

ORDINANCE NO. 14992

FILE OF CITY COUNCIL

BILL NO. 26 - 2012

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APRIL 18, 2012

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AN ORDINANCE

Amending the 2012 Solid Waste Budget to provide for supplemental appropriations of One Million Dollars (\$1,000,000) from the Department of Energy and Two Million Dollars (\$2,000,000) from the Commonwealth Finance Agency.

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF ALLENTOWN:

SECTION ONE: That City Council authorizes an increase in the Solid Waste Fund in the amount of Three Million Dollars (\$3,000,000) reflecting receipt of grant funds.

SECTION TWO: That City Council authorizes a supplemental appropriation from the Solid Waste Fund in the following manner:

085-03-8005-0005-46	Contract/Service Fees	\$1,000,000
085-03-8005-0005-48	Grant, Non-City Charges	<u>\$2,000,000</u>
		\$3,000,000

SECTION THREE: That this Ordinance will take effect ten (10) days after final passage.

SECTION FOUR: That all Ordinances inconsistent with the above provisions are repealed to the extent of their inconsistency.

	Yea	Nay
Joe Davis	X	
Jeanette Eichenwald		X
Cynthia Y. Mota	X	
Ray O'Connell, VP		X
Mike Schlossberg	X	
Peter G. Schweyer	X	
Julio A. Guridy, Pres.	X	
TOTAL	5	2

I hereby certify that the foregoing Ordinance was passed by City Council on May 16, 2012 and signed by the Mayor on May 22, 2012.

*Michael D. Hamlin*

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CITY CLERK

- **What Department or bureau is Bill originating from? Where did the initiative for the bill originate?**

Finance

- **Summary and Facts of the Bill**

Purpose of the ordinance is to appropriate the revenue and expense from two grants for the Waste to Energy Project: Commonwealth Finance Authority/DCED and U.S. Department of Energy. The majority of the funds will reimburse Delta Thermo for expenses they will incur as part of research and development of the Waste to Energy project.

- **Purpose – Please include the following in your explanation:**
  - **What does the Bill do – what are the specific goals/tasks the bill seek to accomplish**
  - **What are the Benefits of doing this/Down-side of doing this**
  - **How does this Bill related to the City's Vision/Mission/Priorities**

The CFA/DCED funding will be used to reimburse Delta Thermo for engineering and equipment costs. The U.S. DOE funding will be used to reimburse Delta Thermo for design, preliminary and detailed engineering, structural analysis, various permits, travel, and personnel related to research and system engineering development, various permitting, and environmental analysis. The U.S. DOE grant will reimburse the City for grant administration costs and a contract to review the technology of the project.

- **Financial Impact – Please include the following in your explanation:**
  - **Cost (Initial and ongoing)**
  - **Benefits (initial and ongoing)**

Because the City will be drawing down the funds from two different funding sources and will only pay Delta Thermo once the funding is received, there is no financial impact. Delta Thermo must provide up front funding plus match for the expenses related to the grants.

- **Funding Sources – Please include the following in your explanation:**
  - **If transferring funds, please make sure bill gives specific accounts; if appropriating funds from a grant list the agency awarding the grant.**

The funding will come from the U.S. Department of Energy as well as the PA Commonwealth Finance Agency/DCED.

- **Priority status/Deadlines, if any**

The City can start to draw down funds as soon as Delta Thermo and the City begins to submit documentation of payment for eligible expenses. Payment will not be made to Delta Thermo, Inc. until we receive payment from the Commonwealth of PA and the U.S. Department of Energy.

- **Why should Council unanimously support this bill?**

These grants will help support a project which will provide electricity to the Waste Water Treatment Plant. Additionally, temporary jobs will be created in the construction of the facility and permanent jobs will be created in the operation of the plant.