

NOVEMBER 24, 2014

Minutes of the monthly meeting of the Municipal Services Commission held November 24, 2014 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

Also in attendance: Jay Guyer, Water Supervisor and Scott Blomquist, Electric Supervisor, Mary Jane Stubbs, Business Manager/Treasurer

MINUTES

With the concurrence of all the Commissioners the minutes of the October 27, 2014 regular monthly meeting were approved without alteration.

ELECTRIC DEPARTMENT

Supervisor Blomquist reported that he has been obtaining quotes for the wire purchase for the Airport Plaza loop project scheduled for the fourth quarter. He advised that a pole and capacitor bank were installed at the newly identified location for the capacitor bank project. He went on to report that the Wilmington Road Substation Cable Trough project's materials have been ordered and received and that the equipment for the Centerpoint meter project has been ordered. Supervisor Blomquist reported that he has spoken with Dale Davis of CMI and he will be providing a letter of engagement for a fixed and sun tracking solar system. He spoke with Advance Solar and a representative is to contact him, in addition he met with Bruce Wanex of Wanex Electrical Services and he would be providing a quote shortly.

Supervisor Blomquist reported that there were four outages in the past month, one of which was caused by a squirrel on the bus structure of the Wilmington Road substation which caused the entire substation to go down. He advised that he investigated solutions to this problem and animal guard for a substation cost approximately \$15,000. He communicated that he decided to purchase aluminum and wrap the first eight feet of each leg of the bus structure to prevent the squirrels from being able to climb. He advised that the cost was approximately \$800. He went on to report that the other three outages were also a result of squirrels. He advised that a lot of locations have older style animal guard that is not sufficient. He indicated that he is investigating other newer style systems. He went on to report that the Van Dyke underground proposed project is broken into three loops and he has designed and drawn into the mapping system. He presented a copy of the design to show the Commissioners. Commissioner Appleby questioned whether the driveways would need to be excavated. Supervisor Blomquist indicated that the sidewalk in some areas may need to be excavated also. He also reported that eventually Verizon and Comcast would need to be contacted to see how they can be included into the

project. He advised that the electric crews are trimming trees behind Van Dyke Village. He indicated that Assistant Supervisor Granger continues to map the underground electric system. He reported that the University of Delaware and the Sustainable Energy Utility are providing energy audits at a discounted rate to municipalities for \$400 per site. Secretary Patone advised that green energy funds could be utilized to perform the audits and identify areas at each location that could promote energy efficiency. She indicated that the City of New Castle sites are provided electric through the Commission at no cost, therefore, any efficiencies implemented at the City or Commission sites would result in savings to the Commission. Lastly, Supervisor Blomquist reported that he had prepared a policy regarding banners and signs on Commission property. Commissioner Appleby indicated that he agreed that it is not the Commission's staff responsibility to administer whether a group would be allowed to hang a banner or sign in the City. He agreed that if the City were to allow a banner or sign then the Commission would indicate the specs in the proposed policy of hanging on the Commission's utility poles. Supervisor Blomquist indicated that he documented the specifications and process for the Commission's banner and sign policy being proposed for approval.

WATER DEPARTMENT

Supervisor Guyer reported that the water department continues to flush Riverbend hydrants. He advised that he has not had any communication from Mr. Bob Schulte of DNREC in reference to remediation at the Seeds of Greatness Site. He indicated that Mr. Schulte did provide the lab results of the two monitoring wells on the Seeds of Greatness Site which showed comparable results to the Frenchtown Road Well. He went on to report that the Washington Street project with DelDOT was almost complete, Mumford & Miller was working to finalize some valve box issues and then final billing from the water department could be sent. Supervisor Guyer reported that the 273 Trail project was complete. He also indicated that the Assistant Supervisor Jaeger and Jay Jones have been drawing in the catch basins, inlets and outlets for the City Storm Water mapping projects. He advised that the Water Department continues to assist with the meter reading functions. Supervisor Guyer reported that he had not done any additional work on the water renewal project. He advised that the Cross Roads Well building is complete and weatherproof. He went on to report that there were no planned or unplanned outages the month of October. He advised that 14,682,998 gallons of water were purchased from Artesian for the month of October. Supervisor Guyer reported that on November 15, 2014 a leak was reported at 10th & School Street. He advised that after investigation it was determined that the leak was low flow and that it would be best to leave it until Monday morning. He reported that on Monday morning a six inch crack in the pipe on School Street was found. He went on to report that they had to open twenty five feet of roadway to perform the repair. He advised that a repair clamp was installed and a temporary road patch. He indicated that several of the valves in that area showed significant corrosion and he believed that a plan should be developed to replace them. Commissioner Knox questioned whether customers experienced an outage. Supervisor Guyer indicated that he did not shut customers off over the weekend and then on Monday was able to isolate the problem to limit any customer outages.

Supervisor Guyer reported that the fall hydrant flushing was not done due to the Commission

purchasing water, however, the water operators inspected the hydrants and found one hydrant at Lincoln and 8th Street that appeared to be damaged by a car. He advised that he would have this repaired in the spring. He indicated that the staff have been installing carpet in the billing offices and will be installing new front doors. He went on the report that he attended a meeting to review the process for the Risk Assessment for the Homeland Security Grant. He advised that the newsletters with the public notice for the Lead and Copper testing results will be distributed by the end of the week.

Supervisor Guyer reported that the Calgon Carbon Model 10 Single Vessel System was delivered on Wednesday October 29, 2014 and set on concrete piers. He advised that the plumbing was completed, the vessel was filled with carbon, it was backwashed and flushed and samples were taken. He advised the lab results just arrived shortly before the meeting. He reported that the Office of Engineering issued the Certificate to Construct the temporary system on November 3, 2014. He went on to report that at a special meeting on November 10, 2014, the Commissioners approved moving forward with the permanent solution engineering proposed in the Pennoni Associates simplified engineering report. He indicated that the engineering reports have been submitted to the USDA. He then advised that he would complete his report and then come back to the lab results received this afternoon. He reported that the water operators are attending filtration classes each week to prepare for certification and that he and Assistant Supervisor Jaeger attended an OSHA training seminar.

Supervisor Guyer reported that the lab results were received for the PFC contaminates pre filter and post filter. The PFOA post filter results were under the EPA provisional health advisory limit, however, the PFOS post filter result slightly exceeded the EPA provisional health advisory limit. He indicated that he will be reviewing what could have resulted in the system working but not sufficient enough to result in a non-detect. He indicated that he will be discussing with Calgon the contact time with the carbon, the media being utilized and the possibility of residuals in the clear well. He advised that he would be testing again but instead of two tests he would be performing pre filter, post filter immediately after the carbon and post filter from the clear well. Supervisor Guyer indicated that the pre filter results were higher than the results received previously therefore, he is concerned about the possibility of the increased contaminate in the water. He indicated that he would like to understand whether the pumping of other systems could result in the plume of the PFC contaminants to move toward the City's system. Commissioner Knox questioned whether the system was operating at the gpm communicated to Calgon. Supervisor Guyer indicated that it was operating consistent with the specifications provided to Calgon. The Commissioners advised that Supervisor Guyer contact Calgon as the expectation would be that the system would provide a non-detect for the contaminates.

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

FINANCIAL REPORT

Secretary Patone reported in Collections that she received the template for a bond and letter of credit from legal counsel and she will be reviewing it.

She reported the financial statements for the month ending October 31, 2014 show the "Cash"

increased \$259,000 from the previous month. Commissioner Appleby questioned why cash would be up. Secretary Patone indicated that the spending on capital projects had slowed over the past few months because operations have been addressing the water contamination issue. She anticipates the cash outlays to increase now that a solution has been identified. In "Revenue and Expenses" the "Change in Net Assets" was an excess of net assets in the amount of \$20,000, \$15,000 from Water Operations and \$5,000 from Electric Operations. She indicated that the purchase of water line item is over budget by \$126,000 due to the water contamination issue in addition the electric revenues are down \$214,000 compared to budget due to a milder summer and some of the commercial locations being vacant for a portion of the year. She went on to report that other income is down \$9,000 due to less inspection fees than budgeted. She indicated that she and the supervisors continue to monitor the budget versus actual.

Secretary Patone advised that in "Control Procedures" Electric Assistant Supervisor Art Granger opened and reviewed the bank statements for October.

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

SECRETARY'S REPORT

Commissioner Appleby reported that he attended the DEMEC November 18, 2014 monthly meeting. He advised that the Board members rejected the proposal that a special project fee be assessed to members to account for the time spent by DEMEC staff to assist with projects that only benefit the one member. He went on to report that DEMEC would be purchasing the SREC (solar renewable energy credits) from the City of Newark since they are members of DEMEC. He indicated that an Executive session was called to discuss personnel and salary items. He reported that the USDA LED street light grant was to be an interest free loan but the funds would have to be paid upfront by the towns and then reimbursed, therefore, DEMEC is no longer going to pursue this grant. Secretary Patone indicated that the Audit Committee met on November 6, 2014 and reviewed the quarterly financial reports. She reported that staff made an accounting change mid-year and they were going to have a workshop in December to review the changes.

OLD BUSINESS

Secretary Patone reported that the Solar Array and Well shut down were discussed earlier in the meeting. She reported that she and Supervisor Guyer, Assistant Supervisor Jaeger, City Administrator Bill Barthel met with 4 representatives from Verizon at the Gray Street Tank location to discuss the feasibility of attaching antennas on the Gray Street Tank and to place a structure on the site to house a generator and electrical. She continues to provide information to Verizon but negotiations of revenue has not taken place, nor has a plan been received from Verizon. She indicated that the City owns the property and the Commission owns the tank. She understood that the City was interested in exploring the revenue possibilities. The Commissioners expressed an interest in having Supervisor Guyer provide his thoughts on having a third party install antennas on the Commission's water tanks at the next Commission meeting. Secretary Patone advised that the Employee Handbook was reviewed by attorney David Williams of Morris James and that it was ready for review and approval from the

Commissioners. She advised that she would provide a printed copy for review prior to the next meeting. She went on to report that the Commission has had a 457 Plan with pre-tax contributions in addition through Colonial Life Insurance, employees are able to purchase different type insurance plans with some being pre-tax and some being post tax. She advised that the IRS has required that a documented Cafeteria Plan must be on file for all organizations that offer such benefits. She indicated that Colonial Life provided a template for a Cafeteria Plan and that she and David Williams of Morris James have reviewed the plan. She is requesting that the Commissioners review and be prepared to approve at the next meeting.

Secretary Patone requested approval of the Banner/Sign Policy prepared by Supervisor Blomquist.

Upon motion made and unanimous approval, the Commissioners approved the Banner, Sign and Flag Policy.

Secretary Patone indicated that the Electric Department Response Plan is being finalized and not yet ready for approval.

Secretary Patone went on to report that she had Assistant Supervisor Granger lead the energy audit project research and that she believed it would be useful to explore the efficiency of the City's facilities in addition to understand how the energy audits are performed so that the Commission could possibly assist with audits for the citizens of New Castle. A discussion ensued regarding the green energy money and utilizing it for energy audits.

Upon motion made and unanimous approval, the Commissioners approved the use of green energy funds to perform energy audits for two Commission and two City facilities.

NEW BUSINESS

Commissioner Appleby indicated that he has been discussing with Doug Salter of New Castle Insurance Company the possibility of working with the Commission regarding their insurance needs. A discussion ensued regarding the Commission's insurance needs. The Commissioners agreed to postpone any further discussion until the insurance is up for renewal next year.


NOVEMBER MEETING

The Commissioners set the date of the next monthly meeting to be December 22, 2014 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 12-22-14
Date


Pamela A. Patone