant program funds, which are estimated to be received in approximately two (2) years.

State Sustainable Energy Utility (SEU) Programs and Legislation

Mr. Ronald Lunt, Director of Public Utilities, advised members that the City has sent a letter of support for a proposed legislative change that was spearheaded by the Delaware Electric Co-op, requesting that demand response programs would also apply toward the Renewable Energy Portfolio Standards (RPS). He stated that a hearing was recently held and that the Department of Natural Resources and Environmental Control (DNREC) views this as "double dipping" since there is legislation that requires the City to lower usage. Mr. Lunt indicated that there is a usage reduction bill that impacts the City and DNREC feels that allowing demand response would be "double dipping" resources; therefore, DNREC is not supporting the bill. Mr. Lunt stated that he was not aware of any other energy-related legislation pending.

Noting that several members will no longer be serving on the Committee, Mr. Ruane relayed appreciation on their behalf for all the work provided by staff, including Mr. Anthony DePrima, City Manager; Mr. Ronald Lunt, Director of Public Utilities; Mrs. Sharon Duca, Water/Wastewater Manager; Mr. Scott Koenig, Public Services Manager/Director of Public Works; and Mrs. Ann Marie Townshend, Director of Planning and Community Development. Since this was his last time serving as Chair, Mr. Ruane also commended and thanked the Committee members and all those in the utility field for their assistance provided to him over the past 10 years.

Mr. McGiffin echoed the comments of Mr. Ruane and also thanked Mr. Ruane for his leadership serving as the Committee's Chair.

Mr. Bonar thanked Mr. Ruane and Mr. McGiffin for their service and noted that their actions played a significant role in utility improvements made by the City. He also thanked the Council President for appointing these members to the Committee.

Mr. Ruane also relayed appreciation to the City Clerk's Office for their support and the Controller/Treasurer for the guidance she provided.

Mr. Snaman wished those who will no longer serve on the Committee well in their future endeavors and relayed his enjoyment serving the Committee.

By unanimous consent, the meeting adjourned at 5:32 p.m.

Respectfully submitted,

Eugene B. Ruane
Chairman

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