

OCTOBER 30, 2013

Minutes of the monthly meeting of the Municipal Services Commission held October 30, 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

### MINUTES

With the concurrence of all the Commissioners the minutes of the September 23, 2013 regular monthly meeting were approved without alteration.

### ELECTRIC DEPARTMENT

Secretary Patone reported for Supervisor Blomquist and indicated that she would review the highlights. She advised that Joe George of Riverbend requested the specifications for a meter pedestal for the entrance way lights at the guard house. Secretary Patone reported that Carew Associates provided a proposal for the Airport Plaza Shopping Center feasibility. She was still attempting to obtain electric bills from BJ's Wholesale Club in order to be able to make a recommendation regarding pursuing the study. Secretary Patone advised that after the last meeting Supervisor Blomquist pursued additional quotes for the bore under the tree for the Rte. 273 Multi Use Trail and awarded the job to East Coast Underground as the lowest bidder. She advised that there is a meeting scheduled with Bob Cannon from Carew Associates on November 4, 2013 to discuss the solar project. Secretary Patone indicated that Supervisor Blomquist has the lineman beginning work on installing the Frenchtown Road Well electric service. Regarding the Bellanca Airfield parking lot, Secretary Patone reported that she, Supervisor Guyer and Supervisor Blomquist spoke with Bob Schulte from DNREC and were assured that the remediation was completed and that the contaminated soil had been removed from the location and the MSC is allowed to install the underground electric lines without any restrictions. She went on to report that Sears is renting building 700 in Centerpoint Business Park and an estimated meter deposit was calculated based on previous consumption at that location. She reported that no electrical outages took place in the past month and that through the Reliability Tracker software the staff is able to provide industry outage indexes. She indicated that she would compare the results with the indexes but felt the need to accumulate a year's worth of data for it to be meaningful. She advised that she would have definitions of the indexes provided in the next month's report.

Secretary Patone indicated that the electric department has been working on tree trimming throughout the City to help reduce line losses that occur when branches lay against electric lines. She reported that Supervisor Blomquist has been concentrating on clearing the right of way behind Jacquette Square and on 7<sup>th</sup> Street toward Dobbinsville. She went on to report that Supervisor Blomquist was making some changes regarding safety procedures with the installation of electric meters.

#### WATER DEPARTMENT REPORT

Secretary Patone reported for Supervisor Guyer in the Water Department. She reported that DeIDOT's contractor Mumford Miller has been working on the stormwater portion of the project on 7<sup>th</sup> & South Streets. She indicated that they have identified some conflicts with the MSC water mains and have had to reengineer some areas. She went on to report that the reengineering would result in replacement of 900 feet of water main that DeIDOT would replace at their cost. Secretary Patone gave permission to have the main purchased by the MSC and DeIDOT would reimburse for those costs.

Secretary Patone reports that Grass Buster's Landscaping is the contractor handling the Rte. 273 trail and they have asked Supervisor Guyer to provide a quote to move the fire hydrant near First Baptist Church. Regarding the GIS system, Supervisor Guyer provided pictures of the water system distribution mapping in his report and they were distributed to the Commissioners.

The final 2 commercial meters, that the MSC has taken ownership of, are St. Peter's Church and the David Finney Inn and they will be replaced within the next few weeks.

Secretary Patone reported that Supervisor Guyer is requesting approval to replace the plastic water service to the Penn Farm irrigation pits and the produce stand at an estimated cost of \$4,800 for the 180 ft. of 4" ductile iron pipe and a ¾" water service for the produce stand. The Commissioners indicated that they were in favor of approving but would like Supervisor Guyer to provide details on the cost and location of the service.

Secretary Patone indicated that she had provided Supervisor Guyer's pictures of the 12" water main repaired near the Million Gallon Tank. In Supervisor Guyer's report, he advised that the main was located 11' 6" deep and that a large excavator rental was necessary to make the repair. Secretary Patone reported that both the water and electric crews worked together to make the repairs and that final restoration of the ground would be completed in the spring.

Secretary Patone advised that she had received a request from the Trustees for the Commission's water department to repair a leak at the Little League concession stand. A discussion ensued regarding the areas that the Commission assist the City and Trustees. Secretary Patone advised the Commissioners that in addition to sharing equipment with Public Works, the City and Commission operate from the same server and telephone system. She indicated that the equipment is held at the Utility building and costs associated with the equipment such as firewall and technical support costs are shared by both organizations. She reported that the room had been utilizing a portable air conditioner to keep it cool since it was designed as a fire proof room

and was not connected to the HVAC system of the building. The portable system stopped working and with the additional server and equipment that had been added over the past year the room was reaching high temperatures that would put the equipment in danger of failing. Assistant Supervisor Jaeger had received three quotes for a permanent solution of a heat pump system. The low bid was from Amstel Mechanical Contractors, Inc. for \$4,620.00. The Commissioners agreed with the installation of the heat pump system and that the Commission would pay for the cost in full instead of sharing the cost with the City. In addition, the Commissioners approved the water department repairing the leak at the Little League concession stand for the Trustees. Secretary Patone indicated that she understood that the Commissioners would give her discretion in providing labor in assisting the City or Trustees but that they would anticipate approving any material, contracted or shared costs for the City or Trustees.

### FINANCIAL REPORT

Secretary Patone reported that the Commission's attorney received a response to the letter he sent to the Department of Education regarding the outstanding debt of Pencader Charter School. The DOE advised that the Commission needed to contact the lawyer for the school board. She went on to report in Collections that Tesla Industries, Inc. in Centerpoint continues to pay late and has not yet paid the increased deposit amount.

She reported that the month ending September 30, 2013 reports showed that "Cash" increased \$654,000 from the previous month however, that is due to the liquidation of the Vanguard investments which have not yet been reinvested. In "Revenue and Expenses" the "Change in Net Assets" was an excess of net assets in the amount of \$280,000 which is better than the budgeted excess of \$136,000. She reported that the Water Department is reflecting an excess of approximately \$53,000 and Electric Department reflected an excess of approximately \$227,000. Secretary Patone reported Vanguard was liquidated down to \$100,000. She advised that William Facciolo with Penn-Delmar Agency where the Prudential investments are held indicated that the Openheimer and Pioneer investments could be purchased through them.

She said in "Control Procedures" that Supervisor Scott Blomquist reviewed the bank statements for September.

Secretary Patone reviewed an updated capital budget year to date activity report. Commissioner Knox questioned whether a contingency amount is added to the capital budget each year for unexpected events such as the water main replacement near the Million Gallon Tank. Secretary Patone advised that a contingency amount has not been added in the past but she intended to do so in the future.

Secretary Patone reported that the insurance renewal for all coverages combined is an 8% increase. She went on to report that the Directors & Officers insurance carrier was not renewing the coverage due to the claim activity. Insurance & Financial Services was having difficulty finding a carrier that would offer coverage without an exclusion of the Riverbend Subdivision. She indicated that she would continue to pursue options.

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

### SECRETARY'S REPORT

Secretary Patone reported that she and Commissioner Appleby attended the DEMEC Annual meeting on September 25, 2013 and that Councilperson Teel Petty was also in attendance. She advised that during the meeting Former Secretary Chip Patterson was honored for 20 years of service and President Bob Appleby was honored for his more than 20 years of service. Secretary Patone reported that New Castle and Newark were not eligible for the USDA loan program because they were not located below the canal, they would however be able to take advantage of the group pricing through the RFP process. She advised that the DEMEC Board approved a resolution to purchase wind REC's provided by the University of DE Wind Turbine located in the City of Lewes and that the funds would be used by the University to pay for a fellowship for wind energy research. Secretary Patone advised that the board approved an educational brochure by AB+C public relations firm. She went on to report that at the October 15, 2013 meeting that President Patrick McCullar was investigating having a second line of credit available in addition to the line currently open with PNC. Secretary Patone indicated that banks and fees were being researched. She reported that President McCullar received a letter from the Democratic caucus supporting the Data Center that is being considered in Newark. She advised that the IPADs were distributed to the board members with the BoardPaaS software platform so that board members would be able to view board materials on the IPADs.

Secretary Patone reported that as the Commission's representative on the Tree Commission she attends monthly meetings.

### OLD BUSINESS

Secretary Patone reported that she reported on Airport Plaza Shopping Center feasibility progress in the Electric Department report. Regarding Packet Alley/25 The Strand, she indicated that Supervisor Blomquist investigated other areas where electric lines may have been attached to individual's homes that are servicing other homes. She advised that a home at Plum Alley has a situation where the electric line goes above the home and attaches to an attachment that is on top of the home. Secretary Patone will continue to make contact with someone at Verizon to discuss the viability of putting services underground. Secretary Patone advised that there is not a defined timeline yet for paving the parking lot and installation of the underground electric lines at the Bellanca Airfield. The Commission staff will wait to hear from the Trustees. She then reported that she had invited Scott Lynch of DEMEC to attend the meeting regarding the solar project. Commissioner Appleby advised that Secretary Patone should invite Chris Castagno of the Trustees to attend the solar meeting also.

### NEW BUSINESS

Upon motion made and unanimous approval, the Commissioners voted to approve the opening of an investment account to purchase the new investments.

OCTOBER MEETING

The Commissioners set the date of the next monthly meeting to be November 19, 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 11-19-13  
Date

  
Pamela A. Patone