

JULY 22, 2013

Minutes of the monthly meeting of the Municipal Services Commission held July 22, 2013 at the office of the Commission, 216 Chestnut Street. The meeting was called to order at 4:00 P.M. with Robert S. Appleby, President, Commissioner, presiding.

Attendance Report:

Present:

Robert S. Appleby, President, Commissioner
Daniel F. Knox, Commissioner
Dr. Roy J. Sippel, Commissioner
Pamela A. Patone, Secretary
Jay Guyer, Water Supervisor
Scott Blomquist, Electric Supervisor

MINUTES

With the concurrence of all the Commissioners the minutes of the May 23, 2013 & June 24, 2013 regular monthly meeting were approved without alteration.

ELECTRIC DEPARTMENT

Supervisor Blomquist reported that the ammeters at the Wilmington Road Substation continue to fail and that the manufacturer of the ammeters, Bitronics, will be sending someone out to inspect. It is not clear whether the problem relates to the ammeter or the installation. Supervisor Blomquist advised that he continues to work on the capacitors in the system. He has installed two and ordered three new capacitors and will install those upon receipt. He reported that the SCADA system is set up so that both he and Assistant Supervisor Granger are able to view on their telephones.

Supervisor Blomquist indicated that the primary terminations and testing have been done for the Seeds of Greatness Church electric system and the electrician has pulled in the secondary's. The Church has confirmed their acknowledgement that as-builts for both water and electric must be received by the Commission. He also reported that the alley arm braces have been received and that the linemen will begin setting poles again for the Washington Street Project. He also advised that test reports have been received and sent to DSWA so that the poles can be properly disposed.

Supervisor Blomquist reported that on June 28, 2013 a pole feeding the pump station on 7th Street fell and the wires and transformer were down. The pole and transformer was replaced. It was determined that the pole is a private pole; therefore management will be assessing all the private poles in our system.

On July 4, 2013 a squirrel caused an outage on the 240 Circuit which affected 2nd Street and The Strand. On July 13, 2013 a tap burnt off a transformer on 4th Street which resulted in 18 customers without electric for one hour. He reported that Secretary Patone has purchased

Reliability Tracker through APPA so that he can track the outages.

He then reported that the bucket truck that was sent to be sold at auction was sold and a check should be received in the amount of \$1,615. Lastly, he reported that Ryan Auger has completed his second year of apprenticeship and Allen Schiff completed his first year.

WATER DEPARTMENT REPORT

Supervisor Guyer reported that the hydrant on Lamprey Lane that was out of service was repaired and placed back in service. He also reported that the flushing of the water system in Riverbend was done again this month to maintain the chlorine residual and billed to the owner Cecil Bank.

Commissioner Appleby questioned the use of the state environmental funds and whether individual grants should be considered or community projects. Secretary Patone reminded the Commissioners that the position of the Commission has been in favor of community projects that benefit the community as a whole instead of awarding individual grants. She indicated that management is investigating a solar project, LED street lighting and home energy audits. She will continue to accumulate information and present to the Commissioners for their consideration.

Supervisor Guyer continued to report that he had not yet received as-builts for Seeds of Greatness Church and there was some testing and certification for the backflow preventers that would need to be completed prior to finalizing the water service. He went on to report that Mumford Miller has completed the 12" water main installation in the intersection of Rt 273 & Rt 141, invoices for Pennoni inspection have been sent to DelDOT for reimbursement and DelDOT has reported that the second phase of the project which is the 7th & South Street portion will begin in the next week.

Supervisor Guyer reported that the final plans for the 12" water main extension on Delaware Street should be received signed and sealed from Whitman & Requardt shortly. Upon receipt he will send to DelDOT to obtain a certificate to construct so that the water department can begin working on this project.

Supervisor Guyer reported that the mapping program was moving forward and that the southern part of the town is complete. He reported that Assistant Supervisor Jaeger is managing the process and the mapping is beginning to take shape. He reminded the Commissioners that the Commission is maintaining the areas around the well head protection and that he is continuing to require that no activities take place within those areas.

Supervisor Guyer advised the Commissioners that he had spoken the State of Delaware Office of Drinking Water regarding the test results of the minor detection of 1,4 Dioxane at two of the City's well sites. The Office indicated that they would provide a letter confirming that no action was required at this time because the amounts were just at the detection limit.

Supervisor Guyer reported that the work at 802 W. 13th Street for the 4" fire service has begun

by the contractor. He then communicated that the interconnection that the Commission has with Artesian was tested this month. The testing functioned properly and Artesian has requested to do some more tests in the future. Supervisor Guyer advised that the testing revealed that some of the SCADA logic needs to be adjusted and that he will be working on making those adjustments with Keystone Engineering.

Supervisor Guyer reported that Chris Castagno of the Trustees of New Castle Common and Chair of the Battery Park Committee has requested that the Commission remove the water fountains at Dalby Alley and near the Tennis Courts. After a discussion, the Commissioners advised Supervisor Guyer that he could move forward with the request.

As part of the water department's annual repair and maintenance program, Supervisor Guyer is reviewing the hydrants in the system that are over 50 years old and do not operate properly and will be replacing as necessary. In addition, he has identified the meters with over 800,000 gallons of through flow and approximately 15 years old and will be making those replacements as needed. He continued to report that after 2013 the state law regarding only using lead free materials in the Commission's water system will be in place and he is discussing with the Office of Drinking Water how this will impact the Commission.

Supervisor Guyer reported that George O'Neal the supervisor for the Public Works Department requested that the Commission purchase 2 rear tires for the City's backhoe for an approximate cost of \$1,300. Supervisor Guyer advised the Commissioners that the Commission has used the backhoe in addition to the one owned by the Commission for numerous projects and has shared the cost of maintenance in the past. Commissioner Appleby indicated that further discussion would take place on this topic.

Supervisor Guyer reported that safety training consisting of an OSHA 10 class and forklift training was being scheduled. This is consistent with the workplace safety program that the Commission has established. Lastly, he reported that Assistant Supervisor Jaeger and he would be visiting a site in Pennsylvania where they would be watching a water main relining project with the new 3M product that is being done by J. Fletcher Creamer & Sons.

Supervisor Blomquist reported that a utility locate had been submitted for construction of a new building at the Pizza Hut location in Airport Plaza and therefore, this would be an item that would need to be reviewed.

Commissioner Appleby thanked the Supervisors for their attendance and they left the meeting.

FINANCIAL REPORT

Secretary Patone indicated there was nothing significant to report in collections. She reported that the month ending June 30, 2013 reports showed that "Cash" decreased \$145,000 from the previous month. In "Revenue and Expenses" the "Change in Net Assets" was a deficit of net assets in the amount of (\$85,000) which is better than the budgeted deficit of (\$208,000). She reported that the Water Department is reflecting an excess of approximately \$1,000 and Electric

reflected a deficit of approximately (\$86,000).

Secretary Patone reported that investments had decreased approximately \$17,000 from last month.

She said in "Control Procedures" that Customer Service Manager Sandy Scott reviewed the bank statements for June.

Secretary Patone indicated that the Treasurer, Mary Jane Stubbs, reconciles the bank statements on a monthly basis and reports all the disbursements to the Commissioners on her monthly spreadsheet. Secretary Patone has completed the audited financial statements with disclosures and has submitted them for final review to the auditors who will present at the next monthly meeting.

Upon motion made and unanimous approval, the Commissioners accepted the financial report for the month of June and approved the payment of the June bills attached hereto.

SECRETARY'S REPORT

Commissioner Appleby reported that he attended DEMEC's Board meeting. He reported that Scott Lynch was applying for a \$2M grant from the United States Department of Agriculture for LED lights. This would benefit the members of DEMEC. He reported to the Commissioners that both Beasley plants ran this past month. He indicated that the DEMEC staff is investigating a system that would allow for board members to view DEMEC material via a web portal so that the material would be easier to distribute and it would remain proprietary information.

Commissioner Appleby went on to report that Delmarva has a case in front of the Public Service Commission addressing the detail of the bills and the transparency of the cost of the state mandated initiatives. A discussion ensued regarding the ability and/or desire of the Commission to break down these costs for customers. It was agreed that the Commission would investigate this option.

OLD BUSINESS

Secretary Patone reported that when the Frenchtown Well electric service buyout from Delmarva Power decision was made in June 2013, questions arose regarding what other accounts the Commission pays for electric service. She reviewed the invoices and determined that the Basin Road Well's electric is provided by Delmarva in addition to the gas service at 100 Municipal Blvd. She also reported answers regarding the interconnection agreement with Artesian Water Company for the Boothhurst subdivision and reported that 143 customers were served at that location and the Commission pays Artesian Water Co. a wholesale rate of \$3.1 per thousand gallons. The Commission charges customers the New Castle retail rate, \$6.7 per thousand gallons.

Secretary Patone also reported that during the May 23, 2013 Commission's discussion of the Mike Cirillo property on Carroll Drive off of Grantham Lane, Commissioner Appleby was to

investigate whether the Mayor & Council were interested in having the property annexed into the City of New Castle. Upon inquiry, Council President Barthel reported that the request for annexation was not presented to the Council and therefore, an answer could not be provided. Secretary Patone reported to Mr. Cirillo that he would need to approach the Mayor & Council regarding annexation prior to meeting with the Commission.

Secretary Patone reported that she reviewed the written request from Francis DeAscanis regarding his properties in Buttonwood Village. The current requirement for all new electric service is that the service be installed underground. The properties in Buttonwood Village were started as aerial a few years ago; therefore, Secretary Patone advised Mr. DeAscanis that the Commission would allow him to complete those properties as an aerial service.

Secretary Patone reported that the Commissioners had requested that she investigate answering services. She reported that she has found that answering services are not able to provide information to the customer unless it is scripted in advance. She has found that our new telephone service and the responsiveness of our staff in the evening is overall a positive experience. In addition, the Commission's after hour calls are all returned even if they relate to other City Departments. She would prefer to wait and continue to investigate Smart Grid options, which would allow interactive communication with customers and not pursue an answering service. The Commissioners acknowledged her request.

NEW BUSINESS

The Commissioners discussed the purchase of the tires for the City Backhoe.

Upon motion made and unanimous approval, the Commissioners approved the purchase of tires for the City Backhoe.

Secretary Patone questioned the Commissioners whether they wanted her to contact Landmark Engineering to advise the developer at the Pizza Hut location that upon demolition of the building the new electric service would be within the Commission's electric territory. The Commissioner's agreed that she should make contact.

JULY MEETING

The Commissioners set the date of the next monthly meeting to be August 22, 2013 at the office of the Commission, 216 Chestnut Street, New Castle, DE 19720.

ADJOURNMENT

By motion made and unanimous approval, the Commissioners voted to adjourn.

Approved 8-22-13
Date


Pamela A. Patone