

Municipal Services Commission
Monthly Meeting
November 22, 2016, 4 p.m.
216 Chestnut Street
New Castle, Delaware

The meeting was called to order at 4:05 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

Staff in Attendance: Scott Blomquist, Supervisor, Electric Department; Jay Guyer, Supervisor, Water Department; Mary Jane Stubbs, Business Manager/Treasurer

Minutes – A motion was made and seconded to approve the minutes of the 10/24/16 monthly meeting. Motion was seconded and approved.

A motion was made to approve the 10/24/16 executive session minutes as distributed. Motion was seconded and approved.

Treasurer's Report – Treasurer Stubbs reporting

Treasurer Stubbs reported a total operating cash balance of \$2,485,170.41. PNC escrow and meter deposit total in the amount of \$826,958.16. Total cash balance is \$3,312,128.57. Total investments are \$1,075,137.21. Treasurer Stubbs reported the bank statements were reviewed by Water Supervisor Jay Guyer. Mr. Guyer's questions were satisfactorily answered by Treasurer Stubbs. The checkbook register is attached to her report.

Treasurer Stubbs pointed out that American Banker's Insurance is our new flood insurance provider. She said the flood insurance policy covers the substation, the plant and the MSC Office. Secretary Patone said we do not have a mortgage at the MSC Office; however, we are within the 100-year flood. The annual premium is \$7,500.

Mr. Rowland asked if the PNC escrow account for meter deposits is an interest-bearing account and if it is, where does the interest go? Treasurer Stubbs informed that it is interest bearing and that interest goes back into the deposit belongs to the customer and is held on their account.

Treasurer Stubbs reported the balance of the Horthy and Horthy audit has been paid. Secretary Patone informed Commissioners the entry for Berkeley Insurance Company represents the workman's compensation initial premium that was renewed on 11/4/16.

A motion was made and seconded to approve the disbursements as presented. Motion approved.

(With no further business to discuss, Treasurer Stubbs was thanked and left the meeting.)

Customer Service Report – Secretary Patone said that Customer Service continues to work on the new billing software. They are in the process of doing a data download of all the billing software. All data will be mapped into the new software and then before and after billing will be prepared to compare and ensure the results are the same. Secretary Patone informed that we are experiencing some challenges with the current Billmaster software. The software provider is working through the issues with us. Secretary Patone reported that Ms. French submitted the County sewer and water report to New Castle County.

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Mr. Rowland questioned the purchase of two European meters. Mr. Blomquist said there were four 50 megahertz (MHz) meters installed in 2005. The manufacturer shipped us the wrong meters. We were unaware there was a difference. The problem is that time at 50 MH is measured differently than time at 60 MHz. It results in resetting the demand too often resulting in double bills every 5-6 months. Only one account was affected by the demand charge. Mr. Blomquist said that most everything in MSC's system is 60 MHz and it was not noticed when installed that this meter was a 50 MHz. Secretary Patone said the customer has been contacted and they will receive a credit of about \$1,800-\$1,900 next month.

Accounting/Billing Software -- The target date for the new program is May or June 2017. Tyler Technologies cannot get everything done that is in the contract by the end of this fiscal year. Secretary Patone said once we switch to the new program we will drop the former program.

Electric Department Report – Mr. Blomquist reporting.

(See attached report.)

Riverwalk Apartments – Mr. Blomquist reported loads for both buildings have been provided to him. He will get transformers for both sets of buildings. There will be four buildings; two transformers will service two buildings. Mr. Blomquist is waiting for corrected plans. Commissioners noted the dirt that is currently at the site and asked how high the surface will be. Mr. Guyer said they must put in enough dirt to raise the base 5-6 feet above sea level. They anticipate the site will settle one foot. He further reported that DNREC is now involved with disturbance of the soil in the area and with the Brownfields. They have voluntarily shut down the project until issues are resolved with DNREC. Mr. Blomquist has gotten a quote for meters for the 120 apartments at the site. He is hoping the quote will be honored once the project resumes. Currently the project is about two months behind.

Loop Feed in Downtown Delaware Street – Mr. Blomquist reported they completed installation of the aerial and pulled underground wire today. Terminating, testing and energizing remains.

Outages – One outage was reported at the Verizon site at 14th Street. The outage was caused by a squirrel blowing a fuse. Verizon was out of power for four hours, but because they have generators they had power internally. Due to Verizon having a generator, they did not contact MSC immediately. At some point Verizon called Delmarva Power who does not provide their service. Verizon said they told the MSC operations crew at the site that they contacted MSC and were told that MSC does not provide their service. They placed a second call to MSC and their problem was addressed. Secretary Patone was unaware of Verizon's comments to the MSC operating crew.

Reporting Agencies – Secretary Patone and Mr. Blomquist attended the Delmarva Peninsula Planning Meeting in Salisbury, Maryland. Much of the meeting concerned transmission work. Mr. Knox asked if Delmarva has any big transmission projects planned. Mr. Blomquist said nothing specific was discussed. Many of the projects planned will take place in the southern part of the Delmarva Peninsula.

Water Department – Mr. Guyer reporting.

(See attached report.)

Water Metering – Mr. Guyer reported on plans this year to inspect each water and electric meter as part of a complete meter survey of our system. Mr. Blomquist has agreed that Water Department operators will take care of water and electric inspections to allow electric crews to address tree trimming in the City. They will physically go to every house to look at every meter, condition and service, and look for signs of tampering to make sure all services are intact. They will also collect data regarding residential

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services that have meter setters and check valves to update their cross connection control program accordingly. Inspections will begin after the Thanksgiving holiday.

40 HP Artesian Interconnection Motor Issue – Mr. Guyer said an estimate was received from A.C. Schultes to rebuild the motor for \$4,717 or to purchase a new motor at \$5,640. A.C. Schultes suggested going with the rebuild option citing the quality of the older motor. We are moving forward with getting the motor rebuilt and rewound to incorporate it into the SCADA with the VFD controller to control the motor and make it more energy efficient. Work will take about three weeks.

PFC Compounds – Mr. Guyer said there is an issue with not being able to flow the required gallons per minute (gpm) through the vessels. Calgon recommended that we backwash the system. Backwashing did reduce the differential pressure between the two vessels and we were able to pump more than 900 gpm easily through the system. Mr. Guyer said the plan and carbon design was designed for 1,100 gpm and he is satisfied with 900 gpm. Mr. Knox asked how often backwashing will be needed. Mr. Guyer is unsure adding they now have base readings of differential pressure and will monitor to see if there are trends in climbing. That will help to determine if it is a particular set of wells causing a problem or if it is a matter of duration.

Capital Items – Memo between MSC and the City – Secretary Patone said there is a recommendation to add wording that alleviates MSC from being required to commit to maintenance and repair of the utilities on the Pier Project beyond the demarcation line. Mr. Guyer wants the option to not have to provide maintenance. Secretary Patone said City Administrator Bill Barthel is aware the City may need to hire an outside contractor for maintenance work. The memo with Mr. Guyer's changes has not been submitted to Dan McCollom yet. The Commissioners were in agreement with the suggested wording. **A motion was made and seconded to approve forwarding the memo to the City once the suggested wording has been reviewed by Mr. McCollom. The motion was approved unanimously.**

Capital Budget Items – Secretary Patone provided Commissioners with a five-year summary and details for capital items up to fiscal year ending 3/31/2018.

Automated Capacitor Banks – Mr. Blomquist informed the purpose of the banks is for MSC to maintain compliance with Delmarva Power (98.5% or better power factor). As our system and customers change loads change and we constantly need to monitor and make changes. Our circuits are smaller now load wise because we have two substations rather than one. Mr. Blomquist said we previously had four circuits out of one substation and we now have six total; and three out of each. Smaller capacitor banks are needed and they must be staged in. Further, Mr. Blomquist said we have been on the verge of compliance and were non-compliant for one month. Once you are more than one consecutive month out of compliance Delmarva Power will require submittal of a plan from MSC. A less desired alternative to buying the equipment is putting in fixed capacitors that will over drive the system. This is not a desired alternative. Another alternative is to go to customers, particularly larger customers, and have them correct their power factor. Secretary Patone said that our tariff allows us to charge for power factor, which we do not currently do. Zenith recently asked for confirmation that MSC does not charge for power factors. Zenith is exploring LED lighting to see if this will help their power factor. Mr. Blomquist said that MSC wants to help customers to correctly fix their power factor by installing capacitors correctly. He thinks if MSC begins assessing for power factor charges that customers will be proactive. Secretary Patone added that proper metering is needed in order to properly bill for power factor charges. Mr. Blomquist suggested concentrating on larger commercial customers first. Further, he stated we could move towards AMI that will allow us to get whatever information we want.

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Secretary Patone believes we need to continue on our current path and correct our capacitance and explore other options should we go to AMI. Mr. Blomquist can fix our lines and install automatic capacitor banks to stay in compliance with Delmarva Power. If MSC installs capacitor banks they will be located on our pole line. If the power factor is caused by the customer on the other side of the transformer, it needs to be fixed on the other side of the transformer in order to not affect the transformer. Going forward, Secretary Patone believes we need to determine how to pass along these costs to the appropriate customers and determine who is causing us to install these banks. Once identified those customers will need to correct or pay for power factor charges. Mr. Blomquist reiterated the need to educate customers on making the right decisions on how to make corrections.

Dobbinville Substation – Mr. Blomquist talked about an air conditioning window unit installed in the substation wall when the substation was opened. The window unit was in the initial bid documents. The unit stopped working this past summer. He said that another window unit was installed and is helping with humidity, but it will not be adequate in keeping the room temperature cool. He spoke about a mini split system (heat pump/air conditioner) that was installed at our Wilmington Road location in 2012 that is more efficient. The cost for a mini split system for the Dobbinville substation is \$7,000.

40 HP Pump and Utility Building A/C Unit -- Mr. Guyer said when the treatment plant was rehabilitated in 2011 the 40 HP pump was not incorporated with a VFD motor control. As a result the motor does not get used very often, so it won't start up and shut down the same as the other finished pumps. Currently the motor is being rewound so it has appropriate insulation and can be controlled by VFD which changes the hertz on the motor to speed it up and down to pump water accordingly without wasting energy. The cost of \$15,500 covers the cost of the VFD controller and wiring and conduit to get it tied into the SCADA panel and the SCADA integration part that our SCADA integrator would need to do. The pump will then be able to go into a monthly rotation (every third month) and be run to keep moisture out of the windings, heat up the windings, and prolong the life of the motor.

Utility Building Air Conditioners (A/C) – Mr. Guyer reported on two A/C units installed in 2001 when the utility building was built. At the end of this year one of the units was not functioning properly. The unit has received numerous service calls this year and in previous years. He wonders if we should continue making repairs or purchase a new unit that is more efficient.

Secretary Patone noted two other large capital projects: the water main replacement on 9th Street between Delaware and Clayton Streets and the Delaware Street water main relining. We continue to explore both and get information. She said the relining will be sourced out. At this time cost is approximately \$1 million for both projects. Secretary Patone said that street paving is planned for Delaware Street and MSC hopes to get work done in front of that project. The water main replacement was based on replacement costs per square footage. Mr. Guyer would like to do this project in spring 2017 utilizing MSC staff. Work includes 800 feet of 6-inch pipe, a couple of tie ins, and installation of 17 water services. This would help reduce costs and try to gain more experience in learning the scope of projects that the MSC crew can handle.

Pension Funding – Secretary Patone reported that pension funding is based on the actuary's report of \$200,000. We have been trying to raise the funding level up to 80% from the typical 75%. We have dropped to 69%-70% because of investment performance. She spoke with Joe Bonasera after last month's meeting to talk further about a percentage increase and her proposal to request additional

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funding of \$50,000. The additional funding will not get us up to 80% but will move us closer to that funding goal. Secretary Patone's research shows recommendations for pension funding is 80% to 85%.

Capital Budget Funding – Secretary Patone informed that capital budget funding is done through our depreciation amount. The cash balance as of 9/30/16 shows more than the \$2.7 million reserve. After completing the USDA and GAC projects we have about \$579,000 more than what our reserve would typically be. Using this funding and the depreciation Secretary Patone reported a shortfall of about \$333,000. We need to decide whether to delay a project, delete a project, or take money from the \$2.7 million reserve to fund a project. An operating budget will be provided to Commissioners soon. At next month's meeting Secretary Patone would like to move ahead with the capital and personnel budget followed by the operating budget in January 2017.

Mr. Guyer addressed a letter from DNREC that he received from Secretary Patone that indicates DNREC has changed their rules in regard to permitting private wells within municipalities and service territories of private water providers for alternative purposes such as irrigation and agricultural uses unless there is specific wording within the tariff or ordinances against allowing this. He said that our tariff states "we are the sole source provider of water service within our service territory or within the City." Mr. Guyer thinks we should enhance the wording to include "all types of wells and all types of water sources" to avoid issues like TA Instruments with an irrigation well. He will work with Secretary Patone on additional wording for the tariff for consideration by Commissioners.

(With no further business to discuss, Supervisors Blomquist and Guyer were thanked and left the meeting.)

Financial Report Executive Summary – Secretary Patone reporting.

(For the period ending 10/31/16)

Trisha Malloy, accountant, prepared financial reports for the period ending 10/31/16. Total assets of \$16,645,613; an increase in cash of \$299,308 over the previous month. The Property, Plant and Equipment increased about \$30,490 last month. The equipment consists of electric for the Penn Farm farm stand- \$22,290 and the Artesian 40 hp pump of \$8,200. Grant receivables was \$20,403; \$15,202 from the USDA received on 11/8/16 (project is now complete and all financial reports submitted); Green Energy Solar Project-a balance of \$5,201 is owed to the MSC by DEMEC. Those monies should be received in the next week.

Revenues and Expense Report -- As of 10/31/16 we had \$307,000 surplus of net assets; \$30,000 from water and \$277,000 from electric. Other income is up about \$30,000 from insurance proceeds from poles being hit and revenue associated with the water main repairs.

Secretary's Report – Secretary Patone reporting.

DEMEC – Secretary Patone and Mr. Sippel attended the DEMEC meeting on 11/14/16. Several representatives presented the energy-efficient SMART project. She reiterated her concern that each municipality be able to benefit from the program. We are talking about 9 cents per megawatt hour (mwh) from every municipality going into a fund to pay AMP and project managers to be able to then disburse to communities in the form of rebates, energy audits, etc., all in promotion of energy efficiency. AMP has informed they will guarantee 70% of the targets that each municipality sets up with them. A project manager would be assigned to the MSC and we would work to develop targets and what areas we want to focus on. Some municipalities do not want staff involved because of time constraints.

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However, Secretary Patone has expressed her desire to be involved with the design phase where areas important to New Castle are identified. The Board did not vote on acceptance of this program at the November meeting. As reported last month, there will be a reduction of 5% in rates.

Audit Committee – Secretary Patone said the Committee discussed the recording of the under billing. DEMEC will be reporting the revenue in the current fiscal year and would likely record an allowance. DEMEC suggested that all the municipalities share in any costs of any collected amounts. The City of Newark indicated that DEMEC was responsible for managing the account. DEMEC will handle collecting. If there are any problems with collecting, then the costs will be borne by all members. DEMEC is still suggesting they will collect. The Audit Committee is working with staff to keep them up to date on discussions.

DEMEC staff updated the Board on several construction projects.

- Middletown transmission 138 KV line -- The design is expected to be complete by the end of 2017.
- Seaford is using Downes Associates for their two substations (1 built; 1 rehabbed).
- DEMEC staff is working with Middletown (technology center) and Milford (Bayhealth) on economic developments rates.
- DEMEC updated the Board on the AMP and AMI projects. (Secretary Patone sent Commissioners a presentation that our staff participated in recently.) AMP manages the software, licenses, data collection, and warehousing of all the information. We would be responsible for purchasing meters and install same. We would then have the ability to get the AMI readings that would be downloaded as necessary. Secretary Patone is currently researching cost savings. We believe we would have benefits in the disconnect area, allowing us to quickly disconnect and possibly having pre-paid meters that would alleviate some of the time-consuming customer service representatives' time. The AMI representative is working with Mr. Guyer and Mr. Jaeger to understand what kind of meters to use and we would like to continue using the Badger meters that are used throughout the City. We will be meeting with another group to learn how to integrate into our billing software. We are gathering information at this point. If we feel moving to the next step is warranted we would like Commissioners to hear their presentation. Milford and Seaford have already signed up for the AMI project. Lewes and New Castle staff is currently looking at moving to the next step in the next couple of months.

Holiday Light Display – Lights are on display in all communities. It is the same display as the last three years. We have two wreaths, one with regular lights and the other with LED lights. There is a device showing how much energy is being used with the LED lights versus the regular lights. Coupons for discounted LED lights are provided at the display at the library. An update was provided on the land lease for Smyrna's solar project that is almost complete.

Mr. Sippel thinks DEMEC is moving ahead with the Energy Efficiency program and as a member we need to participate. If we are to benefit by the program we need to decide what we want to get out of the program. DEMEC has several programs and they have the staff to handle the work. He agrees with Secretary Patone that we need to be involved during the design phase so we benefit as much as possible. Secretary Patone said that DEMEC is reminding communities that Delmarva Power and the Cooperative are required to meet certain criteria based on the state mandate. We have the local ability to come up with the program. This program is what DEMEC believes is the best option. It allows one agency to report for all of us. This particular program comes at a time when she believe the City of New Castle needs to pay attention to our medium and large commercial accounts and keep them in

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New Castle. She wants to be involved in the design phase to ensure they are identifying benefits they would be receiving with MSC and not just DEMEC.

MRPS Report (annual report) – *(Secretary Patone sent the report to Commissioners in advance of the meeting.)* Scott Lynch helped prepare the Municipal Electric Utility Renewable Portfolio Standard Requirement. The 2015/2016 compliance year requires a minimum of 13% of eligible renewable energy with a 1% carve out for solar. The DEMEC members met this requirement and the report presented shows the detail of how the requirement was met; for example, the Laurel Wind Farm, Milford Sun Park, Dover Sun Park. The report has been submitted to all local regulatory authorities as required.

OLD BUSINESS

Riverbend/Parkway Gravel – Secretary Patone reported that Mario Gangemi of Parkway Gravel still has concerns that they may be held responsible for more than the 34 lot portion of the infrastructure. She said we already addressed their concern and developed a paragraph (last paragraph) indicating they would only be responsible for the 34 lots. She has asked them to provide wording that they feel would be appropriate to address their concerns. She believes the lack of response from Cecil Bank is causing some of their concern. There was also the suggestion they would like to have assurances that Comcast can be there. Secretary Patone reiterated that this is not an issue for MSC. They can come up with plans and place Comcast there and as long as it meets our separation requirements we would not reject it. We are receptive to having a conversation about their concerns, but they need to put those concerns in writing. Mr. Sippel asked Secretary Patone for her thoughts on Cecil Bank. She has not heard anything positive from Cecil Bank. She is unsure how receptive they are to selling the bank. Mr. Sippel thinks the bank should be taking an active role, saying it is to their advantage. If the bank is not active not much else will happen. She said that at one time Schell Brothers was interested in having a conversation about Riverbend, but have not responded to her recent inquiries. She has abandoned further inquiries.

Free Service/Nonprofit Update – Secretary Patone has met with all of the nonprofits except for the Dan Citron of the New Castle Historical Society. Letters have been sent to all of them. She said most understood the perspective of the MSC needing to operate like a business. The Buttonwood Civic Association has the same concerns as before. Their sprinkler system was designed by an engineer and they believe it is too large for the facility. The size of the system dictates the rates. The MSC was not involved with the sprinkler system, therefore, we cannot provide assistance.

Capital Budget – Secretary Patone reviewed the preliminary five-year capital budget earlier in the meeting.

NEW BUSINESS

Summit Financial's pension investment recommendation – As a follow up to last month's meeting, Secretary Patone stated that Joe Bonasera typically makes annual recommendations for Commissioners to consider. She reached out to Mr. Bonasera to get his recommendations. Mr. Bonasera's recommendation is to remove 3% from Pioneer Strategic Income, remove 2% from Strategic Income, and invest 5% into Vanguard Inflation Protective Securities.

A motion was made to adopt Mr. Bonasera's recommendations. The motion was seconded and approved unanimously.

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Mr. Sippel spoke about SEI, an investment firm that works only with large hedge funds. SEI is located in Pennsylvania. In the interest of transparency, Mr. Sippel said he is familiar with this firm because he has personal funds with them. He offered to share some information to Mr. Bonasera to determine if they are a group we might be interested in working with.

40 HP Rebuild – Secretary Patone said the amount for the rebuild exceeds the \$2,500 capitalization threshold and therefore would not be on the operating budget. The repair clearly extends the useful life of the motor. As a capital item, she is seeking Commissioner's approval on capitalizable repairs in the amount of \$4,717.

A motion was made to approve the rebuild of the 40 HP motor. The motion was seconded and approve unanimously.

A motion was made to go into executive session at 5:52 p.m.

Regular session was reconvened at 6:29 p.m.

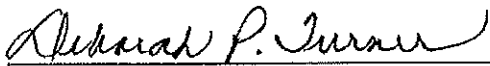
A motion was made to approve the employee recognition with the changes suggested in executive session. The motion was seconded and approved by unanimous vote.

Next Meeting

Commissioners set the next monthly Board meeting to be 12/20/16, 4 p.m., at the office of the Commission, 216 Chestnut Street, New Castle, Delaware.

ADJOURNMENT

A motion was made and seconded to adjourn the meeting. Motion received unanimous approval. The meeting adjourned at 6:31 p.m.



Deborah P. Turner, Stenographer

Approved:  12/20/17
(Minutes transcribed from recording.)

MUNICIPAL SERVICES COMMISSION

CITY OF NEW CASTLE, DELAWARE 19720-0208

P.O. BOX 208

<http://newcastlemsc.delaware.gov>

Office: 302 323-2330 Utility Building: 302-323-2333 Fax: 302-323-2337

Water Department Commission Meeting Report

November 22, 2016

Prepared By: Jay Guyer on November 14, 2016

1. Projects

A. Riverbend Subdivision

1. The water system in Riverbend was flushed on November 2nd and 15th to maintain the required 0.3 ppm of Chlorine Residual.
2. GM Patone will update the Commission on the status of the agreement with Greggo & Ferrara (GF) and Cecil Bank.

B. Seeds of Greatness Church – 828 Frenchtown Road

1. Cirillo Brothers has started working on the sub-grade in OU - 2 preparing it for paving. There has been no other activity on this project.

C. Water Metering

1. Water Operator completed meter reads on November 14th and the operators followed up on water check reads as needed for the month. High/low/zero consumption reads were addressed with customers and missed reads collected.

D. Water Main Distribution System

1. RT – 9 Water Main Project is complete. New Castle County Special Services / Reybold Construction has not started construction on the sewer main replacement on Clark Street.

E. Cross Roads Well – Penn Farm

1. Supervisors Guyer and Jaeger have not had an opportunity to work on the Water Allocation Permit Application for DNREC this past month.

F. CPR Construction – 3 New Homes on Meehan Avenue

1. Construction of the last 2 houses continues. Per the contractor, he has not been successful in hiring a contractor to install the new water services for homes 2 and 4. MSC received a letter dated November 9th from Rocky DeAscanis stating his issues with getting the services installed and requesting the MSC install the services at our cost. Supervisor Guyer will discussed with GM Patone and provided an estimate to CPR

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Prepared By: Jay Guyer on November 14, 2016

Construction. CPR thanked MSC for the estimate and will move forward with a contractor they have previously used for water service installations.

G. Delaware Street Wharf – New Pier

1. MSC Representatives met with City Officials and their Engineer to discuss location of the water and electric utilities. Several options and solutions have been discussed however future maintenance under the current design will be difficult and challenging. GM Patone is drafting a letter to the City advising that MSC will perform routine maintenance. MSC Water Operators and Linemen completed installation of the water and electric services to the demark box location on November 16th.

H. Battery Park Drainage Improvement Project

1. Supervisor Guyer has not received revised plans from the Trustees Engineer Mr. Matthew Sturgis of Foresite Associates in reference to the drainage pipe and water main conflict resolution.

I. New Castle Foundry Apartments – 7th Street

1. Mr. Eric Mayer's contractor completed installation of the 6" water main and 2 - 4" PVC electric conduits across 7th Street for the proposed apartment complex on November 4th. MSC performed inspection of the installation which was in conformance with our Technical Water Specifications. Final billing is being completed for the project and will be forwarded to the main office for processing.

J. Riverwalk Apartments – 7th Street

1. Supervisor Guyer had several conversations with the Project Manager at Penrose Properties about the water system design and the water supply for the apartment complex. A set of plans were submitted and reviewed by Supervisor Guyer and Assistant Supervisor Jaeger. Comments were noted on the plans and a letter drafted. Supervisor Guyer scheduled a meeting for November 18th with Penrose Properties to review the comments. Grading and filling on the site continues with an estimated construction time of 18 months.

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K. City Street Repaving

1. Supervisor Guyer had several conversations with City Building Official Jeff Bergstrom in reference to the scheduling of street repaving on 12th Street and 9th Street. Supervisor Guyer advised him MSC was developing an estimated cost for replacing the water main on 9th Street between Delaware Street and Clayton Street for Capital Project Planning but could not confirm a commitment or completion date.
2. GM Patone, Supervisor Guyer, and Assistant Supervisor Jaeger met with representatives of J. Fletcher Creamer & Son, Inc. (JFC) to review the 3M Scotchkote 2400 spray on liner and discuss the feasibility of using it for the water main project on Delaware Street from the Wharf to 4th Street including side streets the Strand, 2nd Street, and 3rd Street. Supervisor Guyer and Assistant Jaeger walked the project with the representatives. Dave Koger of JFC will prepare a budgetary estimate for completing the relining work.

L. New Castle County Sanitary Sewer Relocation - 8th and Young Street

1. Supervisor Guyer received plans from City Building Official Jeff Bergstrom in reference to the Sewer Main Relocation on 8th and Young Street. Supervisor Guyer is reviewing the plans for potential conflicts with our 12" and 8" water mains in the limits of disturbance that will be crossed by the new sanitary sewer main.

2. Operations

A. Outages, Reporting, and Regulations

1. There were no planned water outages and 3 unplanned water outages for the month of October. The outage report is attached for review.

B. Repairs and Maintenance

1. Water Operators have been performing routine maintenance on the curb boxes and valve boxes as needed.
2. Water Operators and Linemen completed blacktop roadway repairs to all MSC disturbed areas including Booker Circle, Baldt Avenue, Casimir Drive, Harmony Street, 6th Street, Treemont Street, and Juniper Street.

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3. Supervisor Guyer received an estimate from AC Schultes to rebuild the 40 HP Artesian Interconnection motor at a cost of \$4,717.00 or buy new at a cost of \$5,640.00. Supervisor Guyer reviewed the options with GM Patone recommending the option of rebuilding the pump. Supervisor Guyer authorized AC Schultes to move forward with the option of rebuilding the motor.
4. The aerator blower motor was starting to experience a bearing failure. A new blower motor was ordered from Grainger at a cost of \$744.80 and installed by the Water Operators and Linemen.

C. Operation & Maintenance Budget, Capital Budget, and Grants

1. The Water Infrastructure Advisory Council Grant administrator Heather Warren forwarded a copy of the Grant Application to GM Patone and Supervisor Guyer for completion. Supervisor Guyer will be presenting the results of the Echologics Pipe Assessment to the WIAC Committee during their February 2017 Meeting.
2. GM Patone, Supervisor Guyer, and Assistant Supervisor Jaeger received a proposal from RK&K Engineering outlining a path forward for MSC to review. Part of their proposal would be to assist the MSC in applying for and obtaining the WIAC \$100,000.00 Asset Management Grant. Supervisor Guyer contacted Dan Barbato of Pennoni Engineering about making presentation on his firms capabilities on developing and implementing and Asset Management Program.

D. Equipment

1. MSC's 10 year old jumping jack tamp quit running. The unit was delivered to our local Bomag distributor Jesco, Inc. for service. Several parts have been replaced however the unit is still not running correctly.

E. Perfluorinated Compounds – PFC Contamination

1. GM Patone is working with the USDA in reference closing out the Grant.
2. During testing of the Artesian Interconnection, it was discovered that there is a problem with running more than 820gpm through both Carbon Vessels in series. After consulting with the design engineer Dan Barbato of Pennoni and the Calgon Carbon Engineer, the system was backwashed following the O & M procedures. The system was flow tested

MUNICIPAL SERVICES COMMISSION

CITY OF NEW CASTLE, DELAWARE 19720-0208

P.O. BOX 208

<http://newcastlemsc.delaware.gov>

Office: 302 323-2330 Utility Building: 302-323-2333 Fax: 302-323-2337

Water Department Commission Meeting Report

November 22, 2016

Prepared By: Jay Guyer on November 14, 2016

again at more than 900gpm in series. Additional flow testing will be performed to confirm system performance.

F. Water Quality Testing

1. The next round of PFC sampling is scheduled for December 2016.
2. MSC completed our second round of Lead and Copper monitoring on October 13th. The required results and copies of the letters mailed to the Office of Drinking Water (ODW) for compliance on October 19th. Supervisor Guyer will follow up with the ODW in reference to returning to Triennial monitoring for Lead and Copper.

G. Personnel

1. Water Operators are enrolled in several courses at Del Tech in Georgetown for continuing education hours/credits toward maintaining our licenses.

3. Reporting Agencies

A. WSCC - Water Supply Coordinating Council

1. GM Patone and Supervisor Guyer, and Assistant Supervisor Jaeger are participating in bi-weekly WSCC conference calls to discuss the dry conditions and status of the drought indicators that are moving into watch and warning levels. The Delaware River Basin Commission has had several hearings in reference to the dry conditions in the overall Basin and is considering moving into a Drought Warning Status for either parts of or the entire Basin.
2. GM Patone and Supervisor Guyer are waiting for the next Sub-Committee meeting to be scheduled to review current water demands and establish projected demands through 2030.
3. The next meeting is scheduled for January 2017.

B. WRA – Water Resource Agency

1. Supervisor Guyer sends weekly pumping data to Jerry Kauffman of University of Delaware Water Resource Agency (WRA).

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C. DEWARN – Delaware Water/Wastewater Agency Response Network

1. The next meeting is scheduled for December 15, 2016.

D. Water Operator Advisory Council Meeting

1. Due to the November 3rd Meeting being rescheduled to November 10th, Supervisor Guyer was not able to attend the Council meeting.
2. The next meeting is scheduled for January 2017.

End of Report

Attachments: October 2016 Water Works Report
October 2016 Water Outage Tracking Sheet

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ELECTRIC DEPARTMENT COMMISSION REPORT

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Prepared by Scott Blomquist on November 15, 2016

1. Projects:

a. Riverbend:

I. There has been no contact with the Electric Department on this project.

b. 2, 4, and 8 Meehan:

I. CPR Construction sent the MSC a letter requesting that the Water Department provide costs to install the water services as they haven't been able to get a contractor to commit to the work.

c. Riverwalk Apartments:

I. There is nothing to update on this project at this time. We are still waiting to see the corrections made on the plans.

d. New Castle Foundry Apartments – 7th Street:

I. Electric Department has had no further communication on this project.

2. Capital Projects:

a. Booker Circle:

I. The electric on this project has been completed. We need to walk through the project and do a punch list.

II. Customers were questioning what the orange pipes sticking out of the ground are. We told them that this was Comcast's infrastructure. We contacted Comcast to get an update on their schedule. Comcast met with their contractor onsite on Monday 11/14/16.

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b. Loop Feed for Downtown Delaware Street:

- I. The Electric Department has started installing the aerial piece of this project. We are installing cross arms and going to string in the third phase before we start the underground.

c. Wharf Pier:

- I. The Electric Department installed conduit from the pole location to where the Water Department is going to pick up the water feed. The City's contractor is responsible for installing the demarcation boxes for both the water and electric. We had to wait for the contractor to pull up the concrete at the demark location. We plan to install the water and electric to the demark location on 11/16/16. Supervisor Guyer has been the point of contact on this project and will update further.

d. Solar Portal:

- I. We plan to install an online portal to view the solar production at the School Lane Solar Array. We are able to use green energy funds to fund the install and the monthly costs. To connect the solar array we need a wireless card and a network adaptor. The cost for the adaptor is around \$100.00 and the wireless card is \$40.00 a month. Supervisor Blomquist will work with Schneider Electric to get the array connected to their online site. At this time we don't believe there are any ongoing costs associated with Schneider Electric.
- II. There is nothing to update on this project at this time.

3. Capital Purchases:

a. T-2 Bucket Truck:

- I. The work required on T-2 was completed and the city picked the truck up from Terex. George asked if it could stay in our building for the time being. Supervisor Blomquist agreed that that would be fine.
- II. We received updated quotes from Versalift to make the changes and paint the new truck. A purchase order was issued to Versalift and we expect take delivery of the Truck in

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January. In the mean time we will continue to order the other equipment that will be needed to get the truck operational.

4. Operations:

a. Outages :

1. There was one outage this past month. We had a squirrel blow a fuse at the Verizon site on 14th street in Washington Park. As Verizon has backup generation at this facility they didn't call us for several hours after the incident and we were unaware they were having any problems. The actual restoration after we knew about it was less than 30 minutes. The total outage was four hours.
2. 11/1/15 – 11/1/16

SAIDI (minutes)	SAIFI (number of interruptions)	CAIDI (minutes)	ASAI (percent)
19.8	0.133	149	99.9962

S

SAIDI - is the average outage duration for each customer served.

SAIFI - is the average number of interruptions that a customer would experience.

CAIDI - gives the average outage duration that any given customer would experience.

ASAI - is the Average Service Availability Index.

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5. **Repairs and Maintenance:**

a. **System:**

I. Vandyke Village:

- i. This project has been put on the capital schedule FYE 2019 through FYE 2021. We plan to use this year to go over the design and communicate with the customers in Vandyke.

b. **Wilmington Road Substation:**

- I. There is nothing to update for this location.

c. **Dobbinsville Substation:**

- I. There is nothing to update for this location.

d. **Metering:**

- I. Supervisor Blomquist provided Billing with the corrected demands and charges for Knotts.
- II. The 50 hertz meters will be removed from service and sent back to the manufacture for correction.

e. **Tree Trimming:**

- I. We will be doing our routine tree trimming this winter. We intend to help train several of the public works crew members on tree trimming and bucket truck operations while we

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perform the trimming. We will make sure they work with one of the linemen to keep them from getting into a dangerous situation.

6. Reporting Agencies:

a. DPPA:

- I. Secretary Patone and Supervisor Blomquist attended the annual Delmarva Peninsula Planning Meeting at the Delmarva building in Salisbury on 11/9/16.