

Municipal Services Commission  
Special Meeting  
May 4, 2016, 5 p.m.  
216 Chestnut Street  
New Castle, Delaware

The meeting was called to order at 5:03 p.m. with Dr. Roy Sippel, Commissioner, presiding.

Present: Dr. Roy J. Sippel, Commissioner, President  
Daniel F. Knox, Commissioner  
Hickman Rowland, Commissioner  
Pamela A. Patone, Secretary

Secretary Patone stated the Trustees of the New Castle Common (Trustees) approached MSC 2-3 months ago about the produce stand at Penn Farm and the possibility of being able to purchase the right to serve from Delmarva for the produce stand. We do have the rights to purchase since it is within the City limits. She reached out to Delmarva and submitted the request. She has sent paperwork to Delmarva and is now waiting for their response.

The Trustees have been in contact with our Operations crew about the work. Mr. Blomquist is asking about loads and other items. A meeting was called to address questions and concerns. There is concern we would not meet their deadline to have electric and water service by 5/31/16. We worked through the needs for water. However, they have refrigeration needs that will require a three-phase service that will need to be built.

Before requesting the right to serve at the produce stand we asked Mr. Blomquist to put together an estimate to install the three-phase service. The Trustees requested we put pressure on Delmarva to get a price for the right to serve. Delmarva needs to have their team give us a price for equipment charges. After speaking with Delmarva's attorneys they agreed to give us a commitment so we can begin building the three-phase service with the understanding we have this agreement.

Secretary Patone asked if Commissioners want to purchase the right to serve. It has been done previously for our sites and is within City limits. It is on Penn Farm that is owned by the Trustees. Without knowing the full cost involved she cannot say what the return on investment would be or how many years it will take to pay back the purchase cost. Delmarva gave us a cost of \$4,200 without transmission costs or equipment charges. The last time (Frenchtown Road Well) we disputed Delmarva's equipment charges we were able to get them reduced.

She provided the Trustees with quotes for infrastructure -- \$17,000 for electric and \$1,000 for water (rounded out).

Secretary Patone said our attorney, Dan McCollom, looked at the agreement and expressed concern with putting in the three-phase service now so we changed the date to say "prior to 5/31" rather than "by 5/31" since we are putting in the three-phase service. Secretary Patone's concern is not knowing what the numbers are and she does not want to be locked in because we signed an agreement. Mr. McCollom is not concerned saying Delmarva has a duty to negotiate fairly.

Secretary Patone asked if the Commission wants to serve this location and pay what would be the calculated cost once that is determined. If we do that the Trustees need to agree to pay for materials to build out the infrastructure. The Trustees would contribute that back to MSC and we would maintain it.

Mr. Rowland asked if we service the farm house. Secretary Patone said the house does get service from MSC now; it did not in the beginning. Representative Mulrooney reminded her that Trustee Chris Castagno found documents requiring that Delmarva to put lines underground.

Mr. Knox asked if there is anything else at Penn Farm that Delmarva serves that we do not. Secretary Patone said we bought out the Frenchtown Road well and can buy out some locations at the Farmer's Market but we have not. On the farm there is nothing else.

Secretary Patone reported that revenues from that location have been about \$1,400 per year. Revenues should increase with the three-phase service. They plan on installing refrigeration.

The small commercial rate would be charged, which is similar to our residential rate.

Further, Secretary Patone noted the Trustees are more comfortable working with MSC. Our rates are lower and infrastructure installation will cost more with Delmarva. MSC has committed to contributing labor and reliability is an added factor in the Trustees' decision.

The benefit to MSC will be more philosophical than financial. Loads will not be large enough to recover costs for upwards of 10-15 years. The philosophy is that the farm stand is within the City and should be able to benefit from the electric and water rates of the City.

**A motion was made and seconded to approve entering into an agreement with Delmarva to purchase the right to serve at the Penn Farm produce stand. Motion was approved by unanimous vote.**

Pension – A formal vote and signature of all commissioners on the amendment to the qualified retirement plan (pension plan) is needed. Secretary Patone read the resolution into the minutes.

*The undersigned being all the members of the Board of Directors of the Municipal Services Commission hereby consent to the following resolution:*

*WHEREAS, the company maintains the pension plan for the employees of the Municipal Services Commission, a qualified retirement plan for the benefit of its eligible employees;*

*WHEREAS, the company has decided to amend the pension plan for employees of the Municipal Services Commission;*

*WHEREAS, Article VIII, Paragraph 8.1 of the plan authorizes the employer to amend said plan at any time;*

*WHEREAS, the Board of Directors has reviewed and evaluated proposed amendments to the plan;*

*NOW THEREFORE BE IT RESOLVED, that the company hereby approves the amendments to the pension plan for employees of the Municipal Services Commission to be effective on 4/1/2016. A true copy of the amendment as approved by the Board of Directors is attached hereto.*

*RESOLVED further that the President of the company or any other person or persons duly authorized to represent the employer may execute the amendment of the plan and perform any other actions necessary to implement the plan.*

*RESOLVED further if the plan amendment modifies the provision of the summary plan description, plan participants will receive a summary of material modifications summarizing the changes under the amendment.*

*The summary of material modifications is listed with the participation freeze as of the effective date above. Any newly hired employee will not be eligible to participate in this plan. All employees currently participating in the plan will continue to be eligible to accrue additional pension benefits and vesting*

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*service. Any current eligible participant who terminates employment with the employer after the effective date shown above and is subsequently rehired will not be eligible to re-enter the plan. Retirement benefits were changed. The normal retirement benefit for participants that are union members has been changed to reflect the new maximum monthly benefit limit. The amount of the monthly benefit will be 2% of final average compensation multiplied by the participant's continuous service. In no event will the monthly benefit under this paragraph exceed \$3,600 monthly.*

**A motion was made to approve the amendment. Motion was seconded and approved by unanimous vote.**

ADJOURNMENT

**By motion made and seconded Commissioners voted to adjourn. The meeting adjourned at 5:20 p.m.**

*Deborah P. Turner*

Deborah P. Turner, Stenographer

Approved:

*Camille P. [Signature]* 5-31-16

*(Minutes transcribed from recording.)*