City Manager's Weekly Report

Friday, October 30, 2015

Department:

Administration - City Manager

Notable Notes:

Mayor and Council -

The Downtown Newark Partnership Mixer last Thursday resulted in good feedback regarding the change in location being downtown as well as there being new participants.

Please find attached a letter to the Delaware River Basin Commission sharing Newark's concerns related to Artesian Water's request for a new well, upstream from our Curtis Water Treatment Plant.

Please find attached the Budget Hearing Power Point for ease of reference. It is, of course, on the website under Budget Central. We look forward to discussing and getting feedback from Mayor and Council on Monday evening.

Please note that we intend to bring the Broadband recommendation back to you at your meeting of November 23rd.

The Mayor's Masquerade 5K takes place tomorrow morning along the Hall and Pomeroy Trails. Hope to see you all there.

Activity or Project:

League of Local Governments - Legislative Committee

Description:

The first general meeting of the legislative committee of the League of Local Governments was held this Thursday in Camden, DE at the league offices. I attended the meeting along with Mayor Sierer and Councilwoman Hadden. The members present were tasked with coming back with topics of concern or interest for consideration by the committee and submission to the League Board. We will share more information when it becomes available to provide Newark's Mayor and Council the opportunity to discuss.

Status: Started

Expected Completion: 6/30/2016

Execution Status: On Track

Activity or Project:

Description:

Status:

Expected Completion:

Execution Status:

Activity or Project:

Description:

Status:

Expected Completion:

Execution Status:

Department:

Alderman's Court

Notable Notes:

This past week we held 3 court sessions and one case review session.

Activity or Project:

Court Sessions

Description:

This past week we processed 59 arraignments, 35 trials, 8 case reviews, 8 capias returns and 2 pleas. This morning we videoed 3 prisoners from the various prisons. We also had 1 probation violation hearing scheduled.

Status: Completed

Expected Completion: 10/28/2015

Execution Status: Completed

Activity or Project:

Parking RFP

Description:

We are in the process of connecting to our new parking system and should have it up and running by the end of this week.

Status: Near Completion

Expected Completion: 10/29/2015

Execution Status: On Track

Activity or Project:

Description:

Status:

Expected Completion:

Execution Status:

Department:

Electric Department

Notable Notes:

The line crews have been working on Academy and Park Place changing two very busy poles. Both poles had defects which could not be ignored. Moving the circuits to the new poles will be done in the early morning hours next Wednesday. This will be the least disruptive to traffic, as the streets will have to be closed for several hours.

There were several call outs over the weekend. The only one of significance was a fuse blew on Dillwyn Road and power was quickly restored. The cause was unknown.

The electricians have been working at City Hall installing receptacles due to office rearrangements. They also worked on a generator for the Public Works and Water Resources Department and the sump pump at the police station.

Engineering has been preparing a plan for the placement of fault indicators which the line crews will install in underground developments. This will make finding underground faults faster and easier, reducing restoration times. Engineering has been in contact with SevOne and Bloom engineers concerning the metering and service requirements.

Activity or Project:

SevOne at STAR Campus

Description:

Install 2 padmount transformers and metering for data center which tie into Bloom Boxes.

Status: In-Progress

Expected Completion: 1/1/2016

Execution Status: On Track

Activity or Project:

Description:

Status:

Expected Completion:

Execution Status:

Activity or Project:

Description:

Status:

Expected Completion:

Execution Status:

Department:

Finance Department

Notable Notes:

The first draft of the Capital Improvement Program (CIP) was presented to Planning Commission members on October 20, 2015. The CIP document and the report were well received. The Chairman and several Commissioners complimented staff for its innovation and efforts before unanimously recommending the 2016-2020 CIP plan for approval. The draft document was also shared with Council via email, and a "living" version of the document was posted to the City's Budget Central section of the website, which can be found here: http://cityofnewarkde.us/index.aspx?NID=940

A consolidated summary of expected revenues and proposed operating expenses was also posted to Budget Central and distributed to the press for advertisement in advance of the November 2, 2015 Budget Hearing as required by City Code. The budget hearing slides and the first draft of the 2016 proposed operating budget were likewise posted to Budget Central for your review in advance of the Hearing, among several other documents.

Accounting

Accounting staff have been short-handed since Wilma's departure and our focus has been on the production of the 2016-2020 CIP document and the 2016 operating budget proposal. Monthly financial reporting will resume as we approach full staffing levels.

Activity or Project:

Purchasing Card Upgrade

Description:

We are working with Fulton Bank to upgrade the City's existing purchasing cards, or "P-Cards." The upgrade will reduce workload and improve efficiency by automatically posting transactions to the City's financial accounting system and reduce costs through a rebate program. There is no cost to the program upgrade. All replacement cards were properly enrolled and the physical cards have been received. They will be deployed once we integrate the vendor's reporting system (Elan) with the City's financial accounting system (Munis). There is no update to the status of the project this week. The expected completion was pushed back two weeks to 11/14/15 to allow me the time I need to train and cross train users on the new system.

Status: Hold

Expected Completion: 11/14/2015

Execution Status: Behind Schedule

Activity or Project:

Description:

Status:

Expected Completion:

Execution Status:

Activity or Project:

Description:

Status:

Expected Completion:

Execution Status:

Department:

Parks and Recreation Department

Notable Notes:

Last Friday we met with a DNREC representative to discuss funding opportunities, through the Recreation Trails Grants Program, for planned maintenance work on the Bike/Pedestrian Bridge at Rittenhouse Park.

The two department superintendents have been busy planning for a public workshop to present information pertaining to the Emerald Ash Borer and Bacterial Leaf Scorch. The Emerald Ash Borer is an insect which is affecting Ash Trees all across the country and is expected to be in this area sometime within the next three years. Bacterial Leaf Scorch is here now and is impacting certain types of Oak Trees. The workshop is scheduled for Tuesday, November 17 at 6 p.m. in the Newark Municipal Building Council Chamber. City staff, representatives of the Delaware Forest Service and University of Delaware will conduct the workshop.

We completed a final inspection of landscaping for two subdivisions.

Superintendents Zaleski and Spadafino attended the 2015 Delaware Invasive Species Conference last week.

We recently had a "punch list" meeting with the contractor for the Curtis Mill Park project. We are down to a very few number of items which need to be addressed.

I am very happy to report that the first year of our Community Garden program was a resounding success!! The Fairfield Park site has worked out well. Staff and garden members are already working on plans for next year.

We recently met with the coordinators of the Newark Backyard Habitat/Garden Tour. Proceeds for the tour will be donated to the Parks and Recreation Department to purchase and install native and pollinator plantings in City parks.

We recently met with representatives of the Mason Dixon Trail Club and Wilmington Trail Club to discuss a trail relocation and rehab project, near Abbotsford, along the Mason Dixon/Christina Creek Trail.

The park maintenance crew worked on these task:

* mowing operations

* soccer field preparation

* tree removal and pruning

* loading and unloading materials and supplies for the Halloween Parade

* play equipment maintenance

* trail maintenance at Redd Park

* perennial and ornamental grasses cut backs

* removed leaves from the playing surface at fence in tennis court sites

We conducted a "Skills Session" for youth registered to play in our Youth Basketball Leagues. Teams are being formed and practices will begin in November.

We're continuing to work with IT on the Park Finder Map. We're working with a volunteer to take pictures at many of our parks to be included with the map information.

We conducted our 68th Annual Halloween Parade on Sunday!! Seventy groups participated and an estimated 12,000 spectators lined the streets to enjoy the event. My compliments to Sharon Bruen for once again coordinating the event and a big thanks to the Police Department and Public Works & Water Resources Department for their assistance. Twenty volunteers devoted 70 hours assisting with the parade.

Last week volunteers committed 78 hours working with us.

Activity or Project:

Hard Surface Access to Park Facilities

Description:

CIP Project No. K1303: installing concrete walkways to park facilities to comply with ADA requirements. Multi-year program.

Status: Started

Expected Completion: 11/27/2015

Execution Status: On Track

Activity or Project:

Description:

Status:

Expected Completion:

Execution Status:

Activity or Project:

Description:

Status:

Expected Completion:

Execution Status:

Department:

Planning and Development Department

Notable Notes:

Building Maintenance

- Facilities Maintenance performed the following:
    - Began construction of the new offices on the second floor of the Municipal Building;
    - Responded to a false alarm at the Train Station;
    - Oriented the new custodial staff to the standard procedures;
    - Began moving office supplies from the loading area to the proper storage locations.
- The sump pumps in the Municipal Building are beginning to fail. Facilities Maintenance is in the process of getting estimates to repair/replace these pumps. In the meantime, a temporary pump has been installed.

Code Enforcement

- A meter box cover for Continental Court townhouses was installed and approved this week. As you may remember, the meter bank installation, which happened during construction, was an aesthetic issue and resulted in an appearance different from the elevations Council approved. The developer worked with staff to address the concern.
- Demolition of 60 North College Avenue began this week.
- Temporary Certificates of Occupancy were issued for 6 units at Madeline Crossing on South Main Street.
- Final Certificates of Occupancy were issued for:
    - 8 and 10 Elm Street;
    - Glasgow Medical Aid at the STAR Campus.
- Work is continuing at the Washington House on 113 East Main Street.
- Some time was spent this week on personnel matters.

Economic Development

- On Thursday evening, Planning and Development Director Maureen Feeney Roser attended the Downtown Newark Partnership's Annual Meeting and Mixer event at the Deer Park. The event was well attended and provided an opportunity for networking and discussion about what issues downtown small businesses are facing currently, and their suggestions for addressing them.
- On Friday, Maureen attended the IPI economic development training session entitled "Putting Data to Good Use," held in Georgetown. At the session, attendees were taught how to create economic profiles for their communities from available data sources.

Parking

- T2 hardware was put together and software was downloaded and configured for each handheld parking enforcement unit this week.
- The City provided free parking on Sunday for the 68th Annual Halloween Parade and Trick-or-Treat Main Street. Parking Ambassadors bagged/unbagged meters for the event, and parade and no parking information was added to the IPS parking meter digital displays.
- Parking maintenance staff started blowing leaves and other leaf removal projects this week.

Planning

- On Monday afternoon, Maureen and Development Manager Mike Fortner met with a local realtor to discuss annexation and zoning processes for a future potential development project.

- On Monday evening, Maureen attended the regularly scheduled City Council meeting.
- Preparations are being made to organize and complete the mailings for the Newark Resident Survey. The Survey is slated to go out in early November.
- On Wednesday, Mike attended the 2015 State Strategies Update meeting in Middletown. The "Strategies for State Policies and Spending" is the State's comprehensive plan that guides State investments that support local land use decision making. The Office of State Planning held the workshops to review the proposed update to the Strategies for State Policies and Spending document and maps, and gave a presentation relating to how the document has been updated since its approval in April 2011. The draft document can be viewed on the State website at http://stateplanning.delaware.gov
- On Wednesday, Mike attended the GIS Working Group Committee and participated in GIS training.
- On Wednesday evening, Maureen attended Council meeting on noise.
- The following was also completed:
  - 10 Deed Transfer Affidavits
  - 31 Building Permit Reviews
  - 4 Certificates of Occupancy

Activity or Project:

T2 Enforcement Solutions

Description:

T2 Enforcement Solutions went live for the Parking Ambassadors on Wednesday. All training has been completed and Ambassadors are now in the field using the new mobile platforms.

Status:	Completed
Expected Completion:	10/28/2015
Execution Status:	Completed

Activity or Project:

Newark Community Radio Special Use Permit

Description:

The Planning and Development Department has reviewed the application for a Special Use Permit from Newark Community Radio, Inc./Stephen Worden of 117 Bent Lane to operate a Low Power FM (LPFM) station from his owner-occupied residential property. The application will be presented at the November 9 Council meeting.

Status:	Started
Expected Completion:	11/9/2015
Execution Status:	On Track

Activity or Project:

Planning Commission Meeting

Description:

Considerable time was spent this week preparing for the 11/3 Planning Commission meeting. On the agenda are: • The minutes of the October 6, 2015 and October 20, 2015 Planning Commission meetings; • Review and consideration of the major subdivision and special use permit for 3.3 acres located on Possum Park Road just north of the Millcroft Retirement and Nursing Home in order to add a 48 bed memory care unit to the existing Millcroft facility. • Commission discussion regarding 2015 Annual Report and 2016 Work Plan.

Status:	In-Progress
Expected Completion:	11/3/2015
Execution Status:	On Track

Department:

Police Department

Notable Notes:

The Citizens Police Academy held its seventh session on Tuesday, November 20th. Participants attended classes instructed by members of the Newark Police Special Investigations Unit and Criminal Investigations Division. Several attendees will conduct ride-alongs with patrol. There are two sessions remaining with a graduation date of November 3rd.

Naloxone (Narcan) training has been completed for all Newark Police Department supervisors and the kits are now deployed in the field. Narcan is an effective drug used to reverse the effects of an opiate overdose, including heroin.

Lt. Van Campen received correspondence from an out-of-state law enforcement officer complimenting NPD officers on the way they handled a suspicious person's complaint. The officer's daughter reported seeing an armed subject in the area of an apartment complex. Officers quickly responded and determined that the involved parties possessed air soft rifles and were engaged in horseplay. The officer was very complimentary of NPD's quick response and professionalism while handling the complaint.

Newark's annual Halloween Parade was held on Sunday, November 25th. The event was well attended by the public and no issues were reported.

On Monday, October 19th, Cpl. Spadola met with Boy Scout Troop 255 at the Newark United Methodist Church discuss careers in law enforcement.

Activity or Project:

N/A

Description:

N/A

Status:	Completed
Expected Completion:	10/28/2015
Execution Status:	

Completed

Activity or Project:

Description:

Status:

Expected Completion:

Execution Status:

Activity or Project:

Description:

Status:

Expected Completion:

Execution Status:

Department:

Public Works and Water Resources Department

Notable Notes:

We held the pre-construction meeting for the South Well Field filter rehabilitation project on October 20th and have worked to address the questions raised at that time over the last week. The bid opening for this project is scheduled for November 3rd and we plan to bring this to Council for approval (assuming good results from the bid) for the November 23rd meeting.

All homes on Darwin Drive have been switched over to the new main and the contractor has begun road restoration. This is the final phase of the 2015 water main project. All in all the project went very smoothly, and we are happy with the performance of our contractor and the excellent oversight of the City Water Inspector Phil Bishop.

The 2015 Street Improvement Contract is also coming along nicely. Grassbusters completed street curb and handicapped ramp replacement on Meriden Drive and began curb replacement work on Green Meadow Court. Milling was cancelled due to scheduled rain. Will be rescheduled for one day next week. I have attached a progress report on the contract which shows the current status of all items on the contract.

Activity or Project:

East Main Street Crosswalk Signalization

Description:

At the Council meeting on October 12th when this project was approved, the question was raised regarding baseline data that can be used to objectively measure the improvement provided by the signalized pedestrian crosswalk. We reached out to DelDOT's Traffic Section with this request and they performed counts on October 15th to gather this information. DelDOT had similar concerns to what I stated on the floor on the ability to clearly quantify the impact due to the difficulty of measuring the queue length from the close proximity of the other crosswalks, parking cars, etc. DelDOT performed a count similar to what I mentioned at the time which was to measure the amount of time where the downstream intersection was starved of cars due to the pedestrians crossing Main Street. The results of that count are attached. In summary, they counted for an hour (1:30-2:30) which covered 30 cycles of the light (each light cycle takes 2 minutes). Over that period, the crosswalk starved the intersection for 41% of the available green time. During cycles where the crosswalk impacted the signal, the number of cars able to get past South College was reduced from 28 to 18. The most impacted cycle had 6 usable seconds of the 43 seconds allocated to Main Street. Every cycle during the hour was affected at least some by the crosswalk but not all actually resulted in a reduction of capacity (all vehicles were still able to clear). The number of cycles where capacity is reduced by the crosswalk will be dependent on the vehicular volume on Main Street. These counts were performed between 1:30 and 2:30 on a weekday so it should be expected that the reduction in capacity during rush hour will be higher and lower during off peak periods. This project will effectively remove all of this delay (assuming pedestrian compliance).

Status:	Started
Expected Completion:	6/30/2016
Execution Status:	On Track

Activity or Project:

Windy Hills Tank Painting

Description:

Construction is underway at the Windy Hills Water Tank. Verizon has begun installation of their temporary cellular antennas which should be complete early next week. I have attached a copy of the provided schedule for your reference. Based on the logo discussion at Council Monday night, we are holding off on painting any logo until it is settled. We have requested the contractor to provide a price to paint the logo under a separate mobilization, should that be necessary.

Status:	In-Progress
Expected Completion:	12/31/2015
Execution Status:	On Track

Activity or Project:

Jenney's Run Culvert #1 Removal

Description:

We held the pre-construction meeting for this project on October 20th and have worked to address the questions raised at that time over the last week. The bid opening for this project is scheduled for November 3rd, and we plan to bring this to Council for approval (assuming good results from the bid) for the November 23rd meeting.

Status: In-Progress

Expected Completion: 3/1/2016

Execution Status: On Track

10/25/2015 to 10/31/2015

NEWARK DE
CITY MANAGER'S OFFICE
CITY OF NEWARK

October 21, 2015

Ms. Pamela Bush
Commission Secretary and Assistant General Council
Delaware River Basin Commission
P.O. Box 7360
West Trenton, NJ 08628-0360

Dear Ms. Bush:

I am writing on behalf of our community to provide detail of our concerns in regards to Artesian Water's DRBC Application Docket# D-2002-034 CP-3. As you are likely aware, the well in question is located near a tributary of the White Clay Creek (WCC), upstream from our Curtis Water Treatment Plant and developed by property owners as a private well. Newark depends upon the WCC for 60% of our source water to provide potable water service to a population of 35,000 in and around the City of Newark, DE. As it stands today, we invested in the construction of and routinely rely on the Newark Reservoir during times of low streamflow in order to satisfy our minimum pass by flow requirement. Likewise, flow from the WCC is the water source that feeds the reservoir through our pumped storage operations. As such, it is imperative that any new water withdrawals be confirmed to not negatively impact stream flows or the operation of the State's newest water supply reservoir.

Our Public Works & Water Resources Department strongly suggests that there must be a science based, independently verified, credible study showing that there will be no diminishment of stream flows in the WCC watershed before any approval of this new water withdrawal is considered. Additionally, if approval is granted, we respectfully request it include mandatory monitoring at appropriate locations upstream and downstream of the well's area of influence to accurately measure any surface water impacts from well operations. Furthermore, if any negative streamflow impact is detected due to well operations, prompt curtailment of withdrawals must be required at levels that cease to affect surface water flows.

Operationally, even with the wetter than usual spring and early summer, a lack of sufficient rainfall during late summer, coupled with groundwater contamination that has taken two of our most productive wells offline, required us to run off of the reservoir for over a month this fall, draining it to the lower elevations of our normal operating range. Had the drought lasted much longer we would have had to make a difficult decision on whether to activate interconnections with surrounding water utilities or draw down to unprecedented levels which could severely impact treatment or maintenance costs. This timely experience has reinforced the importance of reliable stream flows and source water protection for the City of Newark to provide drinking water to our residents, businesses and industries.

Thank you in advance for your consideration of this serious matter.

Sincerely,

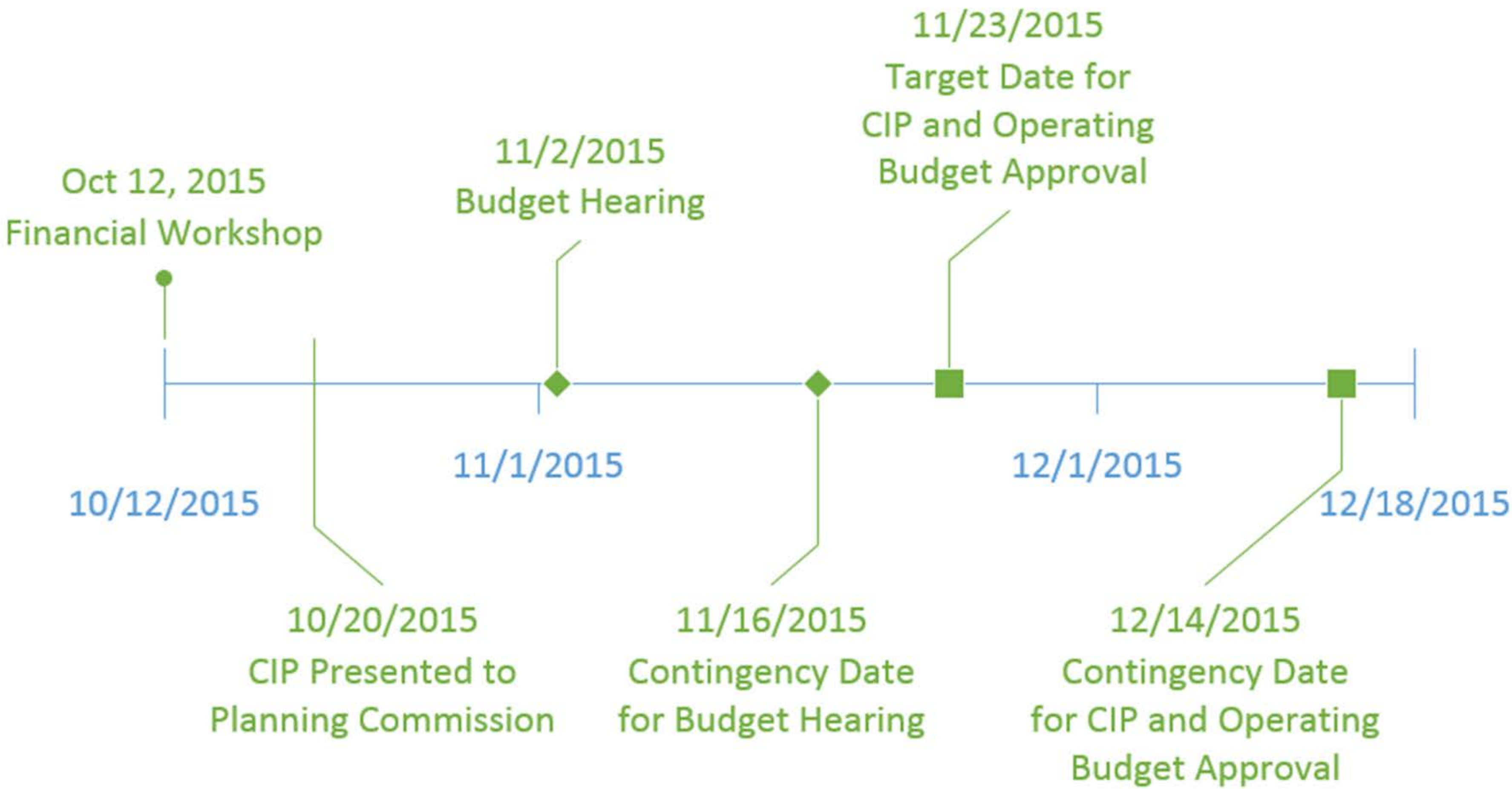
Carol S Houck

Carol S. Houck
City Manager

220 South Main Street · Newark, Delaware 19711
cityofnewarkde.us
(302) 366-7000

2016 Budget Hearing

November 2, 2015



Oct 12, 2015
Financial Workshop
11/2/2015
Budget Hearing
11/23/2015
Target Date for
CIP and Operating
Budget Approval
10/12/2015
11/1/2015
12/1/2015
12/18/2015
10/20/2015
CIP Presented to
Planning Commission
11/16/2015
Contingency Date
for Budget Hearing
12/14/2015
Contingency Date
for CIP and Operating
Budget Approval

Committed to Service Excellence

Expense Budget at a Glance

- Personnel Expenses increased by $1.3 million (4.7%)
- Non-Personnel Operating Expenses up 1.2%
  - Materials & Supplies increased less than $200,000
  - Contractual Services increased less than $50,000
- Equipment Depreciation Expense is 11% lower
  - (offset by reversal of last year's non-cash adjustment)
- Other Expenses Increased by $0.2 million
  - Increased retention & recruitment efforts
  - Increased IT and Legislative Dept training
- Net CIP Budget Decreased by $0.1 million
  - Gross CIP budget – total project costs – are up

Revenue Budget at a Glance

- Revenues are flat before recommended rate action
  - Some positives
    - Property assessment growth in 2015
    - Real estate sales resurgence
  - Areas of Concern
    - Fine receipts
    - Permit activity
- Rate Action Recommendations
  - Electric Rate – No Change / Natural RSA Adjustment
  - Sewer Rate Increase of 8.4% effective January 1, 2016
  - Water Rate Increase of 7.2% pursuant to rate study
    - Effective July 1, 2016; preferably sooner
  - Property Tax Increase of 3% effective July 1, 2016

Public Utility Overview

- Local Control and Regulation
- Competitive Rates
- Reliability
- Community-oriented
- Opportunity to support general fund activities, including capital expenditures

APPA American Public Power Association

DEMEC Delaware Municipal Electric Corporation

McKees SOLAR PARK Newark, Delaware

General Fund Overview

- City of Newark General Fund
  - 2016 Projected Revenues: $14 million (before transfers)
    - Property Taxes, $6.0 million
    - Transfer Taxes & Franchise Fees, $2.0 million
    - Permits/Licensing, $2.2 million
    - Fines, $1.9 million
    - Grants, Parks & Other, $1.9 million
  - 2016 Projected Expenses: $25.9 million
    - Public Safety, $12.4 million
    - Parks & Recreation, $3.1 million
    - Public Works, $5.1 million
    - Administration and related, $5.3 million

Electric Utility

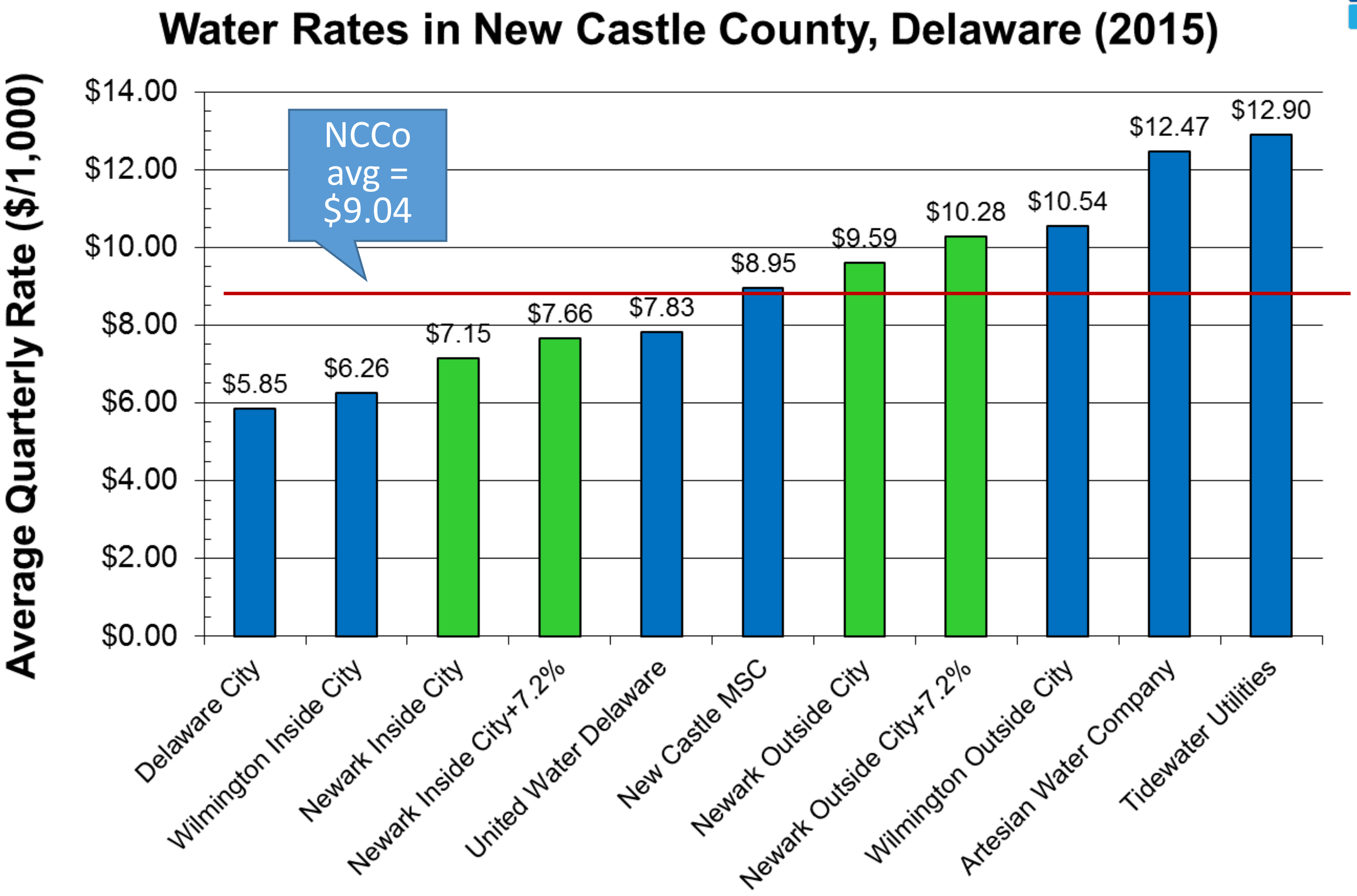
- Wholesale cost of power expected to increase by about 3%
- Together with possible 2015 over-collection, wholesale rate should still be low enough to result in a rebate through the Revenue Stabilization Adjustment (RSA) on 2016 electric bills
- No significant change in electric utility bills until 2017, when performance capacity and transmission costs drive up rates
- Continued adherence to 2012 MOU with Governor Markell

Sewer Utility

- County costs have been stable
- Internal Operations and Maintenance (O&M) costs related to collection and transmission are increasing
- City flow rate increase required
  - Calculations indicate rate change from $3.1482 to $3.7746 per 1,000 gallons
  - Blended rate increase of 8.4%
  - Impact is approximately $3.14 per resident per month (higher for commercial)
  - Enables sewer division to improve preventative maintenance and restore historical level of general fund transfer

Water Utility

- In discussions with rate consultant now
- Black & Veatch will present rate design concepts to Council
- Initial feedback is that diverting from initial study in 2013, 2015 and 2016 will impact future rate requirements, particularly in 2017
- Current, budgeted assumption is that the required rate increase of 7.2% will be in force by 7/1/16
  - However, earlier action on the water rate increase would permit additional water line rehabilitation through additional funding for project W9308
- Four years of reduced water fund transfers (more water revenue stays in water fund for O&M and CIP)

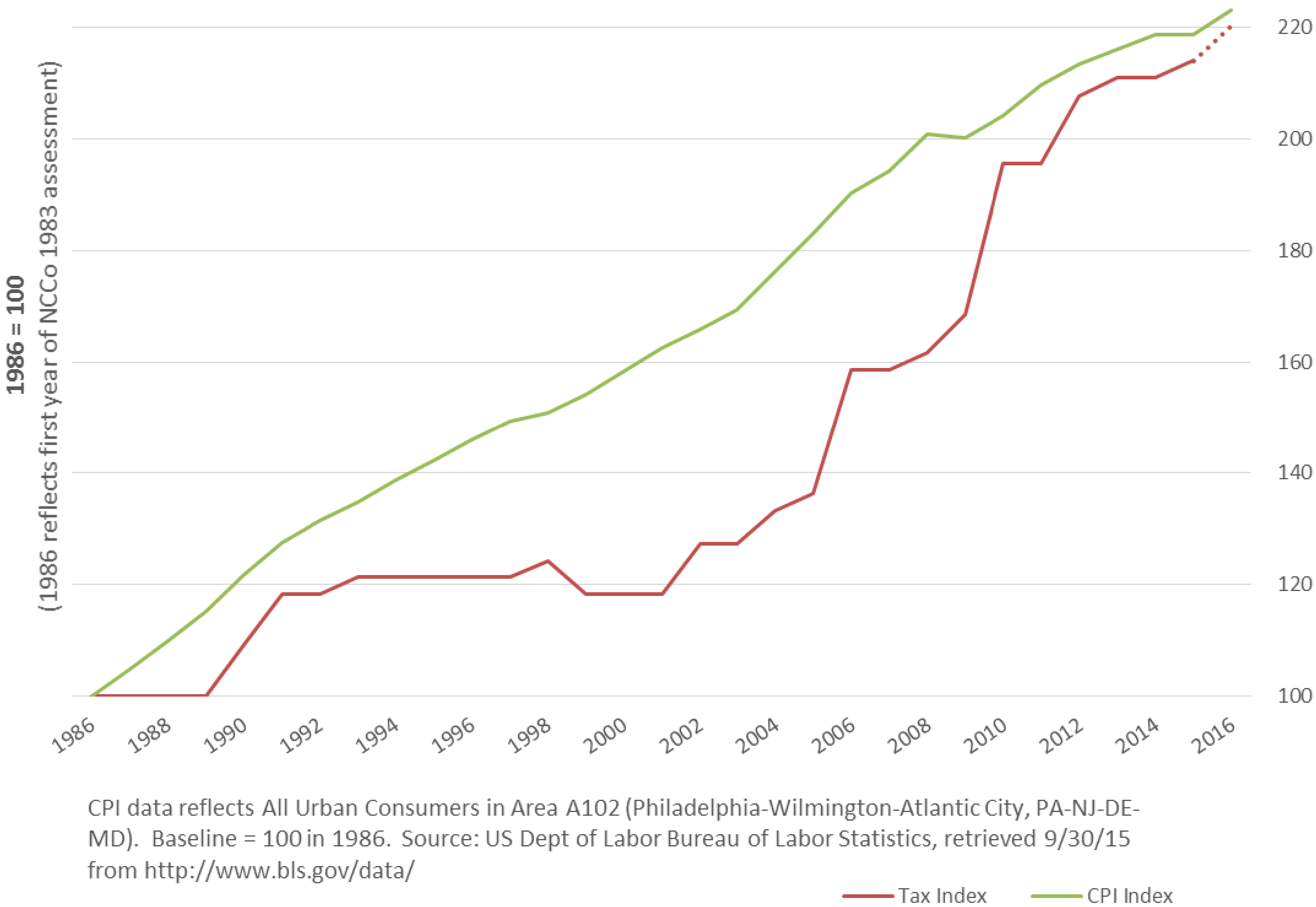


*Draft data provided by the University of Delaware Water Resources Agency, October 22, 2015

Property Tax Rate

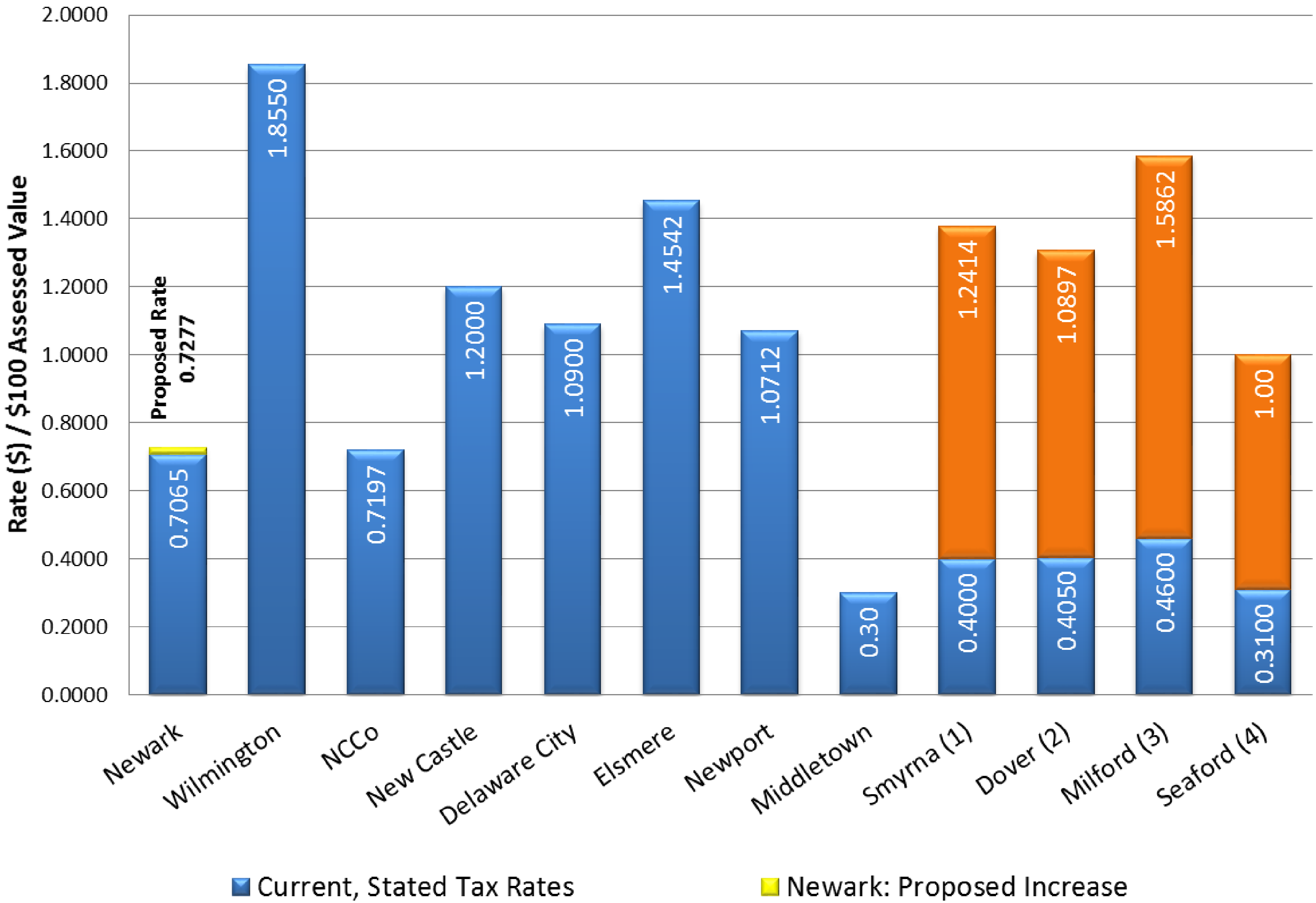
- Minimum property tax increase proposal of 3%
- Rate would increase from $0.7065 to $0.7277 per $100 of Assessed Value (AV)
- Additional property tax increases are required to approach infrastructure spending targets
- Average taxable residential AV is $68,758 in 2015
- Average residential tax bill would increase $15/year
- Residential AVs in the first quartile ($44,800) would see an annual tax increase of $9 or less
- Residential AVs in the third quartile ($86,900) would see an annual tax increase of $18 or more

City of Newark, Delaware Property Tax Growth vs CPI

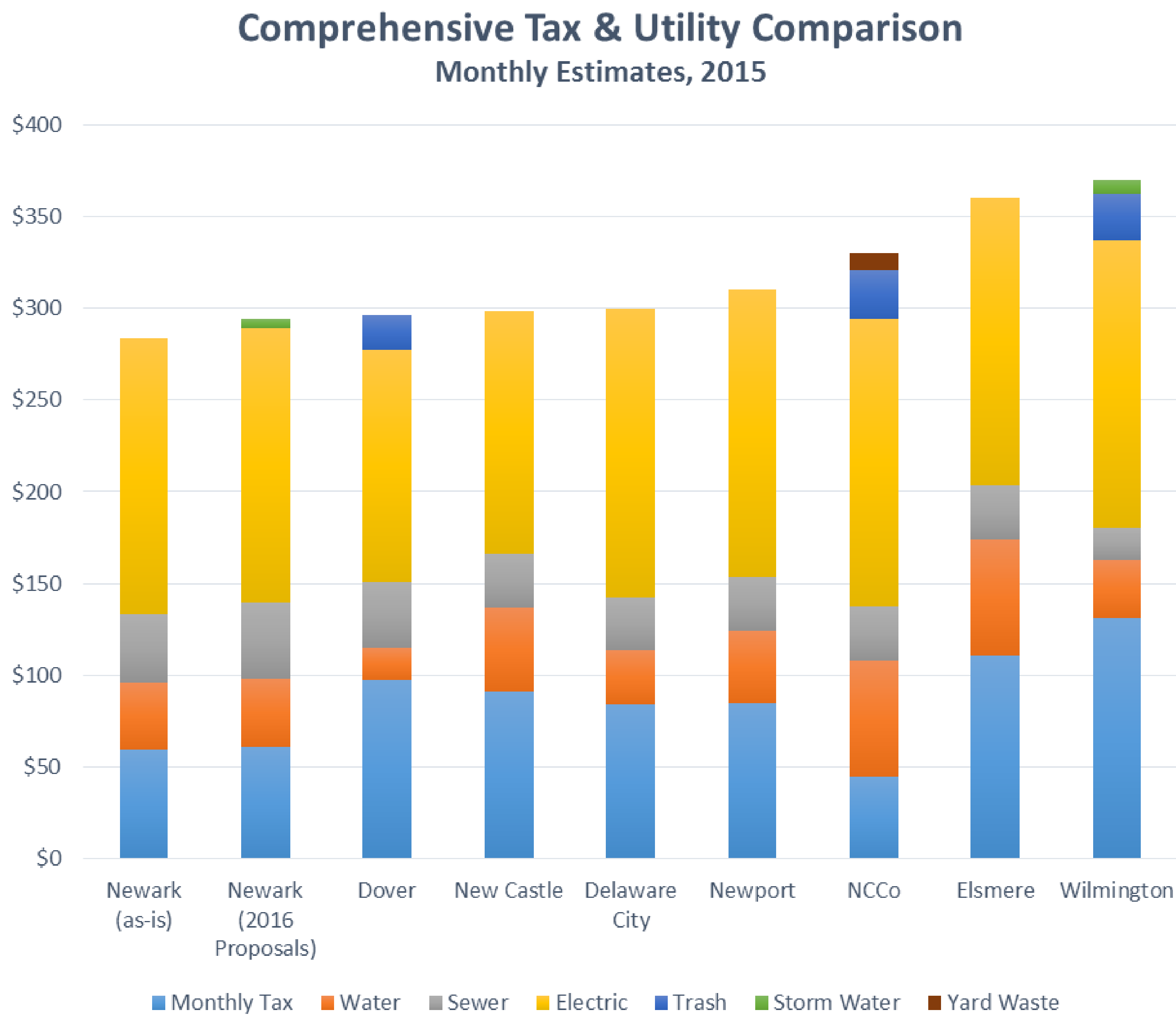


CPI data reflects All Urban Consumers in Area A102 (Philadelphia-Wilmington-Atlantic City, PA-NJ-DE-MD). Baseline = 100 in 1986. Source: US Dept of Labor Bureau of Labor Statistics, retrieved 9/30/15 from http://www.bls.gov/data/

Property Tax Comparison



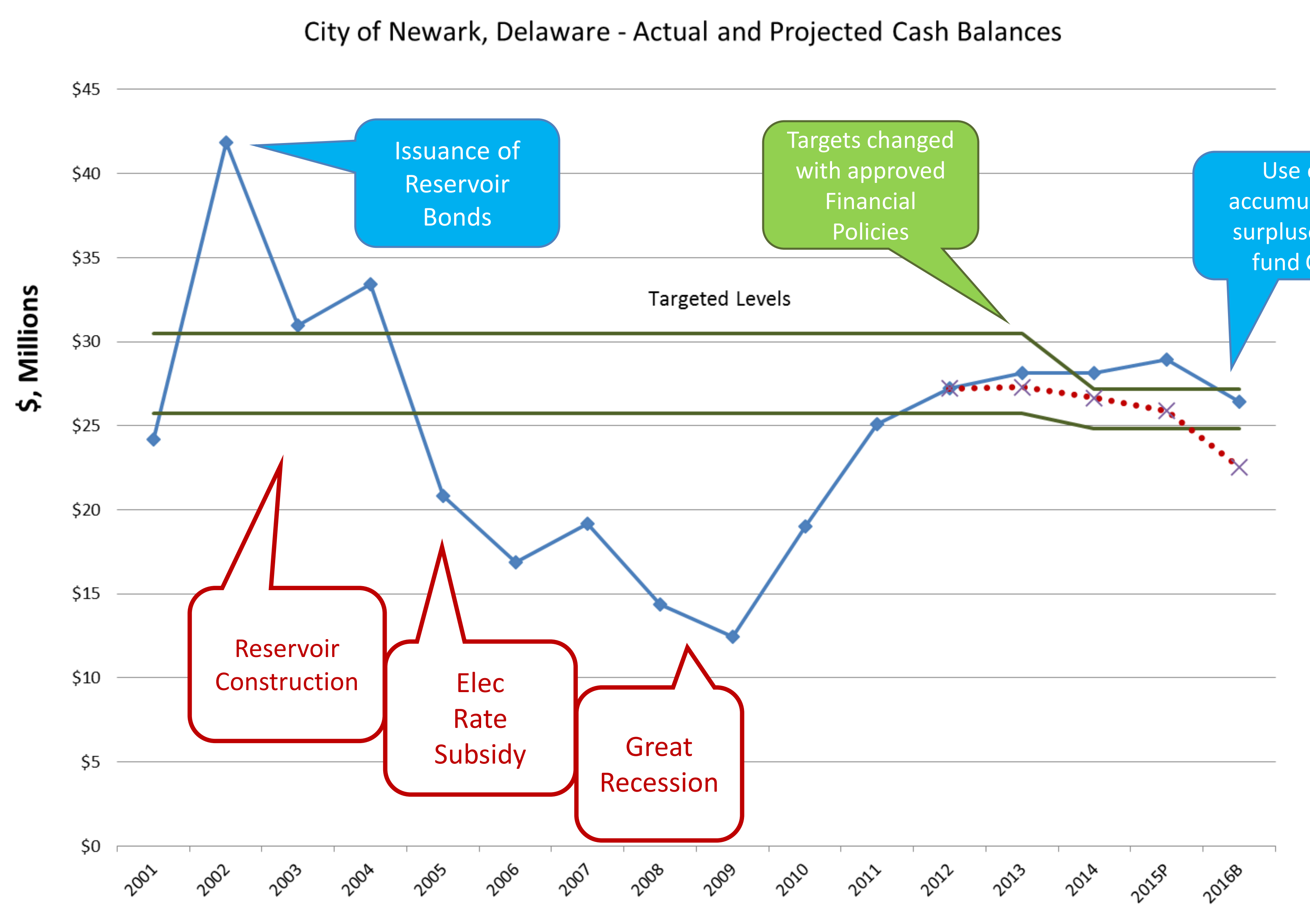
1, 2, 3, & 4: Orange Blocks represent estimated NCCo equivalent based on varied reassessment dates outside of NCCo


Comprehensive Tax & Utility Comparison
Monthly Estimates, 2015
$400
$350
$300
$250
$200
$150
$100
$50
$0
Newark (as-is)
Newark (2016 Proposals)
Dover
New Castle
Delaware City
Newport
NCCo
Elsmere
Wilmington
Monthly Tax
Water
Sewer
Electric
Trash
Storm Water
Yard Waste

Efficiency Initiatives Since 2012

- Total savings estimated at $3.8 million through 2016
  - PWWR consolidation
  - Smart meter project
  - Transfer station elimination
  - Improved refuse truck maintenance
  - Leaf collection and street sweeping changes
  - Better coordination of water main & street rehab
  - Pension & OPEB[1] changes
  - DVIT health and life insurance

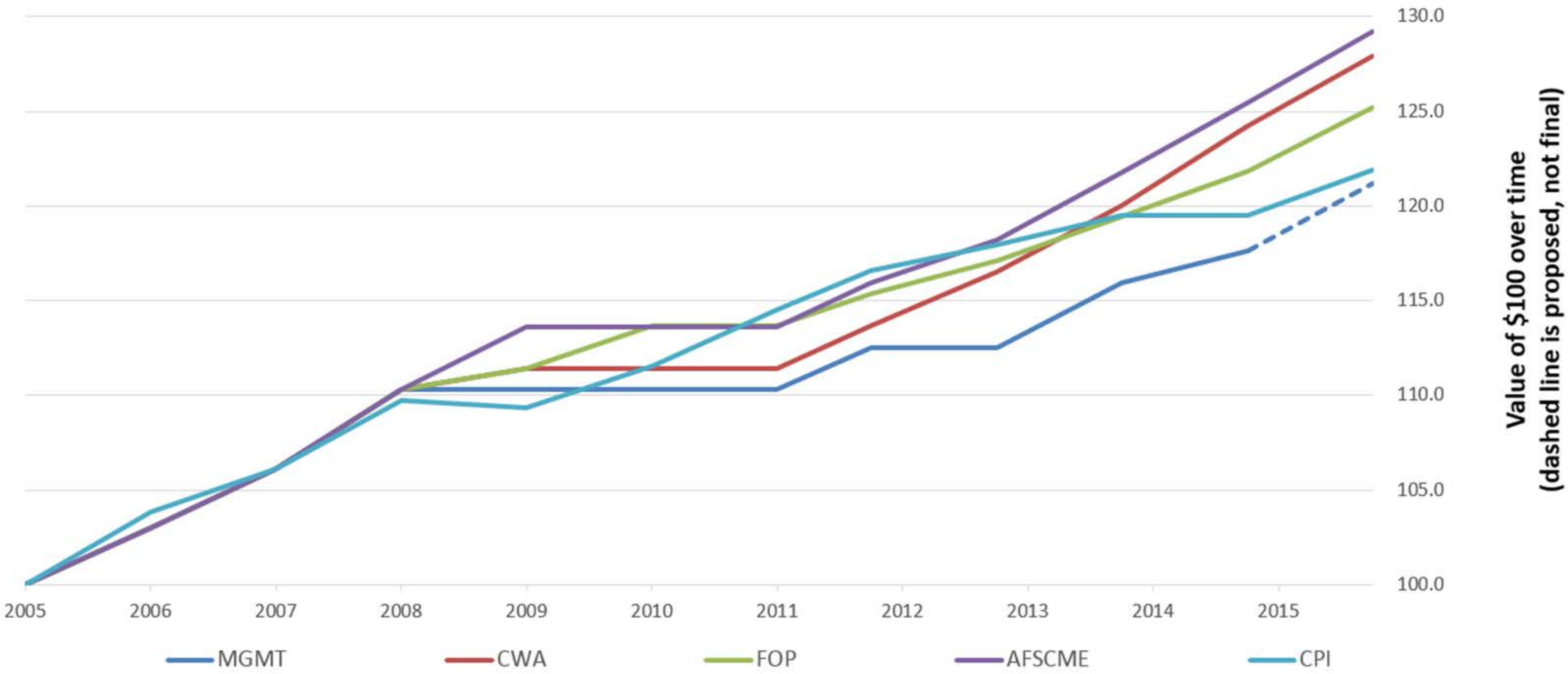
[1]Other Post-Employment Benefits


City of Newark, Delaware - Actual and Projected Cash Balances
$, Millions
$45
$40
$35
$30
$25
$20
$15
$10
$5
$0
2001
2002
2003
2004
2005
2006
2007
2008
2009
2010
2011
2012
2013
2014
2015P
2016B
Issuance of Reservoir Bonds
Targets changed with approved Financial Policies
Use of accumulated surpluses to fund CIP
Targeted Levels
Reservoir Construction
Elec Rate Subsidy
Great Recession
DELAWARE

Personnel Budget Highlights

- 2016 is final contract year for all union agreements
- 2016 Contractual Rate Increases
  - AFSCME – 3.00%
  - CWA – 3.00%
  - FOP – 2.75%
- Non-union wages are budgeted to increase by 3%
- This wage progression, along with other personnel costs, are impacting the budget by $1.3 million
- 2016 is 2nd year deferring portion OPEB ADC
  - OPEB = Other Post-Employment Benefits
  - ADC = Actuarially Determined Contribution

CPI vs Labor Increases, 2005-2016



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2016 CPI estimated at 2% based on fed target rate of inflation published at www.federalreserve.gov/FOMC

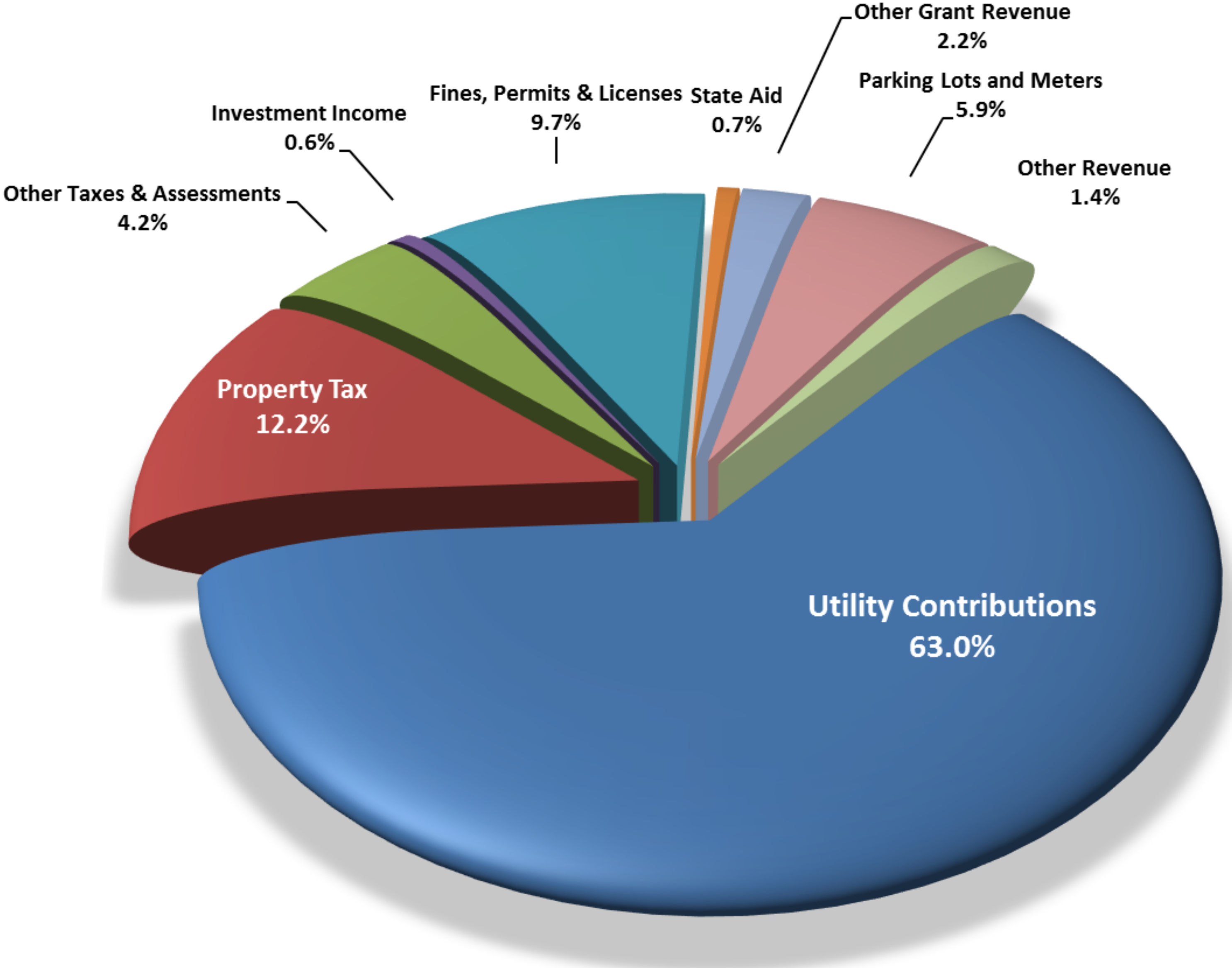
Labor Increases by Group vs CPI

PERIOD	MGMT	CWA	FOP	AFSCME	CPI[2]
2005	4.0%	4.0%	4.0%	4.0%	3.9%
2006	3.0%	3.0%	3.0%	3.0%	3.9%
2007	3.0%	3.0%	3.0%	3.0%	2.2%
2008	4.0%	4.0%	4.0%	4.0%	3.4%
2009	0.0%	1.0%	1.0%	3.0%	-0.4%
2010	0.0%	0.0%	2.0%	0.0%	2.0%
2011	0.0%	0.0%	0.0%	0.0%	2.7%
2012	2.0%	2.0%	1.5%	2.0%	1.8%
2013	0.0%	2.5%	1.5%	2.0%	1.2%
2014	3.0%	3.0%	2.0%	3.0%	1.3%
2015	1.5%	3.0%	2.0%	3.0%	0.0%
2016[1]	3.0%	3.0%	2.8%	3.0%	2.0%
TOTAL, 2005-2016	23.5%	28.5%	26.8%	30.0%	24.0%
COMPOUNDED	26.0%	32.4%	30.2%	34.4%	26.7%

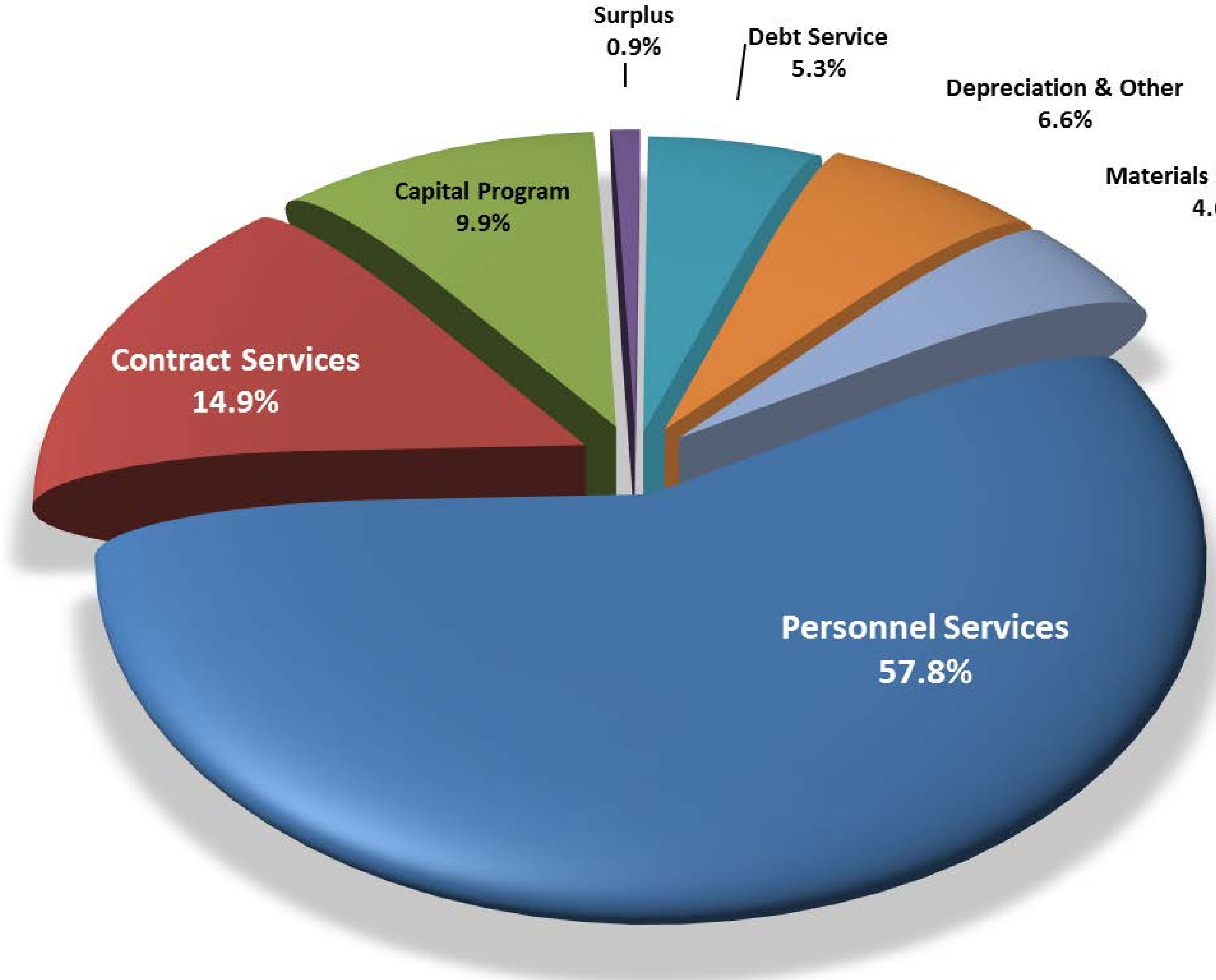
[1] 3.0% Management Increase in 2016 is proposed & subject to Council approval

[2] 0.0% and 2.0% CPI figures for 2015 and 2016, respectively, are estimated

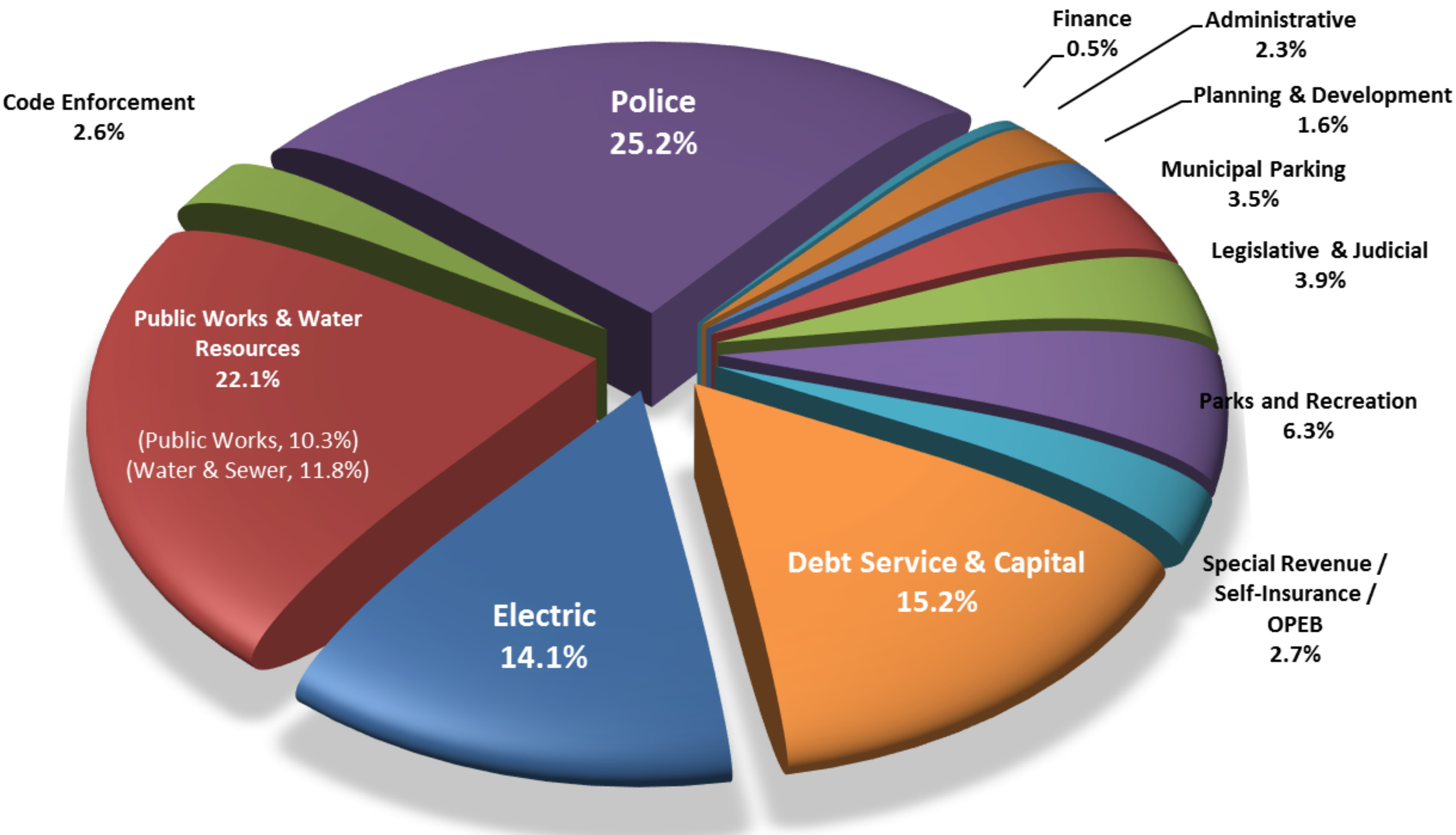
REVENUES BY TYPE
2016 BUDGET



EXPENDITURES BY FUNCTION
2016 BUDGET



EXPENDITURES BY DEPARTMENT
2016 BUDGET



Changes to CIP Detail Sheets

DELAWARE

PROJECT PRIORITY LEVELS	
1 - Highest Priority Level	Project underway and must be completed
2 - High Priority Level	Critical need to remediate failing service, prevent failure, or generate savings
3 - Medium-High	The City would be taking a calculated risk in the deferral of this item
4 - Medium	This project is a NEED and not a WANT, but no significant risk in the deferral of this item
5 - Low	This project is a NEED and not a WANT, but it can start in year two of this CIP or later

Priority Levels Clarified

Levels Matched to Last year's

CITY OF NEWARK, DELAWARE
CAPITAL BUDGET - PROJECT DETAIL

DEPARTMENT: ENTER DEPT HERE DIVISION: DIV, IF APPLICABLE

PROJECT NO: E16XX PROJECT TITLE: ENTER PROJECT TITLE PROJECT LOCATION: ENTER PROJECT LOCATION

PROJECT STATUS (CHECK ONE): ☐ NEW ☑ IN PRIOR PROGRAM ☐ IN PROGRESS

PRIORITY: 2 - High Priority Level Critical need to remediate failing service, prevent failure, or generate savings

COMPREHENSIVE DEVELOPMENT PLANNING VISION ELEMENT: Sustainable Community

Charter § 806.1(2) DESCRIPTION & JUSTIFICATION:

Comp Plan Vision Elements Added

Changes to CIP Detail Sheets

Code References

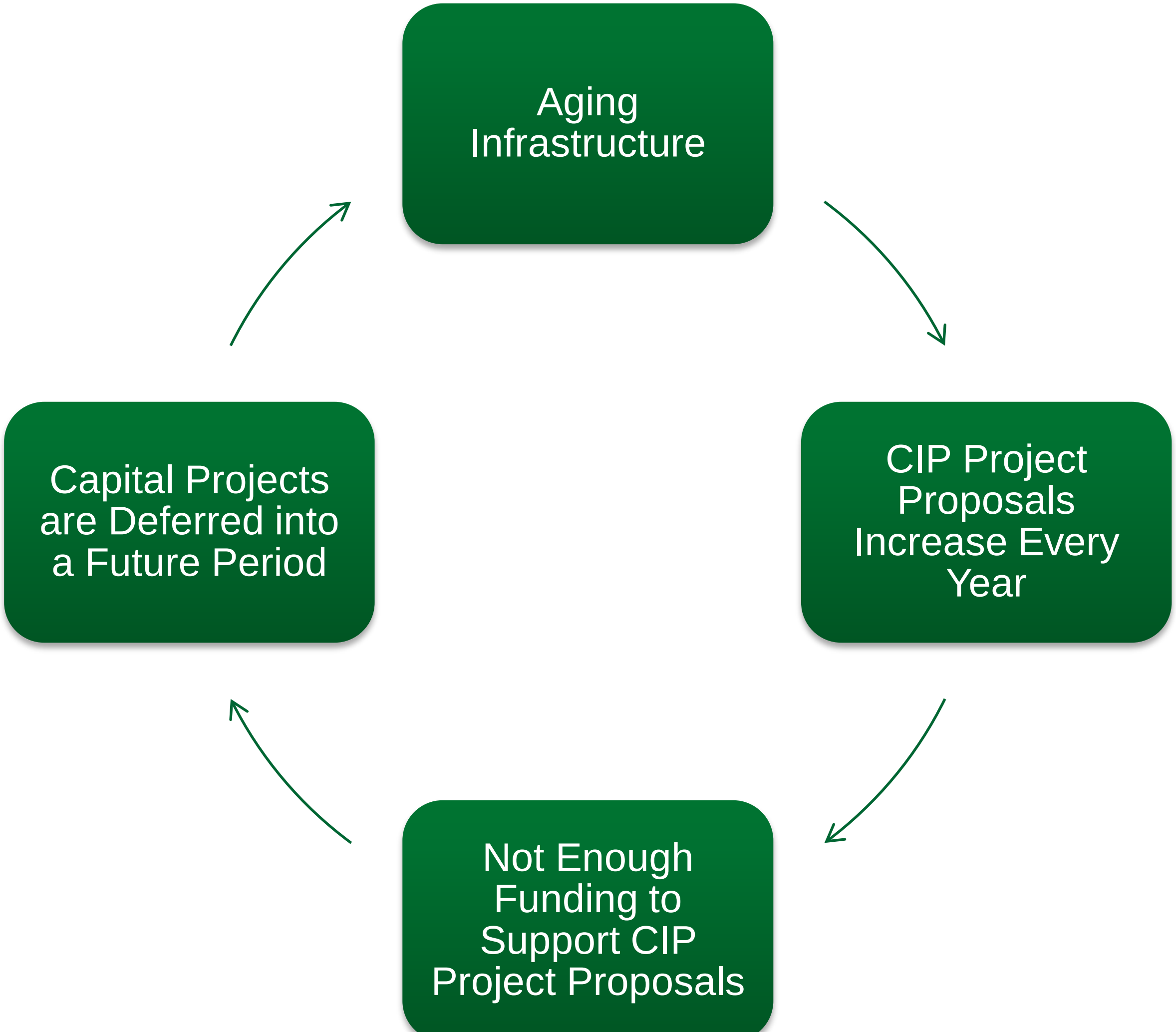
§ 806.1(3) SUMMARY OF PROJECT DATA		PROJECT COST BY CATEGORY		
First Year in Program		CLASSIFICATION	ACCOUNT NUMBERS	AMOUNT
Est. Completion Date		Labor		
Est. Useful Life (in years)		Materials		
Est. Total Cost		Other Contracts		
Est. Spend @ 12/31 (if underway)[1]		Total Project Cost		$ -
Balance to be funded[1]	-	[1]For ongoing projects, we must estimate total spent since inception through current year to derive the balance to be funded thereafter.		
% Complete (if underway)				

PROJECT FINANCING BY PLAN YEAR							
§ 806.1(3) SOURCE OF FUNDS	PRIOR[2]	2016	2017	2018	2019	2020	TOTAL

§ 806.1(4) ESTIMATED ANNUAL COST OF OPERATING / MAINTAINING PROJECT OR ASSET						
OPERATING IMPACT	2016	2017	2018	2019	2020	TOTAL
INCREMENTAL COSTS (NET SAVINGS)						-

Operating Impact Added

Rolling CIP


Aging Infrastructure
CIP Project Proposals Increase Every Year
Not Enough Funding to Support CIP Project Proposals
Capital Projects are Deferred into a Future Period

Key CIP Accomplishments

2014 Accomplishments

- Completion of Smart Meter Project
- Completion of Curtis Mill Park Construction
- Transformer at Phillips Avenue Substation
- Completion of Cherry Hill Manor Service Road
- New 16” Water Line Crossing of the White Clay Creek
- Phase 1 of the Upper Christina Stream Restoration
- Replacement of 4,400ft of 6” Water Mains
- Completion of 2014 Annual Street & Handicap Ramp Programs
- Filter Rehabilitation at Curtis Plant

2015 Accomplishments

- LED Streetlight Conversion Program Launched
- Transformer at East Main Street Substation
- Replacement of 4,300ft of 6” Water Mains; 430ft of 8” Water Mains, including hydrants, valves & services
- Paper Mill Road Concrete Water Tank Rehabilitation
- Water Tank Mixing Retrofit Project
- Completion of 2015 Annual Street & Handicap Ramp Programs
- Finalization of Transfer Station Closure Project & Conversion to Yard Waste Processing Facility
- Delivery of Automated Yard Waste Carts
- Acquisition of Patrol Rifles
- Information Technology Upgrades / Financial Accounting Software and Work Order Upgrades

Key Projects - 2016

- Annual Street Program[H&A] & ADA Ramp Transition[IC]: $1.1 million
- New Water Line & Line Rehabilitation[SC]: $1.3 million
- Vehicle & Equipment Replacement: $2.3 million
- SCADA System Improvements[SC]: $601,000
- Electric Transformer, Circuit Breakers & Conductor Upgrades[SC]: $796,000
- Other Water System Projects[SC, 1]: $1.9 Million

[H&A]Supports Health & Active Community Vision
[SC]Supports Sustainable Community Vision
[IC]Supports Inclusive Community Vision
[1]Filters Rehab, Curtis Plant Intake, Disinfection Equipment, Tank Maintenance

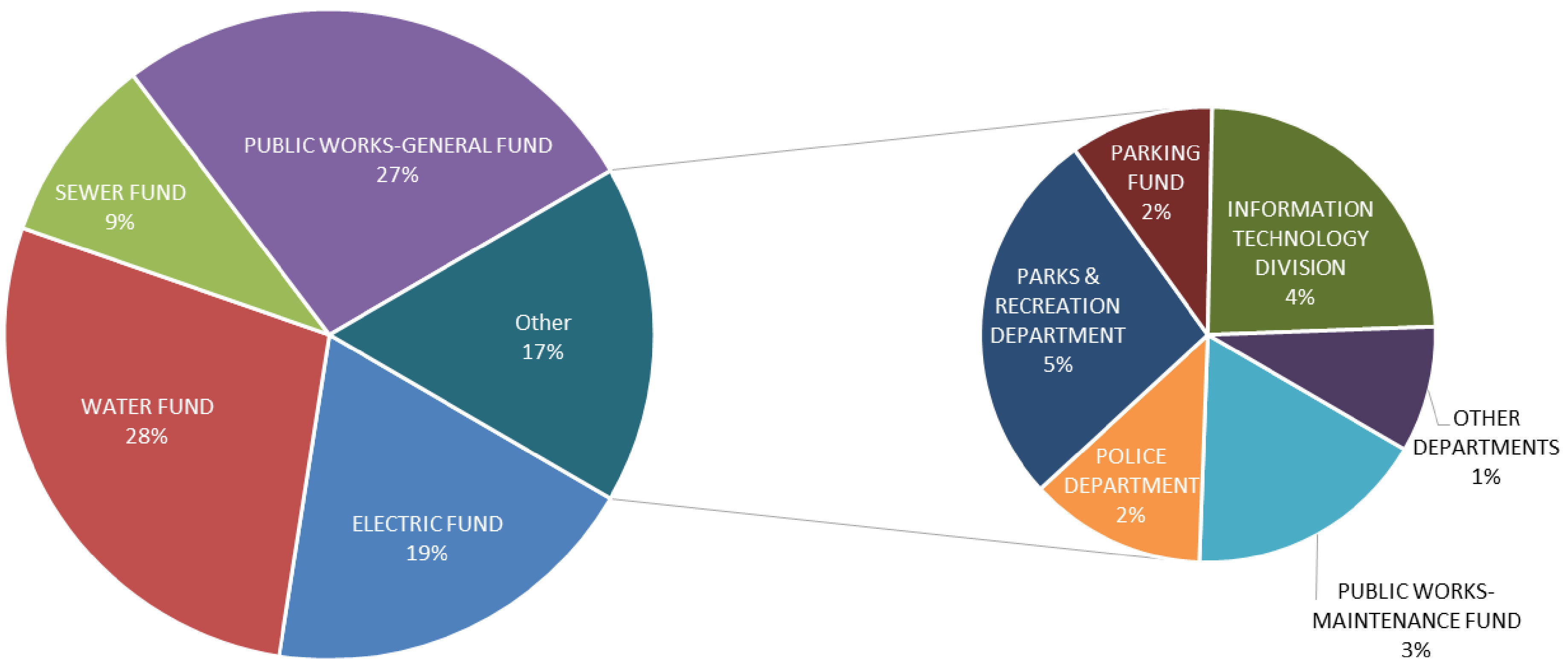
Capital Improvement Program Totals 2016-2020

	PROPOSED BUDGETS					TOTAL PROPOSED AMOUNTS
	2016	2017	2018	2019	2020	
ELECTRIC FUND	$ 2,314,419	$ 922,500	$ 9,976,500	$ 1,109,000	$ 477,000	$ 14,799,419
WATER FUND	3,376,552	4,450,500	5,129,350	2,578,091	2,217,263	17,751,756
SEWER FUND	1,135,000	625,000	725,000	750,000	750,000	3,985,000
PUBLIC WORKS-GENERAL FUND	3,264,922	3,411,550	1,867,807	1,867,916	1,718,524	12,130,719
PUBLIC WORKS-MAINTENANCE FUND	350,000	55,000	-	-	-	405,000
POLICE DEPARTMENT	255,965	399,493	20,960	193,968	331,585	1,201,971
PARKS & RECREATION DEPARTMENT	547,500	1,620,000	1,005,000	1,345,000	195,000	4,712,500
PARKING FUND	209,078	5,914,970	12,025,950	105,000	28,000	18,282,998
INFORMATION TECHNOLOGY DIVISION	491,000	1,747,000	565,000	65,000	125,000	2,993,000
OTHER DEPARTMENTS	182,515	165,000	193,880	-	36,000	577,395
	$ 12,126,951	$ 19,311,013	$ 31,509,447	$ 8,013,975	$ 5,878,372	$ 76,839,758

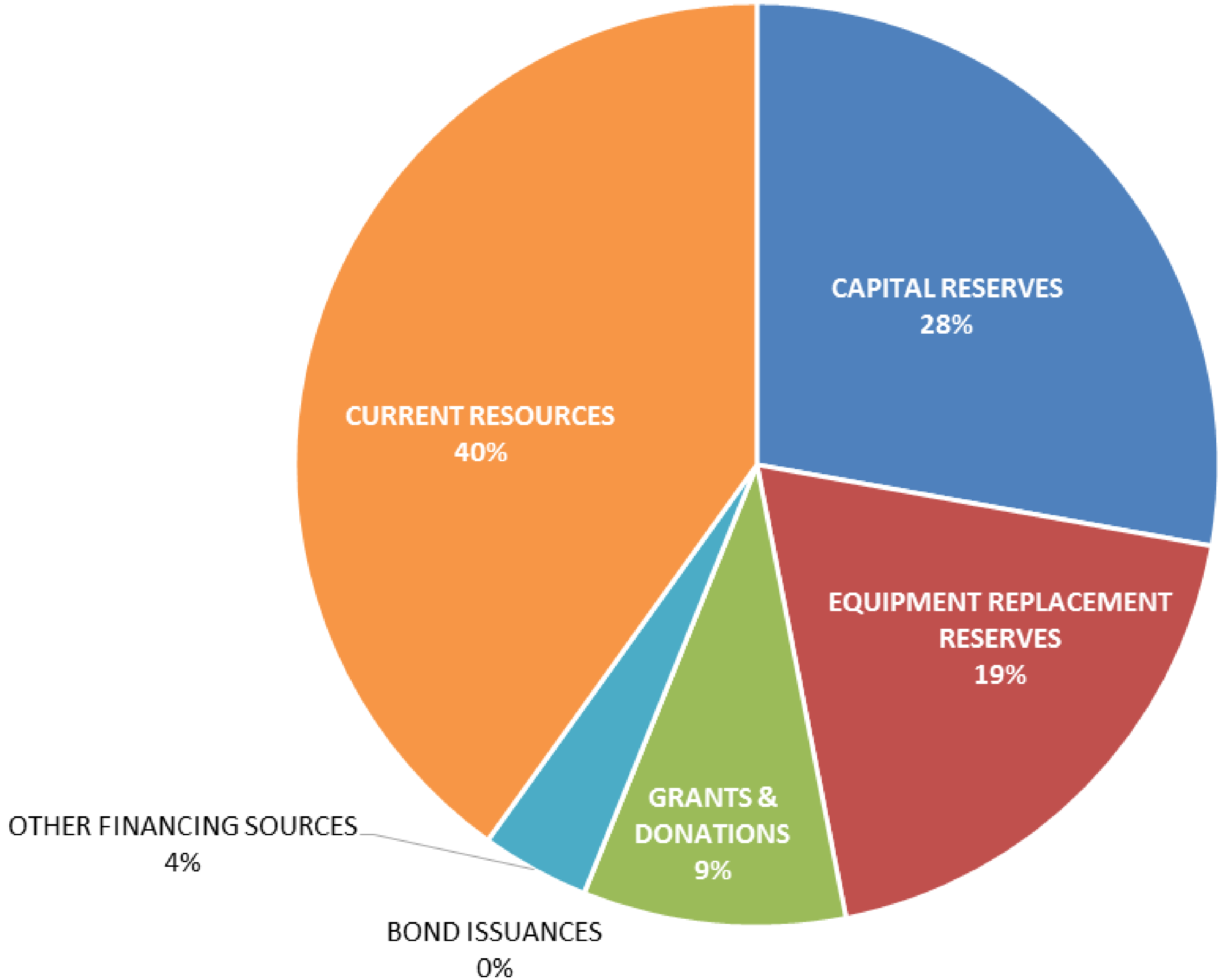
PLANNED FINANCING SOURCES

	2016	2017	2018	2019	2020	TOTAL PROPOSED AMOUNTS
GROSS CAPITAL IMPROVEMENTS	$ 12,126,951	$ 19,311,013	$ 31,509,447	$ 8,013,975	$ 5,878,372	$ 76,839,758
LESS: USE OF RESERVES	(3,373,283)	(216,970)	(32,600)	(36,370)	-	(3,659,223)
VEHICLE & EQUIPMENT REPLACEMENT	(2,315,288)	(2,483,770)	(639,770)	(632,395)	(1,031,270)	(7,102,493)
GRANTS	(1,115,000)	(745,000)	(545,000)	(545,000)	(545,000)	(3,495,000)
BOND ISSUES	-	-	-	-	-	-
OTHER FINANCING SOURCES	(459,759)	(5,500,000)	(17,543,900)	-	-	(23,503,659)
NET CAPITAL IMPROVEMENTS	$ 4,863,621	$ 10,365,273	$ 12,748,177	$ 6,800,210	$ 4,302,102	$ 39,079,383

2016 Gross Capital Expenditures by Department



2016 Funding Sources for CIP



Significant Projects (out years) 2017 - 2020

- Star Campus Underground Distribution[SC], $1.3 million
- Star Campus Substation[SC], $8.9 million
- Curtis Plant Intake Replacement[SC], $2.7 million
- Water Main Renovation Program[SC], $6.4 million
- Water Tank Maintenance[SC], $1.7 million
- Sanitary Sewer Study / Repairs[SC], $2.8 million
- Annual Street Program[H&A], $5.4 million
- Parks Hard Surface Facility Improvements[H&A], $1.4 million
- Old Paper Mill Park Improvements[H&A], $1.8 million
- Storm Drainage Improvements[SC] $1.0 million
- Citizen Engagement Portal[IC], $2.0 million

[H&A]Supports Health & Active Community Vision
[SC]Supports Sustainable Community Vision
[IC]Supports Inclusive Community Vision

City of Newark: Estimated Annual Infrastructure Maintenance Requirements versus 2015 & 2016 CIP Budget

(All dollar amounts are expressed in thousands)

Infrastructure Category	Inventory[1]	Expected Service Life	Cost/mi	Comment	Replacement per year[2]	Cost/yr	2015 Budget Funds	2015 Gap	2016 Budget Funds	2016 Gap
Water Mains	150 miles	100 years	$ 1,000	Replace - restores full life	1.5 miles	$ 1,500	$ 1,000	$ 500	$ 1,000	$ 500
Sanitary Sewer Mains	95 miles	100 years	500	Reline - restores 50-years	0.95 miles	475	400	75	500	(25)
Streets (City)	65 miles	17.5 years[3]	490	50% full depth, 50% overlay	3.71 miles	1,818	1,000	818	1,000	818
Storm Sewer (Concrete)	80 miles	85 years	1,200	Replace - restores full life	0.94 miles	1,128	1,000	128	-	1,128
Storm Sewer (Metal)	5 miles	15 years[4]	1,000	Replace with concrete	0.33 miles	330	200	130	132	198
					Totals ▶	5,251	3,600	1,651	2,632	2,619

[1]Inventory lengths reflect our best available current records. Road miles are the only survey grade values at this point and all others will change as we complete surveys.

[2]Replacement costs include structures like manholes, valves, catch basins, curbing, etc. in an effort to give a simple replacement value for an average street, main, etc.

[3]Average value assuming a 20-year life for full depth restoration and 15 years for 2" overlay. Life varies significantly based on traffic loading and material quality.

[4]Metal storm pipe has not been used in the City for many years. Traditionally, a 25 year life for CMP applies, but most is severely deteriorated and in need of replacement.

Funding Gap Options

- Option One:
  - Increase water rates by 7.2% 1/1/16 as prescribed in study instead of 7/1/16 assumption in budget
  - Generates additional $300,000 for project W9308 to increase water main rehab from $1 million to $1.3 million in 2016
- Option Two:
  - Increase property tax rates using the schedule below
  - Could generate varying levels of additional funding
    - For street maintenance and/or
    - Some "base level" portion of stormwater funding to reduce revenue requirements of future stormwater utility
    - For example, a tax increase of 12% would generate $350,000 more for street repair in 2016, and in 2017+, the $700,000 in new funding could be split between streets and stormwater
- Combination of Option One and Two

Additional Increases of ▶	4%	6%	8%	10%	12%	15%
Would generate $X in 2016 ▶	116,727	175,090	233,454	291,817	350,181	437,726
And would generate $X Long-Term ▶	233,454	350,181	466,908	583,635	700,362	875,452

Conclusion / Questions

NEWARK POLICE DEPARTMENT

WEEK 10/18/15-10/24/15	INVESTIGATIONS			CRIMINAL CHARGES		
	2014 TO DATE	2015 TO DATE	THIS WEEK 2015	2014 TO DATE	2015 TO DATE	THIS WEEK 2015
PART I OFFENSES						
a)Murder/Manslaughter	0	0	0	0	0	0
b)Attempt	1	0	0	1	0	0
Kidnap	1	5	0	1	1	0
Rape	4	4	0	5	1	0
Unlaw. Sexual Contact	7	8	0	2	2	0
Robbery	28	25	0	27	29	1
- Commercial Robberies	5	11	0	2	11	1
- Robberies with Known Suspects	3	2	0	4	1	0
- Attempted Robberies	5	2	0	0	7	0
- Other Robberies	15	10	0	21	10	0
Assault/Aggravated	6	5	0	9	26	1
Burglary	67	50	2	77	19	0
- Commercial Burglaries	10	7	1	5	3	0
- Residential Burglaries	53	40	1	37	15	0
- Other Burglaries	4	3	0	35	1	0
Theft	477	448	13	245	172	5
Theft/Auto	37	29	0	12	8	1
Arson	5	2	0	0	1	0
All Other	64	63	1	172	44	0
TOTAL PART I	697	639	16	551	303	8
PART II OFFENSES						
Other Assaults	216	256	10	172	146	7
Rec. Stolen Property	2	3	0	35	17	0
Criminal Mischief	223	173	7	72	104	2
Weapons	17	9	1	51	57	1
Other Sex Offenses	0	1	0	0	2	0
Alcohol	345	233	2	616	399	9
Drugs	107	87	2	276	195	1
Noise/Disorderly Premise	604	405	18	277	178	11
Disorderly Conduct	155	149	1	177	80	2
Trespass	147	136	4	90	60	0
All Other	414	384	7	398	255	5
TOTAL PART II	2230	1836	52	2164	1493	38
MISCELLANEOUS:						
Alarm	848	768	16	0	0	0
Animal Control	478	451	13	3	4	1
Recovered Property	223	216	3	0	0	0
Service	20816	26270	593	0	0	0
Suspicious Per/Veh	466	441	13	0	0	0
TOTAL MISC.	22831	28146	638	3	4	1

	THIS WEEK 2014	2014 TO DATE	THIS WEEK 2015	2015 TO DATE
TOTAL CALLS	690	31,552	827	36,421

Newark Police Department
Weekly Traffic Report
10/18/15-10/24/15

TRAFFIC SUMMONSES	2014 YTD	2015 YTD	THIS WEEK 2014	THIS WEEK 2015
Moving/Non-Moving	8,151	7,552	121	205
DUI	157	173	5	3
TOTAL	8,308	7,725	126	208

TRAFFIC ACCIDENTS				
Fatal	2	2	0	0
Personal Injury	154	181	6	4
Property Damage **(Reportable)**	294	479	4	8
Property Damage **(Non-Reportable)**	397	262	7	3
Hit and Run	203	222	0	0
TOTAL	1,050	1,146	17	15

CONTRACT 15 - 06

2015 STREET IMPROVEMENT PROGRAM WEEKLY PROGRESS UPDATE

LOCATION	CURB	MILLING	BASE PATCH.	BASE HOT MIX	UTIL. ADJ.	TOP PATCH.	TOP HOT MIX
#1 - Scotch Pine Road; New London Rd. to 24 Scotch Pine Rd.	X	X	X	X	n/a	n/a	X
#2 - Meriden Drive; Cambridge Dr. to Stamford Dr.	X	*	*	*	*	n/a	*
#3 - Fairfield Park Handicapped Parking Area	n/a	n/a	n/a	X	n/a	n/a	X
#4 - Clear Spring Lane; W. Mill Station Dr. to Culdesac	X	X	X	n/a	n/a	n/a	X
#5 - E. Mill Station Drive; 73 W. Mill Station Dr. to Boundary Rd.	X	X	n/a	n/a	X	n/a	X
#6 - Confluence Court; E. Mill Station Dr. to Culdesac	X	X	X	n/a	n/a	n/a	X
#7 - Green Meadow Ct.; Country Hills Dr. to Culdesac	10%	*	*	*	*	n/a	*
#8 - Wilson Road; Briar Lane to Cheltenham Rd.	*	*	*	*	*	n/a	*
#9 - Hillside Road; Cheltenham Rd. to Barksdale Rd.	X	X	X	X	X	X	X
#10 - W. Park Place; Orchard Road to Indian Road	n/a	X	X	X	n/a	X	n/a
#11 - Ray Street; New London Rd. to N. College Ave.	X	X	X	X	X	N/A	X
#12 - Creek Bend Court; Creek Bend Drive to Culdesac	*	*	*	n/a	n/a	n/a	*
#13 - Shenandoah Dr. at Old Paper Mill Rd. (Option I)	n/a	n/a	*	n/a	n/a	*	n/a
#14 - Old Oak Road - Cheltenham Rd. to Sypherd Dr. (Option II)	*	*	*	n/a	*	n/a	*

(14) TOTAL LOCATIONS ON CONTRACT
(8) LOCATIONS COMPLETED
(1) LOCATIONS CURB R & R IS COMPLETE & AWAITING MILLING
(1) LOCATIONS CURB R & R &/OR RESTORATION IS ONGOING
(4) LOCATIONS NO WORK HAS BEEN INITIATED

AS OF TUESDAY, OCTOBER 27, 2015

* - NOT STARTED
%- COMPLETED(WORK CONTINUES)
X - WORK COMPLETED
N/A - NOT APPLICABLE

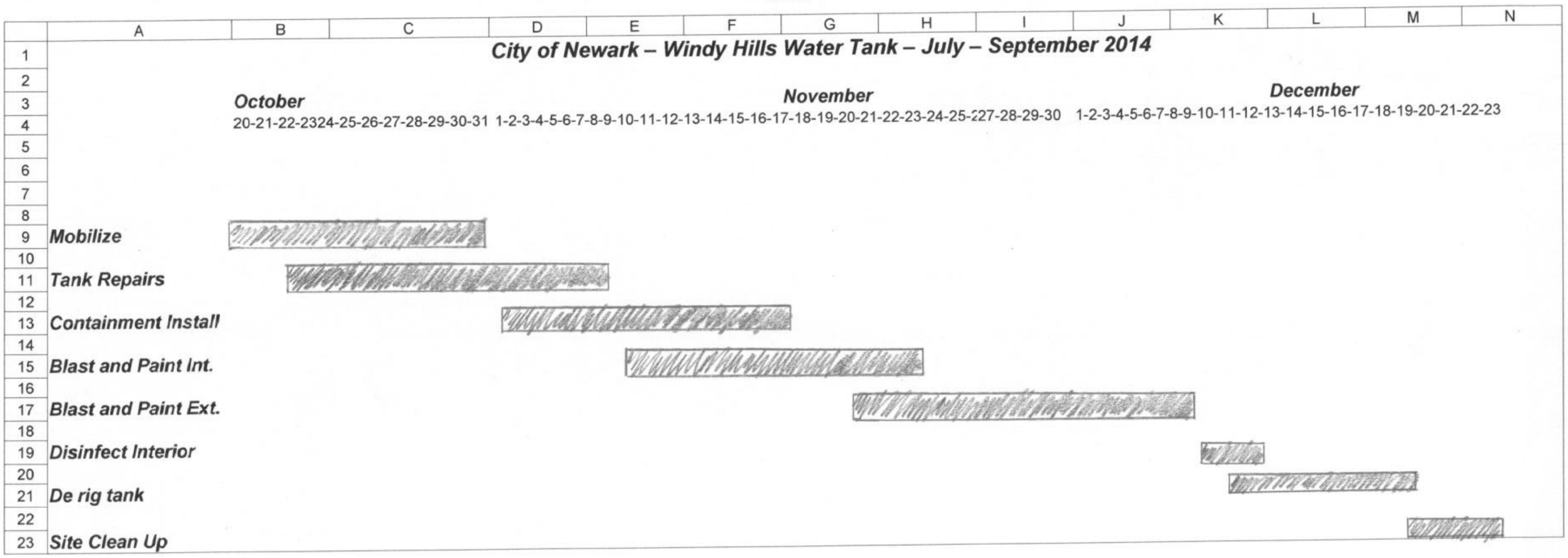
E Main Street at S College Avenue / "The Green" Uncontrolled Crosswalk

"Before" data collection - Thursday, October 15, 2015

1:30 - 2:30 PM

Cycle #	No. vehicles cleared			Was green underutilized?	Crosswalk obstruction (sec)*	% usable green time (43-sec green interval)
	Thru	Left	Total			
1	15	8	23	N	21	51%
2	16	7	23	N	30	30%
3	24	3	27	N	32	26%
4	17	4	21	Y	24	44%
5	16	3	19	Y	22	49%
6	11	4	15	Y	26	40%
7	5	4	9	Y	37	14%
8	8	1	9	Y	27	37%
9	16	4	20	Y	33	23%
10	12	11	23	N	32	26%
11	17	10	27	N	34	21%
12	23	4	27	N	27	37%
13	27	9	36	N	21	51%
14	29	4	33	N	2	95%
15	27	7	34	N	16	63%
16	25	6	31	N	11	74%
17	18	5	23	N	12	72%
18	22	7	29	N	9	79%
19	14	6	20	Y	13	70%
20	16	6	22	Y	12	72%
21	20	4	24	Y	5	88%
22	27	5	32	N	8	81%
23	14	4	18	Y	9	79%
24	19	1	20	Y	6	86%
25	17	6	23	Y	14	67%
26	12	6	18	Y	4	91%
27	13	6	19	Y	12	72%
28	23	5	28	N	7	84%
29	17	6	23	Y	6	86%
30	11	4	15	Y	15	65%
Avg when NOT underutilized:			**28**	**Avg:**	**18**	**59%**
Avg when underutilized:			**18**			

*Duration of pedestrian activity in crosswalk that caused vehicle delay during E Main St green interval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City of Newark – Windy Hills Water Tank – July – September 2014
October
November
December
20-21-22-2324-25-26-27-28-29-30-31 1-2-3-4-5-6-7-8-9-10-11-12-13-14-15-16-17-18-19-20-21-22-23-24-25-227-28-29-30 1-2-3-4-5-6-7-8-9-10-11-12-13-14-15-16-17-18-19-20-21-22-23
1
2
3
4
5
6
7
8
9 Mobilize
10
11 Tank Repairs
12
13 Containment Install
14
15 Blast and Paint Int.
16
17 Blast and Paint Ext.
18
19 Disinfect Interior
20
21 De rig tank
22
23 Site Clean Up