

What amount of money is expected to be used from the CIP to cover projects done by staff? I.e. The double booking question.

E1701 \$50,000

E1105 \$92,000

E0903 \$27,000

E0503 \$62,000

de number

Full Cost of Capital Projects Utilizing In-House Labor

- ▶ CIP labor could be performed by either contractual employees or City labor
- ▶ The cost of labor budgeted within the CIP is primarily listed under contractual services
- ▶ Capital projects where in-house labor can be used more efficiently will be used vs. contracted labor
- ▶ Result would be a savings to the Operating budget, which in turn, would revert back to the City's fund balance at the end of the year
- ▶ We are in the process of converting all departments to the work order management system which will assist in consolidating all of the project costs

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The PWR Engineer will be assigned to capital projects when able, so it is likely that we will be able to charge 75% of this position's salary/benefits to the CIP. Doing so, would create a savings at the end of the fiscal year to the OP EX.

As other projects are initiated, the project manager will compare the cost of labor in-house vs. outsourcing on a case-by-case basis. The results of using of City employees on capital projects would result in a savings to the OP EX. Savings generated would go back to the fund balance at the end of the year.

What was the UD's subvention before the UD's Electrical service agreement? \$211,500

When was the UD last approached to increase their subvention, without tying it to the ESA? – The Subvention as tied to the ESA increases with CPI. The City Manager has planned to engage with UD administration in 2017 regarding subvention (4 years after implementation) however keep in mind UD will also be included in the Stormwater Utility if implemented. I also share, while not subvention specific, that the UD has partnered with Newark to rebuild Academy Street from Park to Lovett with UD funding

most of the improvement. We estimate that their overall investment into this public street will reach the \$500,000 range in 2017.

What is the full cost (not staggered) of a year for the six new employees? – There are actually seven new positions. Two positions in IT were actually counted as one in title, but the dollars have not changed. Five of the seven positions are budgeted for 3/4 year, one is ¼ of the year, and one is for a full year. Full cost for the seven new positions is estimated to be \$590,000.

What is your plan if the positions are not approved? - Do less – not trite, we just won't be able to complete as much and/or in some cases (IT) might need to leverage 3rd party services to achieve work.

There is a total increase of 14 positions between 2016 and 2017. Where are the other 8? – There are actually seven new positions requested for 2017, so the difference is seven positions. Positions that have changed from 2016 are:

- 2016 FTEs (6 FTEs)
 - **2.0 FTEs (Digital Records) were capitalized in the 2016 CIP because it was new, and if Council did not approve the CIP the city would not have moved forward. The positions were expected to be in the 2017 OpEx. This is 2.5 positions in 2017, with the additional 0.5FTE being transferred from City Secretary to IT.**
 - **1.0 FTE from the Council supported decision to in-source fiber operations.**
 - 2.0 FTEs converted from three (3) 0.5 PTEs to create FTEs in Finance (Customer Service Rep) and Communications (Welcome Center Attendant).
 - 1.0 FTE within Finance for the Payments & Utility Billing (PUBs) to provide direct technical application support
- 2017 FTEs (7 FTEs new)
 - Outlined in accounted in FY2017 Budget
 - Parking Division ask to fund upgrade of current 0.5 PTE to a 1.0 FTE

If they are already approved, why weren't they added to the 2016 so they did not look to be new positions? – Three of the six above (in bold), were approved by Council during the fiscal year. The cost for the two positions for Digital Records were included in the capital program. Two FTE's were converted from three part-time positions within the 2016 budget. The one technical position in PUBs was filled mid-year and is being funded via the utilities (water, sewer, electric) for 2016.

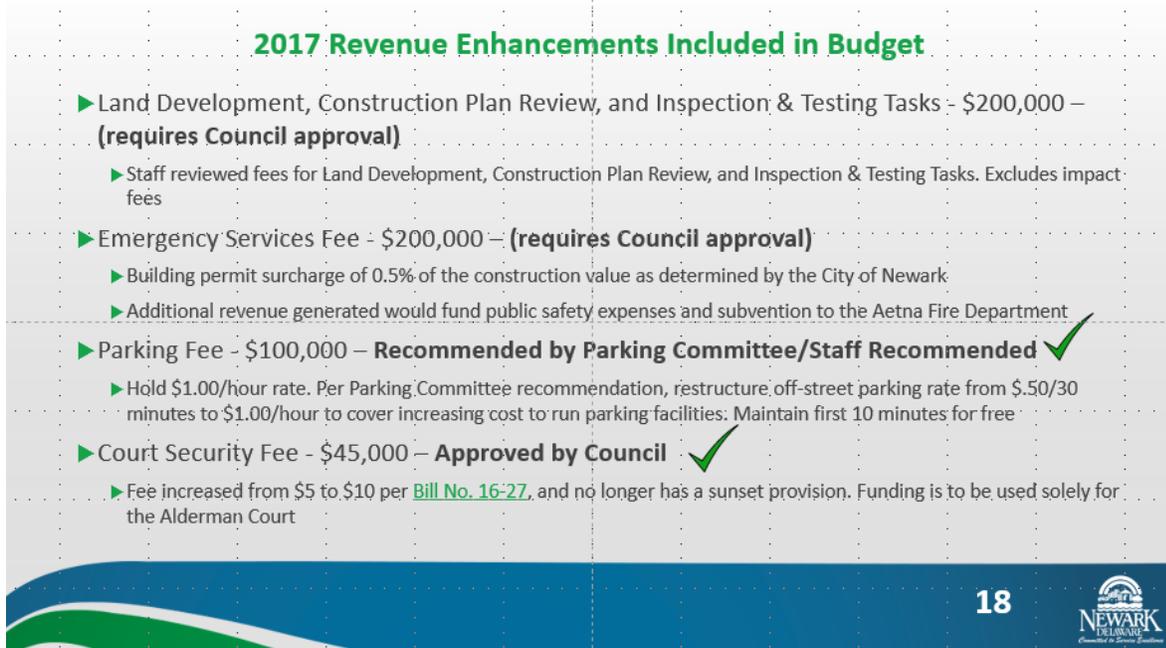
Is any of the OPED increase due to new employees, ie Police? - No, OPEB is closed, no new employees impact OPEB

Is the OPED cost of \$400,000 mandatory? - Will impact future Actuarial Determined Contribution (ADC) if we do not fund the \$400K

What is the cost increase per 1000 assessment in money, not percentage? - \$0.70 per \$1,000

What is the current total property per 1000 assessment in \$? - \$7.74

What types of revenue items are under Newark's control and what types of items required State action (ie new taxes)? (a question from the workshop).



2017 Revenue Enhancements Included in Budget

- ▶ Land Development, Construction Plan Review, and Inspection & Testing Tasks - \$200,000 – **(requires Council approval)**
 - ▶ Staff reviewed fees for Land Development, Construction Plan Review, and Inspection & Testing Tasks. Excludes impact fees
- ▶ Emergency Services Fee - \$200,000 – **(requires Council approval)**
 - ▶ Building permit surcharge of 0.5% of the construction value as determined by the City of Newark
 - ▶ Additional revenue generated would fund public safety expenses and subvention to the Aetna Fire Department
- ▶ Parking Fee - \$100,000 – **Recommended by Parking Committee/Staff Recommended** ✓
 - ▶ Hold \$1.00/hour rate. Per Parking Committee recommendation, restructure off-street parking rate from \$.50/30 minutes to \$1.00/hour to cover increasing cost to run parking facilities. Maintain first 10 minutes for free
- ▶ Court Security Fee - \$45,000 – **Approved by Council** ✓
 - ▶ Fee increased from \$5 to \$10 per [Bill No. 16-27](#), and no longer has a sunset provision. Funding is to be used solely for the Alderman Court

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Has Newark ever considered a minimum property tax? - No, not to anyone's awareness. State law would need to be changed for how taxes are billed.

Has Newark ever considered a commercial tax rate? - No, not to anyone's awareness. State law would need to be changed for how taxes are billed.

CIP

What projects are funded by the tax and water increases from last year that were set aside for projects and not the operating budget? - Option 2B was to add \$200,000 to project H1301 (now Q1301) and \$175,000 to H1701 (Annual Street Program). 2017 Q1301 has \$400,000 vs. 2016 H1301 of \$193,823. 2017 H1701 has \$1,000,000 vs. 2016 H1601 of \$329,151.

Why do multiple divisions of the same department (PWWR) each have equipment replacement budgets? - Each piece of equipment is assigned to the division that it is primarily used in. For accounting purposes, the PWWR divisions span several Funds, so the detail per Fund is required.

Do we share vehicles between departments? ie motor pool? - Non-specialized vehicles that are capable of being used by multiple departments (primarily sedans) are shared across the departments when necessary.

Where are the cost savings or increased revenue for these projects? Some should show savings, revenue increases or cost to delay. –

Projects:

E1701, where is work being done and how old are the services? - This project is a catch all for any known and unforeseen projects that pop up throughout the year. Two projects, Interchange Industrial Park and Delaware Technology Park, have been on the shelf for a long time, but could possibly resurface at any time. Two new projects, 47 W Cleveland Ave and the Lofts at Center Street are getting started now, while the rest are in various stages of construction. It could be foreseen that any project on the list may need our attention in 2017.

E1702, how often is back up line needed? - This is a contingency circuit. As infrastructure ages it is always a good idea to have as much backup as possible. It is possible that a “normal” backup to one of these circuits could be out of commission for some reason, this would give more redundancy and hence reliability.

E1105, what is the load increase on Cleveland Avenue? What is the cost split between Cleveland and STAR campus? When do we expect more usage on STAR Campus? - Loads were increased by the automotive dealers, town houses, and Alder Creek (formerly Cleveland Heights). Last year’s budget for this project was \$606K, and most of this was used for the West Main Substation transformer. Next year’s \$653K will be for the Chestnut Hill Road transformer.

There are already plans to build a 120,000 square foot 10 story building on the site, but other than that the timeline is not clear.

E0503, how often do we have large outages and how long does it take to restore? What would be the revenue savings/generation? - The automatic switching is for the 34kV circuits and each circuit typically serves one substation. There are 4 to 6 outages a year and restorations are approximately 1.25 hours. The outages can affect 1000’s of people or possibly a heavily loaded commercial or industrial district with fewer individual customers, but with more financial impact. The revenue saved would be hard to quantify, but the impact on reliability will be tremendous, as each of the hour long outages would be reduced to a minute.

WS1501, this project is underway, isn’t it covered in 2016?, does it still need \$50,000 in 2017? - This project is complete. Funding request was removed from most recent version of CIP Budget.

W1402, would it be better to not use these wells, at least until DNREC and EPA do their investigation? - No, there is no need to wait to use these wells. Air stripping is a method of remediation and the currently proposed air stripping equipment is more than adequate to remove all of these contaminants

W1304, how often do tank overflows occur? We have gotten a better handle on them over the last few years so less frequently now than in the past but they are generally unpredictable and can go long

stretches with none then have a few back to back if one of our altitude valves malfunctions. This project will also allow us to maintain higher tank levels (we currently keep them artificially low) which will improve pressure and turnover rates within the tanks.

W1201, how much does this help water quality? This is a fire flow and redundancy project more than a water quality project. Since we have only one 8" line serving the area now, fire flows are low and we lose pressure when a hydrant is opened. When an area loses pressure it can create the potential for contaminants to flow backwards into our system so we have to issue a boil water order which can last up to 48 hours post pressure loss.

W1104, see W1402 This project will affect our wells that are currently in production. Even with the contamination, it is still less expensive to produce water from the SWF treatment plant when compared to treating surface water. Additionally, maximizing our groundwater use improves our drought resiliency which, while improved due to the reservoir, still lags all of our surrounding water utilities.

W0002, what is the current end of life for current system? There is not really an "end of life" for a system like this because of how it works. The majority of the cost associated with this project is going to cover replacement of the failing building envelope. The roof, siding, insulation, and ventilation systems have all reached the end of their expected life and need to be replaced. Also, storing 4000 lbs of gaseous chlorine on-site is a safety concern along with the need to transport 2000 lb cylinders through the City to supply the plant. Cylinder changes are dangerous and require additional staff on-hand as a safety precaution.

W9308, what mains are planned for 2017? Currently the only main that has been selected is Flora Circle, which was designed but unfunded in 2016. We have had a non-destructive pipe assessment completed on over 12,000 more feet of main and are awaiting the results of that study before finalizing the remaining locations. Depending on the pipe condition in these areas we may rehab some of them with a lining product because they are more of a water quality than pipe failure issue.

Q1301, how many people are affected? How often does it flood to be unpassable? Approximately 75 homes are affected. The street overtops when there is a storm larger than a 2-year recurrence interval. In order to increase this to the 10-year storm would require a 22' wide box culvert, impacts to several private properties, horizontal relocation of an existing sanitary sewer main, modifications to gabion retaining wall structures and other significant work. The cost estimate for this work is approximately \$450,000. We are therefore going to pursue an easement and emergency access through several properties at Wynwyd and Georgian Circle. The cost of replacing or upgrading the culvert is high and cannot guarantee that the road will not overtop. Furthermore, any work done at the culvert will require a temporary access during the construction phase, which would likely be through the properties mentioned above.

S1701, is a pump station necessary? Project is just a "holding place"? The sheet should be updated to include a better description of the project. Please revise:

"Twin Lakes Pump Station is a wastewater pump station that is privately-owned and operated by the developer of the Twin Lakes subdivision. The station was constructed in the 2007-2008

timeframe and consists of a wet well with two submersible pumps, a valve vault manhole, 2-inch diameter force main, and controls and electric panel on an exterior strut. It services an estimated 88 EDUs for an estimated average flow rate of 17,600 gallons per day. The owner of the pump station has been having numerous performance and operational issues with the pump station over the last few years and has approached the City about transferring ownership and operation of the station to the City. A cost share among parties will be pursued for this project.”

S0904, what areas in 2017? There are numerous areas targeted for repairs in 2017. The repairs include point repair, pipe replacement and joint sealing. Our engineering consultant has prepared a prioritization schedule for repairs based on the CCTV Inspections performed over the last several years. The CCTV Inspections cover roughly 15% of the total system and the targeted repairs are Priority Level 1, which are pipes that are broken or in disrepair near sensitive areas. Several repairs are on E. Main Street, ahead of the anticipated paving of Main St. in 2018. The prioritization report is available in the PWR office for review.

H1403, what is the UD contributing? The crossing recently completed on E Main Street was funded by the City. Any upgrades that were requested by UD for aesthetic purposes were funded by UD. We anticipate the same arrangement for the DE Avenue crossing.

M1101, did this start in 2016? Yes, this master plan is underway. The first phase is the design of the salt shed for proper storage of our salt supply for the year. The design is complete and contract will be let before the end of the 2016. After the salt shed is completed, the next phase is demolishing the old warehouse.

C1702, what are the long term savings? The City and UD are in early discussions on a shared 911 Center. There will not be any immediate savings to the City from such a merger, but the savings would be realized at the State level. The City and University hope achieve other efficiencies in operations from housing one call center versus two.

CEQSF, why are police vehicles \$15,000 more than the last vehicle purchased in 2015? – The \$33k listed for the replacement vehicle in 2015 (vehicle 931) was for the cost of the replacement vehicle only. That cost did not include the cost for the purchase of the police markings, emergency equipment and the labor to install the equipment which is approximately an additional \$10K. The \$48 - \$52K for 2017 replacement vehicles includes the purchase cost of approximately \$35-37K plus an additional \$10K for markings, emergency equipment purchase and labor to install equipment.

K1705, I thought there were going to be grants to help with this number. The scope of the Preston’s Playground project at the Newark reservoir has been expanded to include a permanent restroom that will house two family restrooms. The cost of installation of water and sanitary sewer lines to the restroom will be \$160,334. This funding provides the City’s contribution for the playground. City Council approved including this in the 2017-2021 Capital Program by Resolution No. 16-J adopted May 9, 2016.

I1702, is this still needed with private inspections? Will it track nuisance properties if we define them in code? – Yes, private inspections are for Rentals only, and this is only one small component of the overall

solution. It is possible to track properties based on different types of information, including nuisance if it was outlined in code.

I1704, Are there Home Land security grants available to protect water supply? Shouldn't this come from Water department budget? – Grants would be possible, as would putting this under Water. It can be moved if need be.

I1604, isn't our new hire network tech doing this work? – This funding is for the purchase of the equipment that the new Network Tech will be installing. This project is accounted for in the larger fiber project. Without this project approval, there is not sufficient funding for the Fiber project. This was explained during the Council approval process to move forward with the Fiber contract.