UTILITY COMMITTEE
A G E N D A
REVISED

September 24, 2007 - 5:00 P.M. - Council Chambers - City Hall - City of Dover
Public comments are welcomed on any item and will be permitted at appropriate times. When possible, please notify the City Clerk *(736-7008 or e-mail at Tmcdowell@dover.de.us)* ***should you wish to be recognized.***

AGENDA ADDITIONS/DELETIONS

1. Proposed Amendments to the City of Dover Electric Service Handbook - Proposed Increases for Residential and Commercial Underground Extension Fee

2. Revised CIP's for 69KV Feeders 3 & 4 and St. Jones Substation

3. Bid Evaluation - Two (2) Substation Transformers

4. FY 07/08 Water/Wastewater Capital Improvement Project (CIP) Briefing *(Continued from September 10, 2007 Meeting)*

5. Modification of Maintenance Agreement - Persimmon Park Place Islands

6. Update - Verizon Franchise Agreement Negotiations

7. Adjournment by 6:00 P.M.

/tm
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THE AGENDA ITEMS AS LISTED MAY NOT BE CONSIDERED IN SEQUENCE. THIS AGENDA IS SUBJECT TO CHANGE TO INCLUDE THE ADDITION OR THE DELETION OF ITEMS, INCLUDING EXECUTIVE SESSIONS.

ACTION FORM

PROCEEDING: Utility Committee	**AGENDA ITEM NO:** 09/24/2007
DEPARTMENT OF ORIGIN: Public Utilities – Electric Engineering	**DATE SUBMITTED:** 08/23/2007
PREPARED BY: Ronald H. Lunt, Public Utilities Director	
SUBJECT: Proposed Increase for Residential and Commercial Underground Extension Fee	
REFERENCE: Electric Service Handbook Division III, Rules and Regulations, Section 3-36	
RELATED PROJECT: N/A	
APPROVALS: City Manager, Finance Director	
EXHIBITS: Detailed Development Evaluation	
EXPENDITURE REQUIRED: $N/A	**AMOUNT BUDGETED**: $N/A
FUNDING SOURCE (Dept./Page in CIP & Budget): N/A	
TIMETABLE: To become effective upon Council's approval.	
RECOMMENDED ACTION: Staff recommends increasing the Residential Underground Extension Fee from $850 per service to $1,200 per service. Additionally, staff recommends increasing the Commercial and Industrial Underground Extensions from $850 per electrical service to total material cost recovery.	

BACKGROUND AND ANALYSIS

In September, 2006, the Electrical Engineering Division chose three reflective developments to study and developed a material list for the equipment needed to supply electrical service to these developments. From that study a "per lot" fee was developed to recover all the City supplied material costs and included in the City of Dover Electric Service Handbook, which currently requires an $850 residential underground extension fee (per lot) for new developments and/or extension requests. The $850 fee recovered the material and transformer costs of the new electrical distribution extension; it does not include labor. The fees in the Handbook also applied the same rate to Commercial and Industrial extensions where more than one customer was served.

Due to the rising cost of material, staff felt it was necessary to re-evaluate the fee's associated with providing the infrastructure for underground electric service extensions. The result of this re-evaluation, which used the same material lists as the 2006 study, is that the average cost for providing residential electric service is approximately $1,200 per service. Staff is also recommending that the Commercial and Industrial underground extensions be modified to recover 100% electrical material costs for all installations.

New Development - Estimated Material Costs (July 2007)						Average Cost
Development	**Year**	**Material Cost**	**Transformer Cost**	**Total Material Cost**	**No. of Lots**	**Per Lot**
Nottingham Meadows	2006	$ 190,377.59	$ 45,888.00	$ 236,265.59	212	$ 1,114.46
	2007	$ 240,106.56	$ 65,019.81	$ 305,126.37	212	$ 1,439.28
Stone Ridge Dev	2005	$ 31,388.11	$ 11,792.81	$ 43,180.92	81	$ 533.10
	2007	$ 37,588.80	$ 13,065.61	$ 50,654.41	81	$ 625.36
Clearview Meadows Dev.	2005	$ 166,154.46	$ 52,710.18	$ 218,864.64	303	$ 722.33
	2007	$ 275,849.56	$ 80,255.57	$ 356,105.13	303	$ 1,175.26
	Pre-2007 Average per lot, material & transf. cost only				596	$ **836.09**
	2007 Average per lot, material & transf. cost only				596	$ **1,194.44**

~~Text depicted with strikeout will be omitted.~~

Text depicted with bold italic is proposed.

3-36. Underground Extensions

a. Residential.

The City will install underground extensions of primary, secondary and services (subject to Rules and Regulations of Underground Services) to serve customers in new developments. ~~The developer will be required to install, at its expense, conduits, equipment and pads~~ ***The developer will be required to provide and install, at their expense, all conduit(s), and install, at their expense, all equipment and pads (for example manholes, transformer pads, etc.)*** as designed by the City's Engineering Department. In addition, a fee of ~~$850~~ ***$1,200*** per platted lot is required.

The City will examine request for underground extensions individually in areas other than those planned initially for underground.

b. Commercial and Industrial.

The City will install underground extensions on or along public right-of-way or on a right-of-way on private property to serve ~~more than one customer only~~ ***one or more customers*** in areas where the existing distribution system is underground or an underground system is planned. ~~The developer will be required to install, at their expense, conduits and equipment pad~~ ***The developer will be required to provide and install, at their expense, all conduit(s), and install, at their expense, all equipment and pads (for example manholes, transformer pads, etc.)*** as designed by the City's Engineering Department. In addition, ***reimbursement*** ~~a fee~~ of ~~$850~~ ***100% of the cost of materials, including all equipment and transformers,*** per ~~platted lot~~ ***electrical service*** is required.

Note: Secondary services shall continue to be installed and maintained by the customer from the City's point of connection, such as the transformer or pedestal, to the customers meter socket, disconnect, CT cabinet or other mutually agreeable device located at the property line or mutually agreeable location.

ACTION FORM

PROCEEDING: Utility Committee	**AGENDA ITEM NO.:** 09/24/2007
DEPARTMENT OF ORIGIN: Public Utilities – Engineering Dept.	**DATE SUBMITTED**: 09/07/2007
PREPARED BY: Ronald Lunt – Public Utilities Director	
SUBJECT: Revised CIP's for 69 Kv Feeders 3 & 4 and St. Jones Substation	
REFERENCE: NA	
RELATED PROJECT: NA	
APPROVALS: City Manager, Finance Director	
EXHIBITS: Revised CIP forms	
EXPENDITURE REQUIRED: **NA** **AMOUNT BUDGETED**: NA **(AS PER ATTACHED REVISED CIP SHEET)** **FUNDING SOURCE (Dept./Page in CIP & Budget)**: NA	
TIMETA BLE: Complete projects by the end of Fiscal Year 2009.	
RECOMMENDED ACTION: Approve the changes in scope, schedule, and expense related to the CIP's for St. Jones Substation and 69 Kv Feeders 3 & 4.	

BACKGROUND AND ANALYSIS

At the July 23, 2007, Utility Committee Meeting the Public Utility Director briefed the Committee on the changes to the scope of the 69 Kv Feeder project, which included constructing it as a design/build vs. a EPC and reducing it to two phase project vs. three phases. It was also discussed that the St. Jones Substation project would need to be accelerated to coincide with the 69 Kv Feeders 3 & 4 – Phase II construction. Since this briefing, staff has been preparing a detailed budget for both projects in an effort to update the CIP's with reliable cost estimates. Furthermore, a stipulation of the bond sale mandates that all funds be spent within three years of the bond sale, the acceleration of the St. Jones Substation project will assist in complying with this requirement.

As anticipated, the change is scope to the 69 Kv Feeder project will result in a saving of approximately $2,525,410. The St. Jones Substation project costs have increased due to increases in the price of metals, the switchgear, and related equipment. In FY 06 the project had been estimated to be 5.1M, it was reduced to 3.6M in FY 07 based on a temporary reduction in actual bid costs. The current estimates for the Substation are projected to be approximately 5.3M. The total costs related to the two projects are projected to be $17,598,158, a net reduction of $749,342 over previous FY07 estimates.

Budget Amendments reflecting these changes will be prepared for approval as part of the first planned Budget Amendment.

69 KV Feeders 3 and 4		**LOCATION & AREA MAP:**
FISCAL YEAR:	2006 - 2009	
PROJECT NO.:	EE0601	
FUND:		
DEPARTMENT:	Public Utilities – Electric Engineering	
NEW PROJECT?:	**NO**	
DEPT. RANKING:	3	

PROJECT DESCRIPTION: This project will install two new 69 Kv circuits starting at the Cartanza Substation and interconnecting with our existing 69 Kv network near Fulton and West Street. The completion of this project will provide redundancy to the existing transmission system and allow any one of the four transmission lines to be taken out of service due to a component failure, or for maintenance, without causing a large scale outage. Additionally, it should be able to supply future transmission capacity for at least 20 years. The project will be completed in two phases. Phase I of this project, with construction beginning in the spring of 2008, will build two new circuits to the St. Jones Substation location (located at the intersection of Kings Hwy. and Division Street); while it will not provide any interconnection or service at this location, it is an electrically appropriate mid-point in the project. Phase II of the project will begin in the fall of 2008 and continue the double circuits from St. Jones Substation to a point near Fulton and West Street where they will interconnect with our existing lines. Phase II also includes installing approximately four spans of transmission line at North Street, near the railroad tracks and the remove of obsolete lines along North Street near the Enterprise Industrial Park.

NEED, JUSTIFICATION, BENEFIT: The existing two lines from the Cartanza Substation carry the entire system load. If one line should fail due to weather, accidents, or equipment failure during peak loading times approximately 50 percent of the electric customers would be out of power until the failure was resolved. Additionally, the current transmission lines share the same poles for approximately the first mile, if one of these support structures were to be knocked down, the entire City would be without power until the generation could be started and could take approximately ten hours before restoration would be completed. The addition of the two new circuits will provide a diverse path and double the transmission capacity.

CONSEQUENCES OF DELAYING OR ELIMINATING THIS PROJECT: As previously discussed, prolonged, widespread outages on the transmission system and/or the operation of generation at a substantial economic loss during transmission maintenance (approximately $1M in FY07).

THIS PROJECT IS RELATED TO THE FOLLOWING: St. Jones Substation

EXPLANATION OF IMPACT ON OPERATING BUDGET: NA

TIME-LINE/CURRENT STATUS: Started in FY 06 and completed in FY 09.

COMMENTS:

FIVE-YEAR COST BREAKDOWN SCHEDULE:

	Prior to 2008	FY 2008	FY 2009	FY 2010	FY 2011	After 2011	TOTAL
Planning and Design	197,332	854,975	304,000				1,356,307
Land							
Construction		8,602,813	2,262,970				10,865,783
Miscellaneous Equipment							
Other							
TOTAL	197,332	9,457,788	2,566,970				$12,222,090

FINANCING:

	Prior to 2008	FY 2008	FY 2009	FY 2010	FY 2011	After 2011	TOTAL
Electric Bond Proceeds	197,332	9,457,788	2,566,970				12,222,090
TOTAL	197,332	9,457,788	2,566,970				$12,222,090

IMPACT ON OPERATING BUDGET:

	Prior to 2008	FY 2008	FY 2009	FY 2010	FY 2011	After 2011	TOTAL
TOTAL							

St. Jones Substation		**LOCATION & AREA MAP:**
FISCAL YEAR:	2008 - 2009	
PROJECT NO.:	ES0004	
FUND:		
DEPARTMENT:	Public Utilities – Electric Engineering	
NEW PROJECT?:	**NO**	
DEPT. RANKING:		

PROJECT DESCRIPTION: This project will replace the current St. Jones Substation in coordination with the new 69 Kv Feeders 3 & 4 project. The new station will consist of a bus tie for the two new 69 Kv circuits, installation of a new transformer and switchgear to replace the existing obsolete equipment, and converting the last 22 Kv substation to 69 Kv.

NEED, JUSTIFICATION, BENEFIT: The installation of the bus tie will provide additional reliability to the transmission system by providing a protection scheme for line faults, allow the interconnection of the two new feeders at this location to provide greater reliability, and provide a dual transmission feed, with protection/isolation, to ensure that the substation continues to operate in instances where the transmission line fails. The current station transformer and equipment have reached their life expectancy and need to be replaced; therefore, this is an ideal time to convert the station to the 69 Kv system. This will facilitate the removal of approximately 6 miles of 22 Kv transmission lines, which will reduce the maintenance requirements and system losses.

CONSEQUENCES OF DELAYING OR ELIMINATING THIS PROJECT: We would not be able to complete Phase II of the 69 Kv project, update the obsolete equipment, or remove the 22 Kv transmission system.

THIS PROJECT IS RELATED TO THE FOLLOWING: 69 Kv Feeders 3 & 4

EXPLANATION OF IMPACT ON OPERATING BUDGET: NA

TIME-LINE/CURRENT STATUS: Design and material procurement in FY 08, construction to begin in the fall of 2008 with completion scheduled for June of 2009.

COMMENTS: This is a revised CIP due to the revision of the 69 Kv Feeders 3 & 4 to only two phases and to ensure that the bond funds are expended in three years.

FIVE-YEAR COST BREAKDOWN SCHEDULE:

	Prior to 2008	FY 2008	FY 2009	FY 2010	FY 2011	After 2011	TOTAL
Planning and Design		$333,760	$134,840				$468,600
Land							
Construction		$1,832,279	$3,075,189				$4,907,468
Miscellaneous Equipment							
Other							
TOTAL		$2,166,039	$3,210,029				$5,376,068

FINANCING:

	Prior to 2008	FY 2008	FY 2009	FY 2010	FY 2011	After 2011	TOTAL
Electric Bond Proceeds		2,166,039	2,690,907				$4,856,946
Depreciation Reserve			519,122				519,122
TOTAL							$5,376,068

IMPACT ON OPERATING BUDGET:

	Prior to 2008	FY 2008	FY 2009	FY 2010	FY 2011	After 2011	TOTAL
TOTAL							

PROCEEDING: Utility Committee	**AGENDA ITEM NO.:** 09/24/2007
DEPARTMENT OF ORIGIN: Public Utilities – Electric	**DATE SUBMITTED**: 09/07/2007
PREPARED BY: Ronald H. Lunt – Public Utilities Director	
SUBJECT: Bid Evaluation: St Jones & Horsepond Substation Transformer	
REFERENCE: BID # 08-0004DPU	
RELATED PROJECT: 69 Kv Feeders 3 & 4	
APPROVALS: City Manager and Finance Director	
EXHIBITS: Shaw Bid Evaluation Summary	
EXPENDITURE REQUIRED: $1,615,481	**AMOUNT BUDGETED**: See Explanation Below
FUNDING SOURCE (Dept./Page in CIP & Budget): #1) 2007/2008 City of Dover Draft Budget, Page 150, Public Utilities – Electric Engineering, Horsepond 600 Transformer: Account #487-8300-563-70-27, Project EE0803, budget $1,020,000, expense of $807,740.50. #2) Amended CIP Sheet and subsequent Budget Amendment for St. Jones Substation being proposed with a FY2007-08 Budget of $1,832,279 and expense of $807,740.50.	
TIMETABLE: Unit will be ordered upon Council approval and will ship approximately 46 weeks after order.	
RECOMMENDED ACTION: Staff recommends awarding the proposal to the lowest responsive bidder, Kuhlman Electric Corporation, in the amount of $1,615,481 which includes 2 transformers ($1,566,446), one set of spare parts ($4,905), and transformer field assembly ($44,110).	

BACKGROUND AND ANALYSIS

The City of Dover solicited a Request for Proposals (RFP) for two (2) Substation Transformers; one transformer will be installed at the Horsepond Substation and the other at the St Jones Substation. Both are existing substations that will be undergoing upgrades due to the age and condition of the existing transformers.

An RFP was solicited and advertised according to City Policy by the Contract and Procurement Manager under Number 08-0004DPU. Dover received a total of eight (8) proposals; one proposal was rejected as it contained an exception that was not acceptable. The remaining seven proposals were evaluated by Shaw Engineering Services and reviewed by staff. All proposals were evaluated based on the criteria included in the solicitation which included compliance with specifications, firm pricing, manufacturing experience in the USA, technical design data, core/coil type, factory capabilities, total weight, delivery time, and warranty. These evaluations are summarized in the attached spreadsheet under "RFP Engineering Evaluation Penalty Multiplier" which provides a quantitative analysis of the responsiveness of the proposal. Additionally, the transformers are also evaluated on a "total cost of operation" factor which quantifies the total energy losses (the energy costs to operate the transformer for the life of the transformer) coupled with the purchase price and spare parts cost. Utilizing this data, staff determined that the proposal from Kuhlman Electric Corp. is the most responsive and should be awarded the contract.

Staff included the expense of the spare parts which includes a gasket set, one high and low voltage bushing, and one cooling fan with motor. Furthermore, staff recommends including the Turnkey installation for both transformers which includes unloading, assembly, oil filling/processing, field testing, and a five (5) year warranty. The Kuhlman proposal price is a firm price; however, it does contain the following payment requirements:

- 20% down payment,
- 30% fifteen weeks prior to scheduled shipment,
- 30% 35 days prior to scheduled shipment, and
- 20% upon shipment (Due net 15 days after receipt of transformer).

Request for Qoute #:	08-0004DPU	**HORSEPOND/ST JONES SUBSTATION TRANSFORMERS**						
Transformer MVA:	20/27/33MVA							
Transformer Voltage HV / LV:	69/12.47KV							
Quantity of Order:	2							
Bidder:		Kuhlman	Ronpartners	HD Supply	RW Chapman	HD Supply	Irby	Waukesha
Manufacturer:		KUHLMAN	WEG	GE/PROLEC	Delta Star	Niagara	Niagara	Waukesha
RFP Engineering Evaluation Penalty Multiplier		1	1.046	1.002	1.03	1.128	1.128	1.028
Quoted Price		$1,566,466	$1,552,114	$1,736,000	$1,797,550	$1,560,000	$1,565,550	$2,006,600
Sum of Adders (spare parts, surge test, and test charge)		$4,905	$4,740	$9,565	$3,722	$10,590	$10,590	$3,250
Subtotal (adders & quoted price)		$1,571,371	$1,556,854	$1,745,565	$1,801,272	$1,570,590	$1,576,140	$2,009,850
RFP Evaluation Penalty Applied to Subtotal (Subtotal * eval. penalty)		$1,571,371	$1,628,469	$1,749,056	$1,855,310	$1,771,626	$1,777,886	$2,066,126
Penalty for Energy Losses:		$219,120	$213,600	$306,200	$240,800	$326,400	$326,400	$225,640
Total evaluated price (This includes all the criteria for the bases of the transformer award which includes Quoted Price, Adders, RFP Evaluation, and Penalty for Energy Losses)		$1,790,491	$1,842,069	$2,055,256	$2,096,110	$2,098,026	$2,104,286	$2,291,766
Bid award ranking based on RFP evaluation criteria, losses, and adders (excludes field assembly)		1	2	3	4	5	6	7
Transformer field assembly		$44,110	Not available	$133,000	Not available	$74,000	$75,000	Not available
Bid Award Total Cost (based on Quoted Price, Adders, and Field Assembly		$1,615,481.00						
Unit Cost		$807,740.50						
	Miscellaneous Information							
	Delivery Lead time (wks):	46 wks aro*	54 wks aro	52wks aro	as required.	53 wks aro	53 wks aro	54 wks aro
	Transformer Plant Location	Crystal Spr, MS	Tizayuca, MX	Monterrey, MX	Lynchburg, VA	Buffalo, NY	Buffalo, NY	Wis or NC

*After Receipt of Order

City of Dover

Memorandum

Office of the City Manager
P.O. Box 475
Dover, DE 19903
Phone: (302) 736-7005
Fax: (302) 736-7002
E-mail: tdeprima@dover.de.us

To: **Utility Committee Members**

From: **Anthony J. DePrima, AICP**
City Manager

Date: **August 29, 2007**

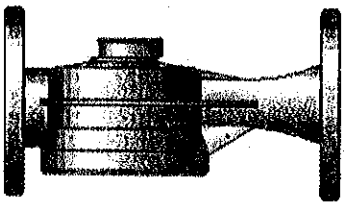
Subject: **FY 07/08 Water/Wastewater Capital Improvement Project (CIP) Briefing**

The CIP sheets for the FY 07/08 Water/Wastewater Capital Improvement Projects to be discussed at the September 10, 2007 Utility Committee meeting are attached for your review.

Thank you.

/dej
Attachment

2nd Meter Reading Tech Upgrade (WW)



FISCAL YEAR S : 2008 - 2009

PROJECT NO: WS0603

CATEGORY: Water/Wastewater

DEPARTMENT: Public Utilities - Wastewater Mgmt

DEPT. RANKING: 1

NEW PROJECT: No

PROJECT DESCRIPTION: This project will convert touch reading water meter technology to radio reading technology on approximately 2,800 water meters per year based on two meter techs. (without an additional tech, 1,300 through 2014.)

NEED, JUSTIFICATION, BENEFIT: The project will significantly increase meter reading efficiency by reducing manpower costs over the long term.

CONSEQUENCES OF DELAYING OR ELIMINATING THIS PROJECT: Delaying or eliminating this project will result in an increased manpower demand due to the increasing number of water meters and the increase in the size of the water service territory.

THIS PROJECT IS RELATED TO THE FOLLOWING: The conversion of electric meters to similar technology.

EXPLANATION OF IMPACT ON OPERATING BUDGET: N/A

TIME-LINE/CURRENT STATUS: Approximately 2,784 meters have been converted through Fiscal Year 2007.

COMMENTS: All work on this project is completed by City staff assigned to the water utility. Out-year costs have been increased by three percent per year. The total number of water meters in the City's system is estimated to be 13,100. Cost avoidance of hiring one additional meter reader is estimated to be $42,872 in Fiscal Year 2006 dollars. This includes salary, benefits, vehicle, maintenance, and equipment.

FIVE-YEAR COST BREAKDOWN SCHEDULE:

	Prior to 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	After 2012	TOTAL
Planning and Design								
Land								
Construction								
Miscellaneous	225,000	183,150	147,250					**555,400**
Other								
TOTAL	**225,000**	**183,150**	**147,250**					**555,400**

FINANCING:

	Prior to 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	After 2012	TOTAL
Water/Wastewater Fund	225,000	183,150	147,250					**555,400**
TOTAL	**225,000**	**183,150**	**147,250**					**555,400**

IMPACT ON OPERATING BUDGET:

Description	Prior to 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	After 2012	TOTAL

Inflow/Infiltration Removal

FISCAL YEAR(S) : 2008 - 2012

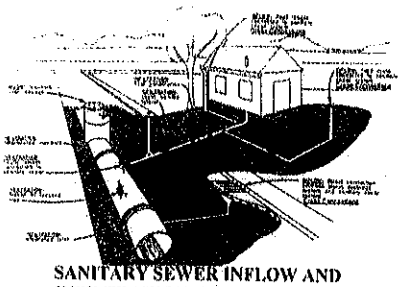
PROJECT NO: WS0501

CATEGORY: Water/Wastewater

DEPARTMENT: Public Utilities - Wastewater Mgmt

DEPT. RANKING: 2

NEW PROJECT: No



SANITARY SEWER INFLOW AND INFILTRATION (I & I) PROBLEMS

PROJECT DESCRIPTION: The project will identify and correct areas in the sanitary sewer collection system that are deteriorating and allowing groundwater to enter the sanitary sewer system through cracked pipes and/or joints. In addition, video investigation will help identify sump pump connections to the system which will have to be removed by individual property owners.

NEED, JUSTIFICATION, BENEFIT: The wet weather experienced in 2003, highlighted the fact that we have an aging wastewater system that requires more attention to the condition of the old pipe network and more monitoring of sump pump connections to the system. Inflow and infiltration are problems that all customers pay for since they are costs that are not assigned to an individual customer. Therefore, all customers are affected by expenses related to inflow and infiltration.

CONSEQUENCES OF DELAYING OR ELIMINATING THIS PROJECT: Delaying or eliminating this project will result in continued higher treatment charges for wastewater flow to Kent County than is necessary. In addition, the reduction in available capacity in the City and county systems due to inflow and infiltration will reduce the capacity available for future growth.

THIS PROJECT IS RELATED TO THE FOLLOWING: N/A

EXPLANATION OF IMPACT ON OPERATING BUDGET: The project will reduce the operating budget over time due to the reduction in costs for sewage treatment paid to Kent County. The goal is to reduce inflow and infiltration by ten gallons per minute each year for five years (approximately $10,000 per year treatment charge). All savings are cumulative.

TIME-LINE/CURRENT STATUS: Investigation and program development occurred in Fiscal Year 2005; project scoping will occur in Fiscal Year 2006; video inspection and testing of pipe occurred in Fiscal Years 2006 and 2007; relining/replacement of pipe will occur in Fiscal Years 2008 through 2012.

COMMENTS: In the first five months of Fiscal Year 2004, the Kent County Wastewater Adjustment Charge was approximately $68,454 over the target budget per month. In Fiscal Year 2005, City Council approved a $.45/Tgal rate increase on the City's sewer rate to compensate for this problem. Inflow and infiltration created an additional budget deficit of $68,890 through the first quarter of Fiscal Year 2005. The project will reduce the operating budget over time due to the reduction in costs for sewage treatment paid to Kent County.

FIVE-YEAR COST BREAKDOWN SCHEDULE:

	Prior to 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	After 2012	TOTAL
Planning and Design	49,000	15,000	15,500	16,000	16,600	17,200	17,800	**147,100**
Land								
Construction	201,000	85,000	135,000	185,000	235,000	285,000	335,000	**1,461,000**
Miscellaneous								
Other								
TOTAL	**250,000**	**100,000**	**150,500**	**201,000**	**251,600**	**302,200**	**352,800**	**1,608,100**

FINANCING:

	Prior to 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	After 2012	TOTAL
Water/Wastewater Fund	250,000	100,000	150,500	201,000	251,600	302,200	352,800	**1,608,100**
TOTAL	**250,000**	**100,000**	**150,500**	**201,000**	**251,600**	**302,200**	**352,800**	**1,608,100**

IMPACT ON OPERATING BUDGET:

Description	Prior to 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	After 2012	TOTAL

Miscellaneous Sewer System Improvements



FISCAL YEAR(S): 2008 - 2012

PROJECT NO: WS0605

CATEGORY: Water/Wastewater

DEPARTMENT: Public Utilities - Wastewater Mgmt

DEPT. RANKING: 3

NEW PROJECT: No

PROJECT DESCRIPTION: This project will replace sewer line segments that are rapidly deteriorating due to age and location. No specific locations for this work have been programmed to date; however, this project is intended to focus on the residential collection system in the areas where water main work is scheduled.

NEED, JUSTIFICATION, BENEFIT: These funds are necessary to address failing or deteriorated infrastructure where City crews are replacing old water mains through the miscellaneous water system improvement project.

CONSEQUENCES OF DELAYING OR ELIMINATING THIS PROJECT: Delaying or eliminating this project will result in increased utility cuts on roads where water main work is scheduled to be completed due to the age of the old lines or break history.

THIS PROJECT IS RELATED TO THE FOLLOWING: Miscellaneous Distribution System Improvements for the water system

EXPLANATION OF IMPACT ON OPERATING BUDGET: N/A

TIME-LINE/CURRENT STATUS: Proposed as an annual project; locations will be identified.

COMMENTS: All work is intended to be done by the in-house construction crew in areas where water system work is scheduled.

FIVE-YEAR COST BREAKDOWN SCHEDULE:

	Prior to 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	After 2012	TOTAL
Planning and Design								
Land								
Construction	40,000	30,000	35,000	40,000	45,000	50,000	55,000	**295,000**
Miscellaneous	40,000							**40,000**
Other								
TOTAL	**80,000**	**30,000**	**35,000**	**40,000**	**45,000**	**50,000**	**55,000**	**335,000**

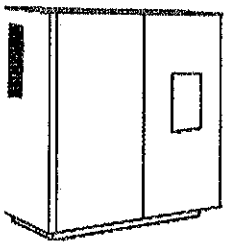
FINANCING:

	Prior to 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	After 2012	TOTAL
Water/Wastewater Fund	80,000	30,000	35,000	40,000	45,000	50,000	55,000	**335,000**
TOTAL	**80,000**	**30,000**	**35,000**	**40,000**	**45,000**	**50,000**	**55,000**	**335,000**

IMPACT ON OPERATING BUDGET:

Description	Prior to 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	After 2012	TOTAL

SCADA Equipment Technology Upgrade



FISCAL YEAR(S) : 2008 - 2012

PROJECT NO:

CATEGORY: Water/Wastewater

DEPARTMENT: Public Utilities - Wastewater Mgmt

DEPT. RANKING: 4

NEW PROJECT: No

PROJECT DESCRIPTION: This project involves the replacement of antiquated and/or obsolete remote terminal units (RTUs) at sewage pumping stations with new up-to-date serviceable SCADA equipment. Microwave radios, antennas and enclosures would be upgraded as needed. The RTU and radio are the reporting equipment for the SCADA system (Supervisory Control and Data Acquisition) which reports, on a constant basis, the status of alarms at the City's pumping stations. The RTUs that are being replaced are outdated and unable to be repaired. Most of the equipment is installed in two steel cabinets mounted outside and are corroding. The new equipment is installed within a single fiberglass NEMA 4 enclosure.

NEED, JUSTIFICATION, BENEFIT: Replace failing antiquated equipment with completely new alarm reporting equipment to provide reliable SCADA system reporting and to prevent the need for costly non budgeted emergency repairs.

CONSEQUENCES OF DELAYING OR ELIMINATING THIS PROJECT: Lack of alarms resulting in costly sewer backup claims. A RTU or radio failure would provide no advance warning of a failure resulting in costly sewer backup claims or sewage overflows into waterways.

THIS PROJECT IS RELATED TO THE FOLLOWING: Routine operational replacement of old exhausted equipment

EXPLANATION OF IMPACT ON OPERATING BUDGET: N/A

TIME-LINE/CURRENT STATUS: Each Year: order equipment in July; construct cabinets and back-plates in December; complete installation by June.

COMMENTS: Currently, the purchase of this equipment has had to come out of the operation budget to replace equipment as it fails. Lack of alarms resulting in costly sewer backup claims. It is estimated that five stations will be upgraded each year.

FIVE-YEAR COST BREAKDOWN SCHEDULE:

	Prior to 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	After 2012	TOTAL
Planning and Design								
Land								
Construction		14,000	14,500	15,000	15,500	16,000	16,600	**91,600**
Miscellaneous		60,000	62,100	64,300	66,600	68,900	68,900	**390,800**
Other								
TOTAL		**74,000**	**76,600**	**79,300**	**82,100**	**84,900**	**85,500**	**482,400**

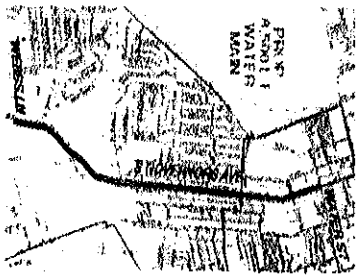
FINANCING:

	Prior to 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	After 2012	TOTAL
Water/Wastewater Fund		74,000	76,600	79,300	82,100	84,900	85,500	**482,400**
TOTAL		**74,000**	**76,600**	**79,300**	**82,100**	**84,900**	**85,500**	**482,400**

IMPACT ON OPERATING BUDGET:

Description	Prior to 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	After 2012	TOTAL

South Governors Avenue Sewer Main Upgrade



FISCAL YEAR: 2008

PROJECT NO:

CATEGORY: Water/Wastewater

DEPARTMENT: Public Utilities - Wastewater Mgmt

DEPT. RANKING: 5

NEW PROJECT: Yes

PROJECT DESCRIPTION: This project will repair and/or replace approximately 2,600 linear feet of 8, 10, and 12-inch diameter sewer main within the right-of-way of S. Governors Ave. between Webb's Lane and Water Street. These repairs have become necessary due to changes in the scope of the DelDOT restoration project for S. Governors Ave. Work will also include manhole restoration.

NEED, JUSTIFICATION, BENEFIT: This project will focus on replacement and/or repair to sections of sewer main outside the scope of work for the DelDOT project because of the deteriorate condition of the current facilities. The designated sections of sewer main will have a high probability of failure following the overall upgrade to South Governors Avenue as they currently show signs of sever cracking and crumbling. Repair/replacement work within this section of S. Governors Ave. will not be permitted for a minimum of five years following the upgrade and every effort is to me made to address major problems with the sewer main to minimize emergency repairs during this period.

CONSEQUENCES OF DELAYING OR ELIMINATING THIS PROJECT: Once the road is reconstructed by DelDOT, the City will be unable to obtain permits for this type of work for at least five years after the completion of the road project. The cost to perform these repairs following completion of the restoration work, and under an emergency capacity, would cause costs to increase dramatically.

THIS PROJECT IS RELATED TO THE FOLLOWING: South Governors Avenue Water Main Upgrade and S. Governors Ave. Road Improvements (DelDOT) estimated at $12 million.

EXPLANATION OF IMPACT ON OPERATING BUDGET:

TIME-LINE/CURRENT STATUS: Design will be completed in Fiscal Year 2007 by DelDOT at no cost to the City; tentative construction to begin in Spring 2008

COMMENTS: McCormick Taylor is the design engineer on the road project for DelDOT and will be responsible for the design of the utility improvements. Construction will be completed under the DelDOT contract. The City is responsible for the total repair and/or replacement costs to sewer main outside of the sewer relocation areas proposed as part of the DelDOT reconstruction project. The replacement of the defective sewer lines and manhole repair will also assist with the reduction of the City's I&I problem and may qualify for credits from the County in conjunction with this issue. THE CITY OF DOVER IS REQUIRED TO PAY FOR NECESSARY SEWER MAIN REPAIRS OUTSIDE OF AREAS AFFECTED BY DELDOT'S PROJECT.

FIVE-YEAR COST BREAKDOWN SCHEDULE:

	Prior to 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	After 2012	TOTAL
Planning and Design								
Land								
Construction		300,000						300,000
Miscellaneous								
Other								
TOTAL		**300,000**						**300,000**

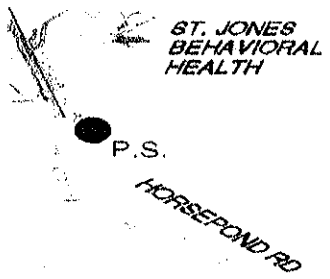
FINANCING:

	Prior to 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	After 2012	TOTAL
Impact Fee Reserve		300,000						300,000
TOTAL		**300,000**						**300,000**

IMPACT ON OPERATING BUDGET:

Description	Prior to 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	After 2012	TOTAL

Lafferty Lane Package Pump Station Replacement & Upgrade



FISCAL YEAR : 2008

PROJECT NO:

CATEGORY: Water/Wastewater

DEPARTMENT: Public Utilities - Wastewater Mgmt

DEPT. RANKING: 6

NEW PROJECT: No

PROJECT DESCRIPTION: This project involves replacement of the Smith & Loveless package pumping station installed in 1987 by the City to provide sewer to areas with failing septic systems and to extend sewer collection service. The station is approaching its life expectancy of 20-25 years but is stricken with a severe corrosion problem and dust due to an adjacent recycling operation. The steel pumping station and all the electrical equipment and wiring have extensive corrosion due to hydrogen sulfide gas believed to be coming from the Little Creek sewage discharged into the station. The station is also in need of a capacity upgrade due to increased system pressure conditions since it has recently been connected to the Kent County Central Bypass (CTB) and has to pump all the way to the Kent County Treatment Plant in Frederica. The new station will include a packaged pumping station installed within a concrete vault and include site grading improvements, replacement of electrical equipment and ventilation equipment, and the addition of an air filtration system. The new station is anticipated to be installed with adequate capacity for anticipated basin growth.

NEED, JUSTIFICATION, BENEFIT: Replace the aged station with a completely new station to prevent the need for costly non budgeted repairs to maintain operation. Due to the danger of exposure to the gas and possible structural failure, personnel safety is of major concern. The replacement of the station provides adequate capacity to prevent surcharges and increases the safety of City staff along with workers comp claims or loss of life.

CONSEQUENCES OF DELAYING OR ELIMINATING THIS PROJECT: A severe failure of the station resulting in the rental of costly bypass pumps until the station can be replaced or repaired and personal injury to staff or loss of life.

THIS PROJECT IS RELATED TO THE FOLLOWING: The Kent County Central Transmission Bypass (CTB) and was connected to the bypass in July of 2005.

EXPLANATION OF IMPACT ON OPERATING BUDGET: N/A

TIME-LINE/CURRENT STATUS: Time-line is critical for safety and to meet the schedule of the fast moving Kent County Central Transmission Bypass.

COMMENTS: This station is a major hub station for the southeast side of the City and is now a metering point for sewer flows to Kent County. It currently has five contributing pumping station within its collection system: S. Little Creek Road, McDaniel Business Park(private), Bryan Business Park(private), Kent County's Little Creek Station, and the Dover Brook Gardens pumping station. Another may be added in five years (Pickering Beach). The Lafferty Corner Pumping Station was the first City of Dover pumping station to be directed into the Kent County Central Transmission Bypass and is currently pumping at the original design capacity. When the White Oak Farms and U.S. Rt. 13 East pumping stations are connected into the CTB, system pressures will increase drastically, and a capacity increase is necessary to handle peak flows.

FIVE-YEAR COST BREAKDOWN SCHEDULE:

	Prior to 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	After 2012	TOTAL
Planning and Design		30,000						30,000
Land								
Construction								
Miscellaneous		200,000						200,000
Other								
TOTAL		230,000						230,000

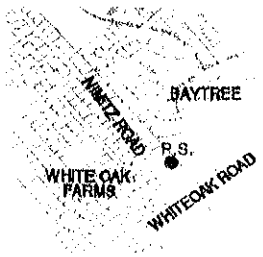
FINANCING:

	Prior to 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	After 2012	TOTAL
Impact Fee Reserve		130,000						130,000
Water/Wastewater Fund		100,000						100,000
TOTAL		230,000						230,000

IMPACT ON OPERATING BUDGET:

Description	Prior to 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	After 2012	TOTAL

White Oak Farms Pumping Station VFDs



FISCAL YEAR: 2008

PROJECT NO:

CATEGORY: Water/Wastewater

DEPARTMENT: Public Utilities - Wastewater Mgmt

DEPT. RANKING: 9

NEW PROJECT: No

PROJECT DESCRIPTION: This project will install two variable frequency drives (VFDs) for the two 75 hp motors at the White Oak Farms Pumping Station. The VFDs will be installed in parallel with the existing across-the-line motor starters and motor control cabinet. The existing starters will remain as a backup so that they can be switched back on line by a mechanic in the event of a VFD failure. The VFDs will be installed to operate on a "flow matching" principle minimizing the number of starts and stops required of the motors.

NEED, JUSTIFICATION, BENEFIT: With connection to the Kent County Central Transmission Bypass, this station will experience varying discharge head conditions, and the VFDs will allow the speed of the motors to be adjusted to best meet the new system conditions. To minimize the dangerous effects of water hammer and to prevent "check valve slam", the VFDs will start and stop the pumps by slowly "ramping" up the r.p.m.s on startup and "ramping" down at shut down. This principle also benefits the motors by controlling the inrush of electric current at motor startup and increasing the life of the motor windings.

CONSEQUENCES OF DELAYING OR ELIMINATING THIS PROJECT: By delaying the project, a drive shaft failure could occur completely destroying the operation of the pumping station or a piping failure from the dangerous effects of water hammer.

THIS PROJECT IS RELATED TO THE FOLLOWING: The Kent County Central Transmission Bypass (CTB), Acorn Lane Package Pump Station Replacement

EXPLANATION OF IMPACT ON OPERATING BUDGET: N/A

TIME-LINE/CURRENT STATUS: The project should occur as soon as possible. The slow starting will prevent possible damage to the extend drive shafts of the pumps and motor mountings.

COMMENTS: The White Oak Farms Pumping Station was built in the late 1960's during the construction of the White Oak Farms and Towne Point Subdivisions. The pumping station's drainage basin has expanded to an area that also includes the following: The easterly portion of Edgehill, Independence Village, Acorn Farms, Manchester Square, Baytree, all of White Oak Road east of Mitscher Road, and various apartment complexes and highway commercial properties from St. Andrews Church to Arby's Restaurant. This station is the highest contributor on the east side of town to the Downtown basin. The station is the key station in the CTB plan because it will remove over 500,000 gallons of sewage from the Kent County #3 pumping station and Downtown basin. In 1996, the pumping station was completely renovated with a wet well expansion, all new motors, controls, pumps, piping, and generator.

FIVE-YEAR COST BREAKDOWN SCHEDULE:

	Prior to 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	After 2012	TOTAL
Planning and Design		6,000						6,000
Land								
Construction								
Miscellaneous		60,000						60,000
Other								
TOTAL		66,000						66,000

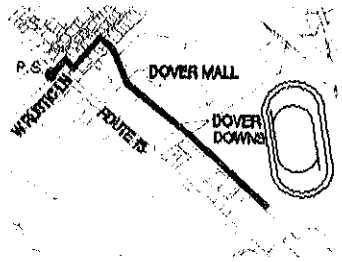
FINANCING:

	Prior to 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	After 2012	TOTAL
Water/Wastewater Fund		66,000						66,000
TOTAL		66,000						66,000

IMPACT ON OPERATING BUDGET:

Description	Prior to 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	After 2012	TOTAL

U.S. Rt. 13 East Sanitary Sewer Interceptor



FISCAL YEAR(S): 2008 - 2009

PROJECT NO:

CATEGORY: Water/Wastewater

DEPARTMENT: Public Utilities - Wastewater Mgmt

DEPT. RANKING: 9

NEW PROJECT: No

PROJECT DESCRIPTION: This project will construct approximately 6,500 linear feet of various diameter gravity sewer from the entrance road to Dover Downs, Inc. to the west end of West Rustic Lane. Sewer diameters included in this project consist of 12-inch, 21-inch, 24-inch and 27-inch.

NEED, JUSTIFICATION, BENEFIT: The proposed gravity sewer interceptor will allow the City to abandon the existing Schwartz Pumping Station immediately adjacent to US RT 13. If the gravity sewer is not constructed, the Schwartz Pumping Station must be reconstructed due to its age and accessibility problems. The life cycle costs of the proposed gravity sewer interceptor are significantly less than reconstructing the pumping station, even though the initial construction costs are higher. In addition, the gravity sewer interceptor will allow further gravity sewer extensions to the surrounding area which will allow redevelopment of properties on the east and west side of US RT 13. These properties are currently under utilized due to the lack of public sewer. This project is also necessary to redirect flow to the US RT 13 gravity basin and relieve problems at Kent County Station #2. This would be accomplished through the future redirecting of force mains from the Delaware State University, Delaware Tech and McKee Pumping Stations. This project will also extend sewer to the proposed convention center property.

CONSEQUENCES OF DELAYING OR ELIMINATING THIS PROJECT: The Schwartz Pumping Station will need major renovations estimated at $800,000. The existing sewer system will be unable to handle growth within the area including the proposed Convention Center. Delaying or eliminating this project will also result in an extended reliance on Kent County Station #2 which is located on Denney's Road across from Delaware Tech Campus.

THIS PROJECT IS RELATED TO THE FOLLOWING: Pump Station and Sewer Basin Study, Central Transmission Bypass Project (Kent County), Convention Center.

EXPLANATION OF IMPACT ON OPERATING BUDGET: N/A

TIME-LINE/CURRENT STATUS: Approximately 1,000 linear feet of 27-inch gravity sewer was installed in FY 2007. Design, alignment and easement acquisition to be completed in FY 2008. Construction to be completed in FY 2009.

COMMENTS: $150,000 has been added for construction inspection services.

FIVE-YEAR COST BREAKDOWN SCHEDULE:

	Prior to 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	After 2012	TOTAL
Planning and Design	28,715	75,000						103,715
Land		10,000						10,000
Construction	330,000		2,291,800					2,621,800
Miscellaneous								
Other								
TOTAL	**358,715**	**85,000**	**2,291,800**					**2,735,515**

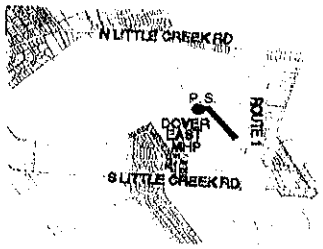
FINANCING:

	Prior to 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	After 2012	TOTAL
Impact Fee Reserve	358,715	85,000	1,000,000					1,443,715
Bond Financing			1,291,800					1,291,800
TOTAL	**358,715**	**85,000**	**2,291,800**					**2,735,515**

IMPACT ON OPERATING BUDGET:

Description	Prior to 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	After 2012	TOTAL
Debt Service			129,180	129,180	129,180	129,180		

Dover East Pumping Station and Force Main Replacement



FISCAL YEAR: 2008

PROJECT NO:

CATEGORY: Water/Wastewater

DEPARTMENT: Public Utilities - Wastewater Mgmt

DEPT. RANKING: 10

NEW PROJECT: No

PROJECT DESCRIPTION: The proposed project includes the replacement of the Smith & Loveless package capsular pumping station, wet well improvements, and six-inch cast iron force main installed in 1973. The station has exceeded its anticipated life expectancy of 20-25 years and is in need of a capacity upgrade due to the increased growth in the basin. The below grade capsular station will be replaced with a wet well mounted package pumping station eliminating a confined space entry requirement. The brick wet well will need to be replaced or lined and expanded to provide additional capacity. The existing force main is six-inch cast iron approximately 6,000 feet in length and is another major factor limiting the capacity of the station. The force main will be replaced with a ten inch diameter pipe directed away from the downtown collection system and the Kent County #3 pumping station into the Central Transmission Bypass.

NEED, JUSTIFICATION, BENEFIT: Replace the aged station with a completely new station to prevent the need for costly non budgeted repairs to maintain operation. Provide a reliable sewage pumping station for another 25 years with adequate capacity for the additional flow from the immediate vicinity due to development and failing community on-site septic systems. Staff has had various problems at the station in the past years that are attributes with a spent station, such as inoperable valves, noisy motors, vibration, loss of pump capacity, and failure of electrical control equipment.

CONSEQUENCES OF DELAYING OR ELIMINATING THIS PROJECT: Pump failure resulting in a sewage spill into waterways or backup in a residence. Because of the age of the station, certain parts are no longer obtainable and replacement of equipment is costly.

THIS PROJECT IS RELATED TO THE FOLLOWING: The Kent County Central Transmission Bypass (CTB), the routine operational replacement of old exhausted equipment

EXPLANATION OF IMPACT ON OPERATING BUDGET: N/A

TIME-LINE/CURRENT STATUS: The station is a time bomb ticking, and it is only a matter of time before a major failure occurs.

COMMENTS: This station was installed with the development of the East Dover Mobile Home Park in 1973 by Robino. The station currently handles the entire park, Barrister Place, and Stoney Creek. The station located at the northeast corner of the park lends itself to utilization by adjacent properties for connection. In the past, there have been inquiries and construction designs to connect other existing mobile home parks located directly to the north and south (Oak Grove MHP, M&S MHP, Village at Grandview). The developers of the proposed Rojan Meadows development (200 units) and Strafford Station (72 units) are anticipating a connection to the Dover East Pumping station basin.

FIVE-YEAR COST BREAKDOWN SCHEDULE:

	Prior to 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	After 2012	TOTAL
Planning and Design		25,000						**25,000**
Land								
Construction		310,000						**310,000**
Miscellaneous								
Other								
TOTAL		**335,000**						**335,000**

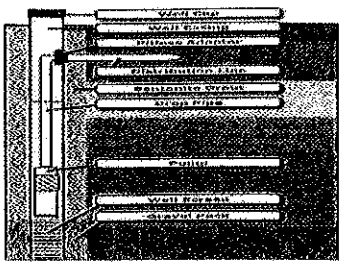
FINANCING:

	Prior to 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	After 2012	TOTAL
Impact Fee Reserve		335,000						**335,000**
TOTAL		**335,000**						**335,000**

IMPACT ON OPERATING BUDGET:

Description	Prior to 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	After 2012	TOTAL

Wellhead Redevelopment Program



FISCAL YEAR(S): 2008 - 2012

PROJECT NO: WS0606

CATEGORY: Water/Wastewater

DEPARTMENT: Public Utilities - Water Mgmt

DEPT. RANKING: 2

NEW PROJECT: No

PROJECT DESCRIPTION: This project will provide for rehabilitation and repair of each deep wellhead in an effort to maintain operations and/or increase the yield of each well as it relates to the permitted allocation.

NEED, JUSTIFICATION, BENEFIT: The well screening and gravel pack requires cleaning over time due to a buildup of mineral deposits and foreign materials such as clay and silt. This maintenance effort is critical to ensure that production can continue to meet demand. It is also necessary to maintain the operational aspects of each well and provide repairs as needed to minimize downtime to maintain system capacity.

CONSEQUENCES OF DELAYING OR ELIMINATING THIS PROJECT: Delaying or eliminating this project would result in the continued deterioration of the well screen, gravel pack, and well yield over time. It would also result in increased well downtime and emergency repairs and decreased capacity. These issues can lead to increased flow pattern changes and water quality concerns.

THIS PROJECT IS RELATED TO THE FOLLOWING: Water Quality

EXPLANATION OF IMPACT ON OPERATING BUDGET: Improved operating efficiencies at the wellhead will slightly reduce power costs, but this savings has not been quantified.

TIME-LINE/CURRENT STATUS: Tentative Schedule: Fiscal Year 2008 total well inspection and testing; Wells for out years will be determined based on FY 08.

COMMENTS: Fiscal Year 2005: Wells #8, #10 and #11 were completed. Fiscal Year 2006: Wells #2 and #6 were completed.

FIVE-YEAR COST BREAKDOWN SCHEDULE:

	Prior to 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	After 2012	TOTAL
Planning and Design								
Land								
Construction	185,962	45,000	50,000	55,000	60,000	65,000	70,000	**530,962**
Miscellaneous								
Other								
TOTAL	**185,962**	**45,000**	**50,000**	**55,000**	**60,000**	**65,000**	**70,000**	**530,962**

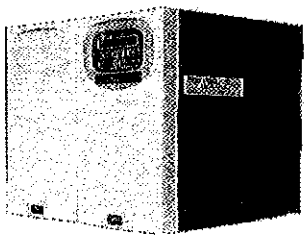
FINANCING:

	Prior to 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	After 2012	TOTAL
Water/Wastewater Fund	185,962	45,000	50,000	55,000	60,000	65,000	70,000	**530,962**
TOTAL	**185,962**	**45,000**	**50,000**	**55,000**	**60,000**	**65,000**	**70,000**	**530,962**

IMPACT ON OPERATING BUDGET:

Description	Prior to 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	After 2012	TOTAL

Wellhead VFD Upgrades



FISCAL YEAR(S): 2008 - 2011

PROJECT NO:

CATEGORY: Water/Wastewater

DEPARTMENT: Public Utilities - Water Mgmt

DEPT. RANKING: 3

NEW PROJECT: No

PROJECT DESCRIPTION: This project will purchase and install Variable Frequency Drives (VFDs) at deep well facilities.

NEED, JUSTIFICATION, BENEFIT: This project will provide additional production draw control and reduce water hammer and flow reversals resulting from wells turning on and off which can lead to water quality concerns.

CONSEQUENCES OF DELAYING OR ELIMINATING THIS PROJECT: In order to address water quality concerns, it is necessary to implement system improvements, including water production improvements, to provide further operational control of the water system. Delaying this project will delay the ability to address water quality issues.

THIS PROJECT IS RELATED TO THE FOLLOWING: Water quality

EXPLANATION OF IMPACT ON OPERATING BUDGET: N/A

TIME-LINE/CURRENT STATUS: Three VFDs have been purchased. The installation of two of them (Well #6 and Well #10) was completed in Fiscal Year 2006, the VFD for Well #2 is being installed in fiscal year 2007. VFS's for Well #11, Well #13R, and Well #15 are proposed for installation in Fiscal Year 2008. The proposed cost schedule will complete VFD installation at all appropriate facilities.

COMMENTS: Specifying the appropriate VFD for each well to be provided by a consultant. Installation of VFDs is to be provided by an outside contractor. Out year costs have been increased at 3.5 percent per year. Providing water production controls supports the ability to defray the costs of water main relining and/or replacement over time rather than requiring additional funding in the short term to address the worst mains.

FIVE-YEAR COST BREAKDOWN SCHEDULE:

	Prior to 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	After 2012	TOTAL
Planning and Design		9,000	6,200	6,400	6,600			**28,200**
Land								
Construction								
Miscellaneous		113,000	78,000	80,700	83,500			**355,200**
Other								
TOTAL		**122,000**	**84,200**	**87,100**	**90,100**			**383,400**

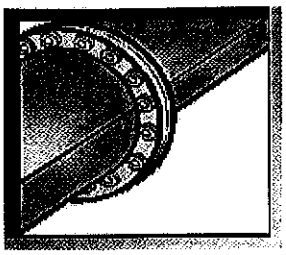
FINANCING:

	Prior to 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	After 2012	TOTAL
Water/Wastewater Fund		122,000	84,200	87,100	90,100			**383,400**
TOTAL		**122,000**	**84,200**	**87,100**	**90,100**			**383,400**

IMPACT ON OPERATING BUDGET:

Description	Prior to 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	After 2012	TOTAL

Water Quality Improvements



FISCAL YEAR(S): 2008 - 2012

PROJECT NO: WS0502

CATEGORY: Water/Wastewater

DEPARTMENT: Public Utilities - Water Mgmt

DEPT. RANKING: 5

NEW PROJECT: No

PROJECT DESCRIPTION: This project was first identified by staff and the 2004 Water Master Plan Update, and has since become further refined with the Fiscal Year 2006 Water Quality Evaluation. Projects to be included under this category primarily consists of additional water system monitoring, replacement or relining of old unlined cast iron water main within the City's water distribution system; design and installation of piping at deep wells to improve contact time; installation within the City's water distribution system; design and installation of piping at deep wells to improve contact time; installation of on-line analyzers to monitor water quality parameters at all source water locations; system upgrades to improve system control; and utilization of a consultant to develop a water quality modeling component to the existing hydraulic model to perform corrosion coupon testing, and to provide additional design and evaluation services, as needed.

NEED, JUSTIFICATION, BENEFIT: Water quality complaints have eroded consumer confidence in the City's water supply as the water is perceived to be aesthetically unpleasant. In order to reduce complaints and potentially alleviate this problem, it is necessary to implement the improvements identified by staff, the 2004 Water Master Plan Update and the Fiscal Year 2006 Water Quality Evaluation.

CONSEQUENCES OF DELAYING OR ELIMINATING THIS PROJECT: Delaying or eliminating this project will prolong the customer dissatisfaction and further erode confidence in the City's water supply. In addition, the City will continue to have to reimburse customers for damaged clothing resulting from the brown water.

THIS PROJECT IS RELATED TO THE FOLLOWING: Water Quality

EXPLANATION OF IMPACT ON OPERATING BUDGET: Addressing the brown water and associated water quality concerns of the City's water system will not only require capital improvements to the system but also operational changes. Some operation changes will result in no net effect on the operating budget, while others will need to be addressed in the development of future operating budgets. Such items include tolls and supplies necessary to improve system sampling and monitoring as well as tools and supplies necessary to improve system-wide flushing operations.

TIME-LINE/CURRENT STATUS: The primary Water Quality Improvement project completed to date consists of the replacement of unlined eight-inch and fourteen-inch cast iron pipe in Division Street between State Street and Bayard Avenue. It is anticipated that by the start of Fiscal Year 2008, the contact time designs will be completed and installation will be underway. Operational efforts such as flushing will occur on a continuous basis. The proposed costs reflect the potential need to obtain and/or purchase easements.

COMMENTS: Replacement/relining schedules must be coordinated with other improvement projects to be cost effective especially when proposing to replace a line. Potential service interruptions during relining projects must also be considered. Costs have increased from previous budget years based upon recommendations from the 2004 Water Master Plan Update and Fiscal Year 2006 Water Quality Evaluation, in order to implement an effective program. It may be necessary to implement a multi-year contract in order to achieve the goals of this program. Original project estimates provided in the 2004 Water Master Plan Update were based upon 2005 dollars. Out year costs have been increased by 3.5 percent per year. (Formerly titled "Cast Iron Main Replacement.")

FIVE-YEAR COST BREAKDOWN SCHEDULE:

	Prior to 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	After 2012	TOTAL
Planning and Design		225,000	50,000	52,000	54,000	56,000	58,000	**495,000**
Land		240,000						**240,000**
Construction	350,000	450,000	1,537,000	1,108,700	1,147,500	1,187,700	1,229,300	**7,010,200**
Miscellaneous								
Other								
TOTAL	**350,000**	**915,000**	**1,587,000**	**1,160,700**	**1,201,500**	**1,243,700**	**1,287,300**	**7,745,200**

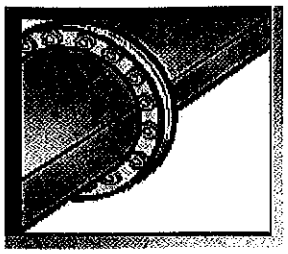
FINANCING:

	Prior to 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	After 2012	TOTAL
Water/Wastewater Fund	350,000	915,000	1,587,000	1,160,700	1,201,500	1,243,700	1,287,300	**7,745,200**
TOTAL	**350,000**	**915,000**	**1,587,000**	**1,160,700**	**1,201,500**	**1,243,700**	**1,287,300**	**7,745,200**

IMPACT ON OPERATING BUDGET:

Description	Prior to 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	After 2012	TOTAL
Operating Costs	-1,300	-500	-500	-500				**-2,800**

Miscellaneous Distribution System Improvements



FISCAL YEAR(S): 2008 - 2012

PROJECT NO: WS0602

CATEGORY: Water/Wastewater

DEPARTMENT: Public Utilities - Water Mgmt

DEPT. RANKING: 6

NEW PROJECT: No

PROJECT DESCRIPTION: This project will eliminate hydraulically inefficient water mains throughout the City by interconnecting dead ends with existing mains already in place, removing bottlenecks within the system, and installing improvements identified by the flushing program. In addition, these funds can be used to partner with private developers to oversize future mains to meet the long term goals of the utility.

NEED, JUSTIFICATION, BENEFIT: Existing dead end mains and bottlenecks do not provide adequate circulation within the water system. The result is stagnant water which continually produces complaints from residents. Implementing improvements identified by the flushing program will aide in improved operational control of the system. Missing opportunities to oversize strategic mains will result in higher construction costs in the future.

CONSEQUENCES OF DELAYING OR ELIMINATING THIS PROJECT: Delaying or eliminating this project would result in continued complaints from customers and residents regarding water quality and missed opportunities to expand the transmission and distribution system.

THIS PROJECT IS RELATED TO THE FOLLOWING: Private development for the oversizing of the mains and water quality

EXPLANATION OF IMPACT ON OPERATING BUDGET: n/a

TIME-LINE/CURRENT STATUS: This is an ongoing annual program. We identify, plan, and construct improvements each year.

COMMENTS: All work will be done using in house construction, and costs are for materials used to make water main improvements only. All costs for over sizing will be paid to private developers through negotiated cost and public works agreements. This project is an ongoing project. Cost estimates for this project are based on historical averages. (This project was called "Dead End Water Main Removal" in the 2003-2007 CIP.) Fiscal Year 2000: Clara Street Water Main Interconnection - $13,624 Mallard Pond/Heatherfield East Water Main Interconnection - $8,602 Fiscal Year 2001: Queen Street Water Main Extension - $5,488 New Castle Avenue Water Main Relocation - $1,651 Towne Point/Leipsic Rd. Water Main Interconnection - $27,763 Heatherfield/Westfield Water Main Interconnection - $2,139 Fiscal Year 2002: Old Rudnick Lane Water Main Interconnection - $10,395 U.S. 13 Water Main Oversize (Wawa) - $16,200 Water Street Water Main Interconnection - $5,600 Fiscal Year 2003: Wild Meadows Water Main Upgrade - $8,739 Weston Drive Water Main Upgrade - $13,647 Fiscal Year 2004: no projects □ moved to construction $100 Fiscal Year 2005: Woodburn Circle Water Main Replacement $9,118 Lakeland Water Main Ext. (Tidewater Utilities) $13,503 Hidden Creek Water Main Upgrade $24,551 Sackarackin Avenue Water Main Replacement $25,080 Wild Meadows Water Main Upgrade - $8,739

FIVE-YEAR COST BREAKDOWN SCHEDULE:

	Prior to 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	After 2012	TOTAL
Planning and Design								
Land								
Construction	278,948	55,000	60,000	65,000	70,000	75,000		**603,948**
Miscellaneous								
Other								
TOTAL	**278,948**	**55,000**	**60,000**	**65,000**	**70,000**	**75,000**		**603,948**

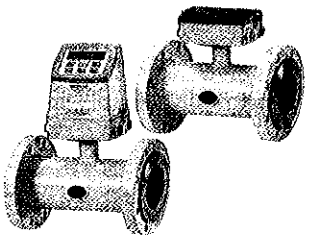
FINANCING:

	Prior to 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	After 2012	TOTAL
Water/Wastewater Fund	278,948	55,000	60,000	65,000	70,000	75,000		**603,948**
TOTAL	**278,948**	**55,000**	**60,000**	**65,000**	**70,000**	**75,000**		**603,948**

IMPACT ON OPERATING BUDGET:

Description	Prior to 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	After 2012	TOTAL

Remote Control and Monitor Wells



FISCAL YEAR(S): 2008 - 2010

PROJECT NO:

CATEGORY: Water/Wastewater

DEPARTMENT: Public Utilities - Water Mgmt

DEPT. RANKING: 7

NEW PROJECT: No

PROJECT DESCRIPTION: This project, identified in the 2004 Water Master Plan Update, would provide new water meters for the production wells.

NEED, JUSTIFICATION, BENEFIT: This project will replace existing water meters with new flow meters to improve accuracy, totalization, compatibility, and monitoring ability with SCADA system. This project will also improve VFD control and increase the ability to comply with reporting requirements.

CONSEQUENCES OF DELAYING OR ELIMINATING THIS PROJECT: Delaying or eliminating this project would result in the continuation of less than adequate control of wells and monitoring ability.

THIS PROJECT IS RELATED TO THE FOLLOWING: Emergency Generators (wells), Water Quality.

EXPLANATION OF IMPACT ON OPERATING BUDGET: N/A

TIME-LINE/CURRENT STATUS: Tentative schedule: Implementation in Fiscal Years 2008 and 2010.

COMMENTS: Provision of new flow meters was recommended in the 2004 Water Master Plan Update with original project estimates based upon 2005 dollars. Out year costs have been increased at 3.5 percent per year.

FIVE-YEAR COST BREAKDOWN SCHEDULE:

	Prior to 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	After 2012	TOTAL
Planning and Design								
Land								
Construction								
Miscellaneous		139,700		150,100				**289,800**
Other								
TOTAL		**139,700**		**150,100**				**289,800**

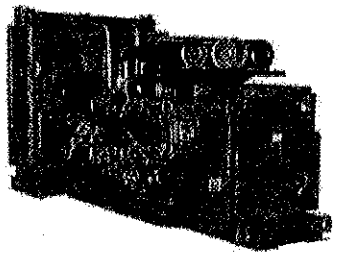
FINANCING:

	Prior to 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	After 2012	TOTAL
Water/Wastewater Fund		139,700		150,100				**289,800**
TOTAL		**139,700**		**150,100**				**289,800**

IMPACT ON OPERATING BUDGET:

Description	Prior to 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	After 2012	TOTAL

Emergency Generators (Wells)



FISCAL YEAR(S): 2008 - 2010

PROJECT NO:

CATEGORY: Water/Wastewater

DEPARTMENT: Public Utilities - Water Mgmt

DEPT. RANKING: 8

NEW PROJECT: No

PROJECT DESCRIPTION: This project, identified in the 2004 Water Master Plan Update, would provide emergency generators for the twelve production wells.

NEED, JUSTIFICATION, BENEFIT: This project will provide emergency power to wells for continued water production and reliability in the event of power disruptions or other emergencies.

CONSEQUENCES OF DELAYING OR ELIMINATING THIS PROJECT: Delaying or eliminating this project would result in reduced or suspended water service in the event of power disruptions or other emergencies.

THIS PROJECT IS RELATED TO THE FOLLOWING: Remote Control and Monitor Wells, Water Quality

EXPLANATION OF IMPACT ON OPERATING BUDGET: N/A

TIME-LINE/CURRENT STATUS: Portable or fixed generators are currently not available to most of the deep wells. The Water Treatment Plant is equipped with a fixed generator.

COMMENTS: Provision of standby generators at each well facility was recommended in the 2004 Water Master Plan Update with original project estimates based upon 2005 dollars. Out year costs have been increased at 3.5 percent per year. Additional funding resources such as Homeland Security funding, may become available for this program. (The generator located at Well #10 was purchased with Homeland Security funding.)

FIVE-YEAR COST BREAKDOWN SCHEDULE:

	Prior to 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	After 2012	TOTAL
Planning and Design								
Land								
Construction								
Miscellaneous		140,000		150,000				**290,000**
Other								
TOTAL		**140,000**		**150,000**				**290,000**

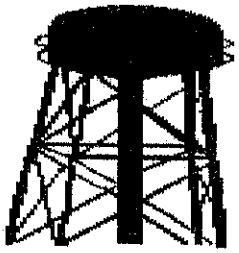
FINANCING:

	Prior to 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	After 2012	TOTAL
Homeland Security Grant		140,000		150,000				**290,000**
TOTAL		**140,000**		**150,000**				**290,000**

IMPACT ON OPERATING BUDGET:

Description	Prior to 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	After 2012	TOTAL

1.0 MG Elevated Water Storage Tower



FISCAL YEAR(S): 2008 - 2010

PROJECT NO:

CATEGORY: Water/Wastewater

DEPARTMENT: Public Utilities - Water Mgmt

DEPT. RANKING: 9

NEW PROJECT: No

PROJECT DESCRIPTION: The proposed project, identified by staff and confirmed by the 2004 Water Master Plan Update, will construct a new 1.0 million gallon elevated storage tank within the distribution system.

NEED, JUSTIFICATION, BENEFIT: This project was determined necessary by the 2004 Water Mater Plan update in order to meet future storage volume requirements based upon demands and to aid in reducing low pressure areas and enhance fire suppression capability.

CONSEQUENCES OF DELAYING OR ELIMINATING THIS PROJECT: The City's western and southern territories will experience pressure fluctuations due to changes in demand. In addition, fire suppression measures could be affected.

THIS PROJECT IS RELATED TO THE FOLLOWING: Piney Point Well, Southeast Water Loop, franchise and service territory expansion to the west and south; possible future interconnections with Dover Air Force Base, Tidewater Utilities, and the Camden/Wyoming Sewer & Water Authority.

EXPLANATION OF IMPACT ON OPERATING BUDGET: The impact on the operating budget has not been analyzed at this time.

TIME-LINE/CURRENT STATUS: Planning is proposed for fiscal year 2008. Design and site procurement are planned for Fiscal Year 2009. Construction planned for Fiscal Year 2010.

COMMENTS: Original project costs were provided in the 2004 Water Master Plan based upon 2005 dollars. Out year costs have been increased by 3.5 percent per year. Contractual services will be required to assist with planning, design and site selection and land acquisition and to perform construction. Land costs are based upon the estimated need of two (2) acres of land for the project.

FIVE-YEAR COST BREAKDOWN SCHEDULE:

	Prior to 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	After 2012	TOTAL
Planning and Design		55,000	95,000					**150,000**
Land			1,760,000					**1,760,000**
Construction				2,286,600				**2,286,600**
Miscellaneous								
Other								
TOTAL		**55,000**	**1,855,000**	**2,286,600**				**4,196,600**

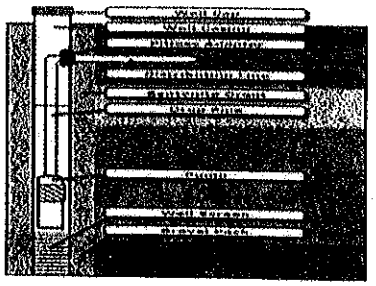
FINANCING:

	Prior to 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	After 2012	TOTAL
Water/Wastewater Fund		55,000						**55,000**
Bond Financing			1,855,000	2,286,600				**4,141,600**
TOTAL		**55,000**	**1,855,000**	**2,286,600**				**4,196,600**

IMPACT ON OPERATING BUDGET:

Description	Prior to 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	After 2012	TOTAL
Debt Service			414,160	414,160				**828,320**

Piney Point Well



FISCAL YEAR(S): 2008 - 2010

PROJECT NO: WS0701

CATEGORY: Water/Wastewater

DEPARTMENT: Public Utilities - Water Mgmt

DEPT. RANKING: 10

NEW PROJECT: No

PROJECT DESCRIPTION: This project, identified by staff and confirmed by the 2004 Water Master Plan Update, proposes the drilling of a new Piney Point Aquifer Production Well to increase production capacity up to our current permitted allocation as well as increase system pressure and stabilize the chlorine residuals of the City.

NEED, JUSTIFICATION, BENEFIT: A reduction in long-term yield from our Piney Point Well is causing a greater reliance on our more costly aquifers.

CONSEQUENCES OF DELAYING OR ELIMINATING THIS PROJECT: Delaying or eliminating this project would result in the continued reduction in our production capabilities under our permitted allocation.

THIS PROJECT IS RELATED TO THE FOLLOWING: 1.0 MG Elevated Water Storage Tank

EXPLANATION OF IMPACT ON OPERATING BUDGET: N/A

TIME-LINE/CURRENT STATUS: Planning is proposed for Fiscal Year 2008. Design and site procurement are planned for Fiscal Year 2009. Construction to be completed in Fiscal Year 2010.

COMMENTS: The specific location of a proposed wellhead has not been determined at this time. The location will be selected with the assistance of a consultant during the planning and design phase. In addition, the yield from a new production well may allow us to abandon some of our poorly performing wells. Costs identified in the 2004 Water Master Plan Update have been increased based upon 3.5 percent per year. Land costs are based upon the need of 1/2 acre of land for the project.

FIVE-YEAR COST BREAKDOWN SCHEDULE:

	Prior to 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	After 2012	TOTAL
Planning and Design		10,000	75,000					85,000
Land			55,000					55,000
Construction				258,800				258,800
Miscellaneous								
Other								
TOTAL		10,000	130,000	258,800				398,800

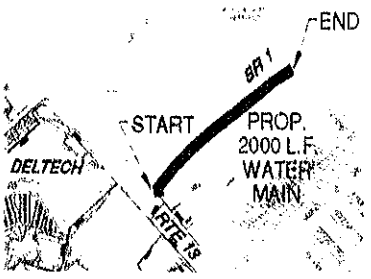
FINANCING:

	Prior to 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	After 2012	TOTAL
Water/Wastewater Fund		10,000	130,000	258,800				398,800
TOTAL		10,000	130,000	258,800				398,800

IMPACT ON OPERATING BUDGET:

Description	Prior to 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	After 2012	TOTAL

Scarborough Road Interconnection (Tidewater Utilities)



FISCAL YEAR: 2008

PROJECT NO: WD0601

CATEGORY: Water/Wastewater

DEPARTMENT: Public Utilities - Water Mgmt

DEPT. RANKING: 11

NEW PROJECT: No

PROJECT DESCRIPTION: Design and construction of a permanent metering setup in Fiscal Year 2008 is to occur. The Fiscal Year 2007 project extended a 12-inch diameter water main from the northeast side of the intersection of the U.S. Rt. 13 and Scarborough in an easterly direction approximately 2,000 linear feet to connect with the Tidewater Utilities infrastructure which traverses the Wilmington College property.

NEED, JUSTIFICATION, BENEFIT: This interconnection will provide a potential financial benefit to the City through sales of bulk water to Tidewater Utilities at the interconnection site.

CONSEQUENCES OF DELAYING OR ELIMINATING THIS PROJECT: Loss of stable customer opportunity

THIS PROJECT IS RELATED TO THE FOLLOWING: 2004 Tidewater Utilities Negotiations

EXPLANATION OF IMPACT ON OPERATING BUDGET: N/A

TIME-LINE/CURRENT STATUS:

COMMENTS: Alignment of the proposed pipe was identified in fiscal year 2006. Pipe construction was completed by in-house crew in fiscal year 2007.

FIVE-YEAR COST BREAKDOWN SCHEDULE:

	Prior to 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	After 2012	TOTAL
Planning and Design		10,400						**10,400**
Land								
Construction	50,000	62,100						**112,100**
Miscellaneous								
Other								
TOTAL	**50,000**	**72,500**						**122,500**

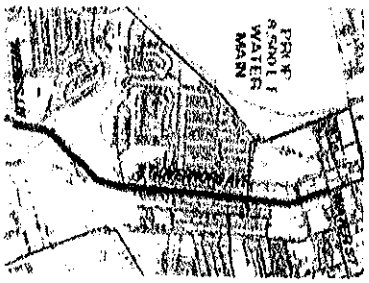
FINANCING:

	Prior to 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	After 2012	TOTAL
Water/Wastewater Fund	50,000	72,500						**122,500**
TOTAL	**50,000**	**72,500**						**122,500**

IMPACT ON OPERATING BUDGET:

Description	Prior to 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	After 2012	TOTAL

South Governors Avenue Water Main Upgrade



FISCAL YEAR: 2008

PROJECT NO:

CATEGORY: Water/Wastewater

DEPARTMENT: Public Utilities - Water Mgmt

DEPT. RANKING: 13

NEW PROJECT: No

PROJECT DESCRIPTION: The proposed project will construct approximately 8,500 linear feet of 12-inch diameter Class 52 ductile iron pipe within the right-of-way of South Governors Avenue from Webbs Lane to Water Street. The new pipe will replace old cast iron pipes of varying diameter (8" and 10") as well as increase the transmission capacity of the water infrastructure in this area of the City. In addition to pipe replacement, the project will replace 140 water services and 30 fire hydrants.

NEED, JUSTIFICATION, BENEFIT: Improved transmission capacity is necessary to support the expansion of BayHealth Medical Center and other redevelopment projects in the downtown section. In addition, this project will address some of the goals outlined in the Water Quality Action Plan by replacing a large segment of unlined cast iron water main. All utility construction must be completed prior to the reconstruction of the road surface by DelDOT. The City will reimburse DelDOT for the cost of increasing the size of the water main from varying small diameters to the proposed 12-inch diameter pipe.

CONSEQUENCES OF DELAYING OR ELIMINATING THIS PROJECT: Once the road is reconstructed by DelDOT, the City will be unable to obtain permits for this type of work for at least five years after the completion of the road project.

THIS PROJECT IS RELATED TO THE FOLLOWING: South Governors Avenue Road Improvements (DelDOT) estimated at $12 million.

EXPLANATION OF IMPACT ON OPERATING BUDGET: N/A

TIME-LINE/CURRENT STATUS: Design will be completed in Fiscal Years 2005 and 2006 by DelDOT at no cost to the City; tentative construction reimbursement: Fiscal Year 2009

COMMENTS: McCormick Taylor is the design engineer on the road project for DelDOT and will be responsible for the design of the utility improvements. Construction to be completed under the DelDOT contract. As per negotiations with DelDOT, the City is only responsible for the difference in cost between eight-inch and twelve-inch pipe. The total cost of the project is approximately $1,500,000. The City will pay the State $200,000 for the additional work being done.

FIVE-YEAR COST BREAKDOWN SCHEDULE:

	Prior to 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	After 2012	TOTAL
Planning and Design								
Land								
Construction		200,000						**200,000**
Miscellaneous								
Other								
TOTAL		**200,000**						**200,000**

FINANCING:

	Prior to 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	After 2012	TOTAL
Water/Wastewater Fund		200,000						**200,000**
TOTAL		**200,000**						**200,000**

IMPACT ON OPERATING BUDGET:

Description	Prior to 2008	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	After 2012	TOTAL

Memorandum

Office of the City Manager
PO Box 475
Dover, DE 19903
Phone: (302) 736-7005
FAX: (302) 736-7002
E-mail tdeprima@dover.de.us

To: **Utility Committee Members**

From: **Anthony J. DePrima, AICP**
City Manager

Date: **August 28, 2007**

Subject: **Modification of Maintenance Agreement of Persimmon Park Islands**

In September of 2004 the City of Dover accepted the dedication of streets in Persimmon Park Place. This project had been developed with private streets, but over time they began to deteriorate and the Condominium Association was not able to care for them in the long term. The City agreed to take over ownership and responsibility once funding of their repair was secured through Community Transfer Funds provided principally by Representative Bruce Ennis.

Maintenance, mostly grass cutting, of traffic islands were specifically reserved by the Condominium Association as their responsibility. Attached is the deed from the transfer of land and paragraph three (3) addresses this reservation. At the time the City did not want to send City mowing crews to this remote location and the Association agreed. Since then, there have been several occasions when the new Homeowners Association or the Condominium Association has requested the City to mow these areas. As you can imagine they are looking to save on their grass cutting expenses. I have maintained that we are not responsible.

Recently we have learned that Representative Bruce Ennis has agreed to fund "bricking" the islands which will significantly reduce the cost of the maintenance. The question then becomes, should we modify the deed and take over responsibility of the islands? My recommendation is that we do not.

I feel that the expense of maintaining these islands will be reduced to a cost of occasionally spraying for weeds. I feel that the Condominium Association can more than handle this responsibility and we should not be stretching our landscape crews any further.

c:Tony/City Manager/Utility-Persimmon Park Islands

Tax Map No.: LC-05-058.17-03-42.00-000 (part of)
Prepared By:
Parkowski, Guerke & Swayze, P.A.
P.O. Box 598
Dover, Delaware 19903

DEED

THIS DEED, Made this 28TH day of September, A.D. 2004, by and between:

PERSIMMON PARK PLACE CONDOMINIUM COUNCIL, INC., a corporation of the State of Delaware, 110 Persimmon Circle East, Dover, DE 19901, hereinafter referred to as "Grantor.

and

THE CITY OF DOVER, a municipal corporation of the State of Delaware, P.O. Box 477, Dover, DE 19903, hereinafter referred to as "Grantee".

WITNESSETH, that the said Grantor for and in consideration of the sum of ONE DOLLARS ($1.00) lawful money of the United States of America, the receipt whereof being hereby acknowledged, hereby grants and conveys unto the Grantee, its successors and assigns, the hereinafter described developed roads in Phase I and Phase II, Sections A and B, as follows, to-wit:

ALL those certain areas comprising constructed private roads and the attendant right-of-way relating to said private roads, all as depicted on the Declaration Plan for Phase I of the Persimmon Park Place Condominium, said plan being recorded on November 9, 1987, in the Recorder of Deeds Office in Kent County, Delaware, in Plot Book 20, Page 87, et. seq. and all those certain areas comprising constructed private roads and the attendant right-of-way relating to said private roads, all as depicted on the Declaration Plan for Phase II, Section A and Phase II, Section B of the Persimmon Park Place Condominium, said plan being recorded on December 28, 1989, in the Recorder of Deeds Office in Kent County, Delaware, in Plot Book 24, Page 82, et. seq. The private roads, transferred, granted and conveyed hereunder as to Phase I are all of Gordon Place (excluding the portion condemned for highway purposes by the State of Delaware and including Gordon Place as relocated), Gordon Drive, Primrose Drive, Primrose Court, Welch Drive and Carolyn Court. Private roads which are partially within Phase I and which are transferred and conveyed to the extent within Phase I are Persimmon Circle East and Beth Place. The private road within Phase II, Section A as more particularly depicted on the Amended Declaration Plan for Phase II recorded on December 28, 1989, in the Recorder of Deeds Office in Kent County, Delaware, in Plot Book 24, Page 82, et. seq. is Beth Place, and the private road totally within Phase II, Section B is Karen Place, and the private roads partially within Phase II, Section B are Persimmon Circle East and Susan Place. Each of those roads to the extent they are within Phase II, Section A and Phase II, Section B, are transferred and conveyed hereunder along with their attendant rights-of-way all as depicted on the Declaration Plan for Phase II recorded in Plot Book 24, Page 82.

The above conveyance reserves unto Persimmon Park Place Condominium Council, Inc. the maintenance and landscaping obligation for those certain three islands at the entranceway to Persimmon Park Place situate in the middle of Persimmon Circle East, being a part of Phase I, and the grass-cutting and maintenance obligation for the circle in Carolyn court, being a part of Phase I, and for the grass-cutting and maintenance obligation for the circle in Primrose court, being a part of Phase I.

The above-described property is a part of the same lands and premises conveyed unto Persimmon Park Place, L.P., a Delaware limited partnership, by deed of Persimmon Park, Inc., a Delaware corporation, dated May 14, 1986, and recorded on May 16, 1986, in the Recorder of Deeds Office in Kent County, Delaware, in Deed Record B, Volume 42, Page 10, et. seq. and is also all of the area described as Parcel No. 7 in a deed from Persimmon Park Place, L.P., a Delaware limited partnership, to G & L Holdings, Inc., a Delaware corporation, dated July 9, 1999, and recorded on July 9, 1999, in the Recorder of Deeds Office in Deed Book 319, Page 294, et. seq. At that time, legal title to the above-described roads and rights-of-way areas were transferred by Persimmon Park Place, L.P., a Delaware limited partnership, to G & L Holdings, Inc., a Delaware corporation, "to be held for the beneficial owner for later conveyance of legal title to said beneficial owner, Persimmon Park Place Condominium Council, Inc., a Delaware corporation." Thereafter, by deed dated January 5, 2004, and recorded in the Recorder of Deeds Office in Kent County, Delaware, on January 23, 2004, in Deed Record 593, Page 244 et. seq., G & L Holdings, Inc., a Delaware corporation, granted and conveyed the above-described developed roads to Grantor hereunder, being Parcel No. 1 in said deed.

IN WITNESS WHEREOF, Persimmon Park Place Condominium Council, Inc., a Delaware corporation, has executed this instrument as of the day and year first above written.

Sealed and Delivered
in the Presence of:

PERSIMMON PARK PLACE CONDOMINIUM COUNCIL, INC.

BY _____ (SEAL)
President

ATTEST: _____ (SEAL)
Secretary

PERSIMMON PARK PLACE CONDOMINIUM COUNCIL, INC. 1986

STATE OF DELAWARE :
: SS.:
COUNTY OF KENT :

BE IT REMEMBERED that on this 28th day of September, A.D. 2004, personally came before me, the Subscriber, a Notary Public for the State and County aforesaid, George F. Gardner, III, President of Persimmon Park Place Condominium Council, Inc., a Delaware corporation, party to this Indenture, known to me personally to be such, and he acknowledged this Indenture to be his act and deed and the act and deed of said corporation and that the signature of the said president is in his own proper handwriting, and that the act of signing, sealing, acknowledging and delivering said indenture was first duly authorized by corporate resolution of said corporation.

GIVEN under my Hand and Seal of office the day and year aforesaid.

Josephine M. Strong
Notary Public Signature

Notary Name - Printed or Typed

My Commission Expires:

JOSEPHINE M. STRONG
My Commission Expires 06-13-06
State of Delaware
NOTARY PUBLIC

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