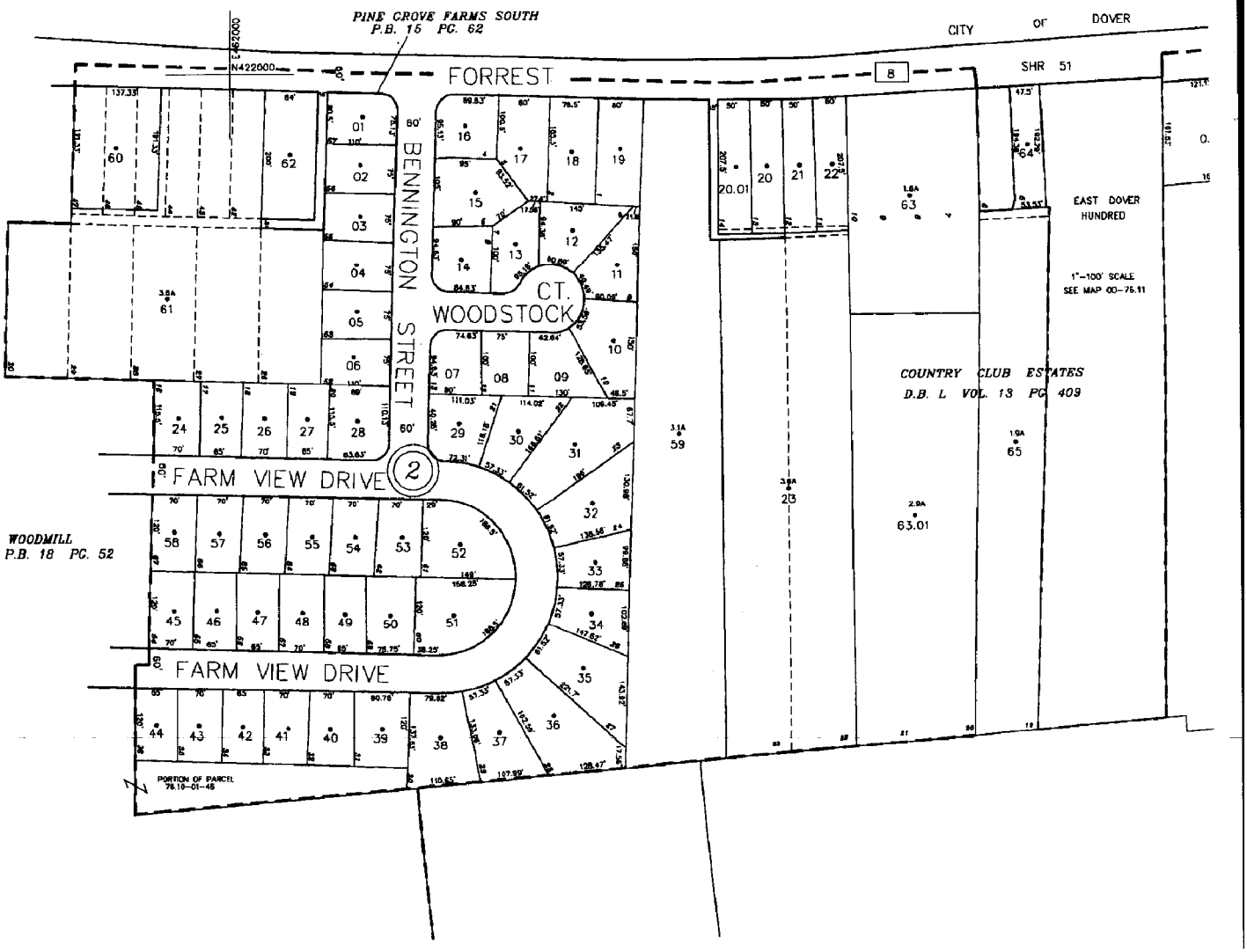

PINE GROVE FARMS SOUTH
P.B. 15 PG. 62
CITY OF DOVER
SHR 51
FORREST
8
N422000
BENNINGTON STREET
CT.
WOODSTOCK
FARM VIEW DRIVE
FARM VIEW DRIVE
2
EAST DOVER HUNDRED
1"=100' SCALE
SEE MAP 00-76.11
COUNTRY CLUB ESTATES
D.B. L VOL. 13 PG. 409
WOODMILL
P.B. 18 PG. 52
PORTION OF PARCEL
76.19-01-46

MAYOR AND COUNCIL

DRAFT PROPOSED RESOLUTION
COUNCIL RESOLUTION NO. 2008-17

A RESOLUTION PROPOSING THE VACATING AND ABANDONMENT OF A CERTAIN ALLEY 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 the following alley:

> All that certain piece or parcel of land situated in the City of Dover, Kent County, State of Delaware, a 15 foot wide paper alley running north to south approximately 207.5 feet on the south side of Delaware Route 8 immediately west of Tax Parcel #ED-05-076.11-02-20.01-000, then running in a easterly direction 200 feet along Tax Parcels #ED-05-076.11-02-20.01-000, #ED-05-076.11-02-20.00-000, #ED-05-076.11-02-21.00-000 and #ED-05-076.11-02-22.00-000, compromising 6,112.50 square feet, more or less.

Section 2. The Council of the City of Dover will sit on Monday, September 8, 2008, 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 158, Volume 36, 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: *

C:\Documents and Settings\Mommy\My Documents\City\Minutes\Attachments and Exhibits\2008\08-11-2008 Utility\2 - Resolution.wpd

CARLETON E. CAREY, SR.	KENNETH L. HOGAN
MAYOR	COUNCIL PRESIDENT

Actions History: Aug 11, 2008 - Utility Committee Recommended Adoption

Draft

WATER QUALITY EXPENDITURE UPDATE

UTILITY COMMITTEE PRESENTATION

August 11, 2008



J. Fletcher Creamer & Son, Inc.

PUBLIC UTILITIES DEPARTMENT
ELECTRIC
WATER
WASTEWATER

Public Utilities Department
Water / Wastewater Utilities

ATTACHMENT #3
Utility Committee Meeting of 08/11/2008

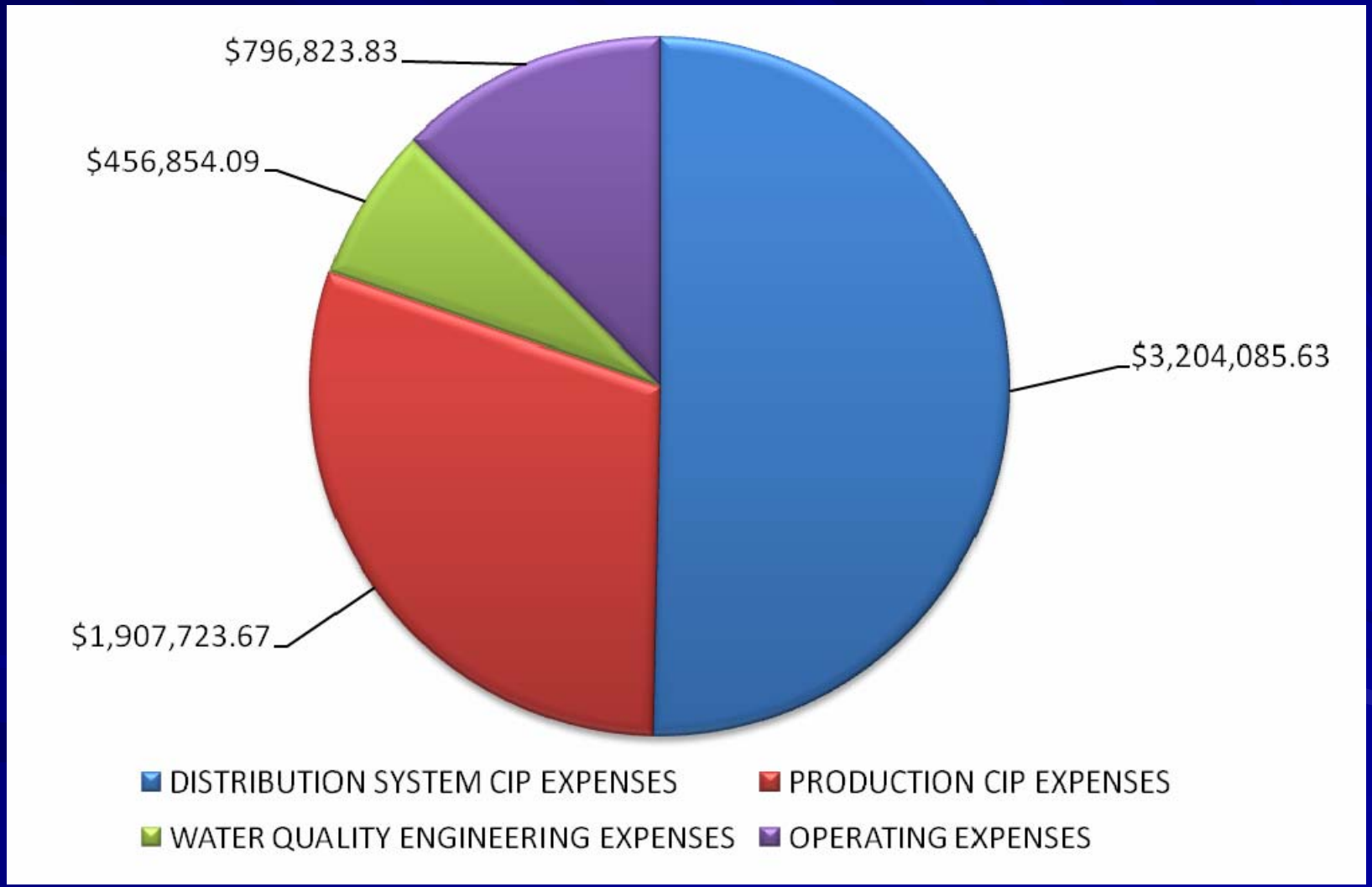
BACKGROUND

- Our customers started experiencing brown water concerns in December of 2002 when the City was mandated to chlorinate the water system.
- Since that time, the City of Dover has invested in improvements to assist in resolving this issue.

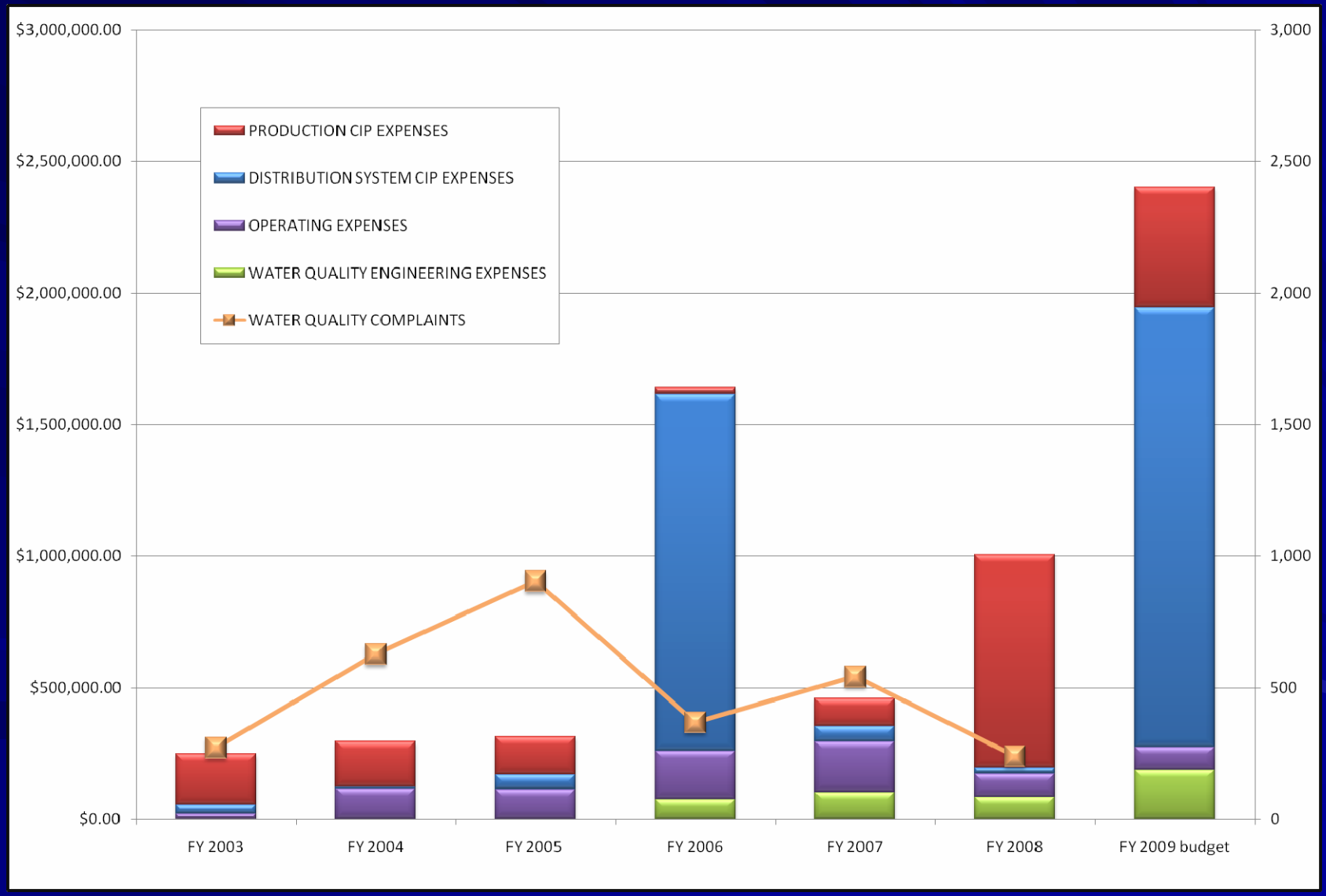
WATER QUALITY EXPENSES

- The 2006 Water Quality Evaluation clearly identified that there was no single solution to the City's brown water problems.
- Areas for improvement included water production, the distribution system, operations and additional engineering.
- Since 2002, the City has invested in all of these areas.

EXPENSES BY AREA



EXPENSE SUMMARY



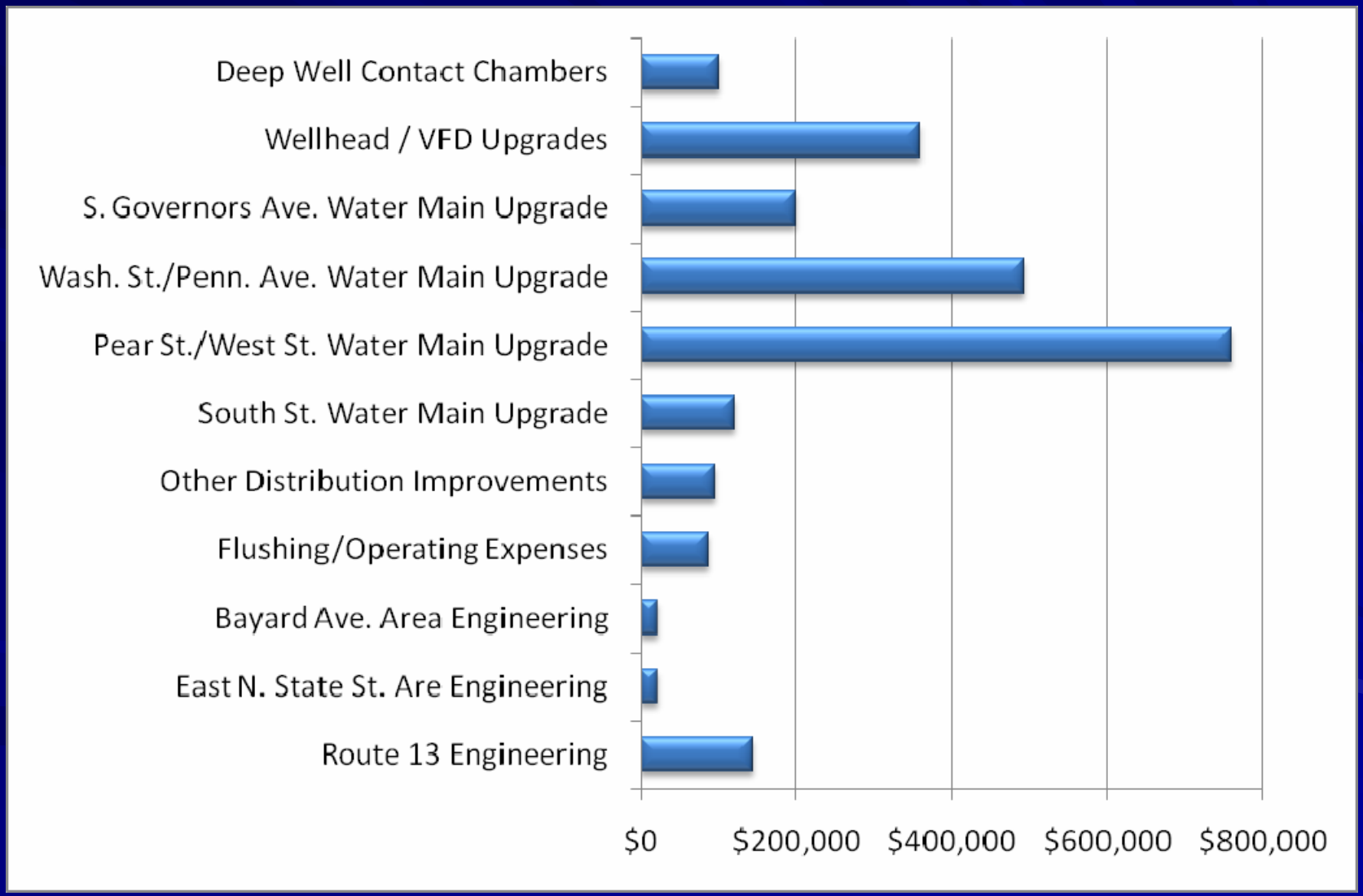
FY 2009 KEY PROJECTS

- Production
  - Deep Well Contact Chamber Completion
  - Wellhead / VFD Upgrades
- Distribution
  - South Governors Avenue Water Main Upgrade
  - Washington Street / Pennsylvania Avenue Water Main Upgrade
  - Pear Street / West Street Water Main Upgrade

FY 2009 KEY PROJECTS

- Distribution (continued)
  - South Street Water Main Upgrade
- Operating
  - Distribution System Flushing
- Water Quality Engineering
  - Bayard Avenue Area Engineering
  - East North State Street Area Engineering
  - Route 13 Engineering

FY 2009 EXPENSES



MOVING FORWARD

- The Public Utilities Department is dedicated to improving our aging water system infrastructure and alleviating brown water concerns.



S. Governors Ave. Pipe Coupon



N. State St. Repair Clamp



Loockerman St. Pipe Coupon

MOVING FORWARD

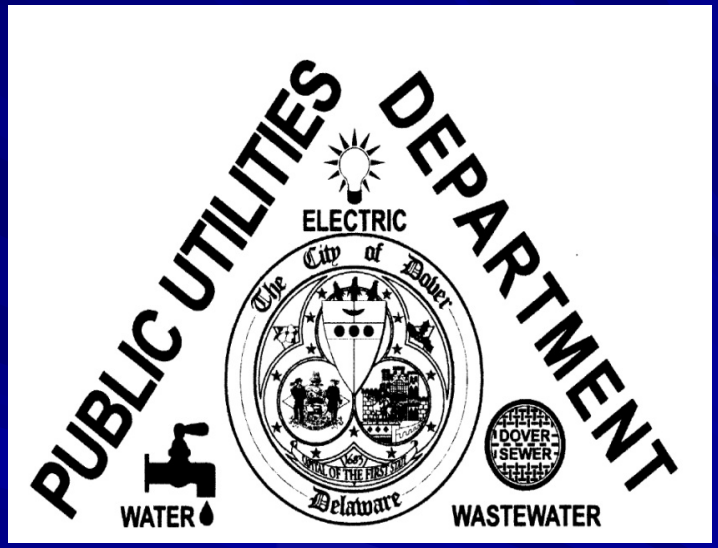
- As one solution does not exist, out year expenditures must continue to be allocated in the following areas:
  - Production
  - Distribution (based upon Priority Listing)
  - Operations
  - Engineering



J. Fletcher Creamer & Son, Inc.

CITY OF DOVER PUBLIC UTILITIES

- The City of Dover Public Utilities Department will endeavor to provide our customers with the safest and with the best quality utilities at the lowest possible cost. Doing so will ensure that the City of Dover is a place where people will want to live.





City of Dover 2007-2008
Fiscal Year Energy Cost in Review

August 11, 2008

PACE

Dover Energy Management Committee Oversight

Energy Management

- Capacity markets
- Energy markets
- Transmission markets
- Generation
- Fuel
- Reconciliation and accounting

Energy Risk Management

- Strategy, policies and procedures
- Managing price and credit risk
- Hedging
- Settlement, accounting and reconciliation

Plant Operations & Maintenance

- Strategy policies and procedures
- Training and performance management
- Plant operations
- NERC, DENREC, OSHA etc.
- Regular and major maintenance
- Accounting and administrative support

Resource Planning

- Future resource needs
- Assessment of current and prospective technology
- RFP policies, process and execution

Regulatory Compliance

- Fuel oil conversion
- Regional Greenhouse Gas Initiative
- SO2 & NOx

Other Strategic

- Demand Side Management:
- Renewable resources
- PJM Credit Default
- Energy efficiency

City of Dover – 2007/08 FY Energy Budget and Actual

	Total ($)	Total ($)	Variance ($)	Variance (%)
Power Supply				
Power Supply (incl. LFC & Mgt Fees)	$63,317,955	$66,668,001	$3,350,046	5.02%
Capacity UCAP Obligated Purchased	$12,170,091	$12,287,872	$117,781	0.96%
Total - Power Supply	**$75,488,046**	**$78,955,873**	**$3,467,827**	**4.39%**
Power Generation				
Plant O&M	$5,598,198	$6,258,150	$659,952	10.55%
Plant Capital Projects	$322,317	$377,000	$54,683	14.50%
Fixed Fuel and Transport Charges	$286,261	$322,989	$36,728	11.37%
Subtotal O&M	**$6,206,776**	**$6,958,139**	**$751,363**	**10.80%**
Generation Production Margin				
Power Revenue from PJM (exc. Black Start)	($4,097,276)	($3,636,990)	$460,286	12.66%
Fuel & Transport (Variable)	$3,186,415	$2,535,958	($650,457)	-25.65%
Total - Generation Production Margin	**($910,861)**	**($1,101,032)**	**($190,171)**	**-17.27%**
Non-Production Revenue				
Generation Capacity Payment	($11,726,108)	($11,902,746)	($176,638)	-1.48%
Emissions Allowance Sales	($1,069,190)	($1,030,000)	$39,190	3.80%
Black Start Revenue	($65,697)	($60,000)	$5,697	9.50%
Subtotal - Non-Production Revenue	**($12,860,994)**	**($12,992,746)**	**($131,752)**	**-1.01%**
Subtotal - Power Generation	$5,295,915	$5,857,107	$561,192	9.58%
Subtotal - Non-Production Revenue	($12,860,995)	($12,992,746)	($131,751)	-1.01%
Total - Power Generation	**($7,565,080)**	**($7,135,639)**	**$429,441**	**6.02%**
Total - Utilities Cost	**$67,922,966**	**$71,820,234**	**$3,897,268**	**5.43%**

Year in Review Highlights

Commercial Considerations

- Year over year Day-Ahead prices at Dover increased 30%, yet Dover achieved a positive Power Supply variance of $3.4 million.
- Dover's plants generated 24,500 mWhs achieving nearly $1 million in variable margin.
- Dover increased its ARR revenues by over $300,000.
- The utilization of the tank inventory in last summer's dispatch increased the inventory value by roughly a half million versus sale of the used oil.
- The Black Start revenues were increased and FY08 emission revenues exceeded budget.

Issues Addressed

- The growing capacity shortfall was addressed through the issuance of an RFP.
- Economic and regulatory analysis conducted for the 1146 compliance plan demonstrated that the plan should be replaced with the fuel conversion project (saving the SNCR cost and providing for emission caps that are achievable).
- The PJM credit default issue was addressed ensuring that Dover received a waiver.
- DSM and energy efficiency strategic options were developed resulting in a hold strategy.
- The Blue Water project and the DPL on shore wind RFP were reviewed and discussed.
- The Pace procurement review policy has been modified.
- On a daily basis, SO_2 and NOx markets have been monitored and assessed.
- Initial assessment and on-going monitor of the RGGI program.

Looking Forward

- Fuel oil conversion: significant improvement in expected emission profile and significant improvement in capital costs
- SO2 Market: DC Circuit Court vacated CAIR
- Energy markets and hedge positions: Year over year cost of service protected
- Regional Greenhouse Gas Initiative (RGGI): Dover preparing for new RGGI compliance market
- Dover 2030: current status of the proposal process
- Enhanced reporting for FY2008