

Municipal Services Commission
Monthly Meeting
April 30, 2020 – 4:00 p.m.

The meeting was called to order at 4:00 p.m. via video with Dr. Roy Sippel, Commissioner, presiding.

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

Staff in Attendance: Treasurer Mary Jane Stubbs; Tara French, Manager, Accounting & Customer Service Department

Minutes – A motion was made and seconded to approve the minutes for the January 30, 2020, and the February 27, 2020 meeting. The motion was approved. A motion was made and seconded to approve the minutes for the January 30, 2020 and the February 27, 2020 executive session. The motion was approved.

Discussion ensued regarding minutes.

Secretary Patone stated the first of the month of every fiscal year is when appointments and elections take place. The slate of them follows. Reelection of the Commission President, Dr. Roy J. Sippel. Reappointed: Pam Patone as the Commission Secretary, Mary Jane Stubbs as the Commission Treasurer, Pam Patone as DEMEC board member and President Dr. Roy Sippel as the alternate member. Reappointment of Jay Guyer as the Delaware Rural Water Association delegate with Ryan Jaegar as the alternate. Jay Guyer as the DEWARN delegate and Ryan Jaegar as the alternate. Pam Patone as the WSCC Coordinating Council and Jay Guyer as the alternate. Pam Patone as the Delaware River Basin Committee voting delegate and Jay Guyer as the alternate.

Secretary Patone stated it is important for the Commission to vote on these each year. These agencies ask for proof in our minutes as to who is the appropriate voting entity. There were no questions regarding appointments and elections.

A motion was made and seconded to approve the appointments and elections as presented. The motion was approved.

Secretary Patone stated the February 2020 disbursements were not presented. This was due to not having a March Commission meeting due to the state of emergency. We wanted to give a little more time to gather March information and not present it all today. It is our fiscal year end, there is a lot of information we are still compiling. This has been a little delayed because of the situation. I anticipate having two months to present to the Commission next month.

Treasurer's Report – Treasurer Stubbs reporting

Treasurer Stubbs reported a total operating cash balance of \$2,375,439.33. PNC escrow and meter deposit total in the amount of \$748,162.44. Total cash balance is \$3,123,601.77. Total investments are \$1,240,560.02. Accounting and Customer Service Manager Tara French reviewed the bank statements for

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the month. Ms. French has no questions. The accounts payable check register is attached to Treasurer Stubbs' report.

Treasurer Stubbs brought certain disbursements to the attention of the Commissioners. Treasurer Stubbs stated there was a disbursement to Fred Pryor, management completed a learning seminar on leadership and team building. There was a disbursement to RK&K in the amount of \$14,647.50 for the asset management project. President Sippel questioned a check to Keystone. Secretary Patone stated Keystone is the contractor that maintains the SCADA system. Dr. Hansen asked what Rumsey disbursement is. Treasurer Stubbs responded Rumsey is for purchases of electrical supplies. This is for items bought for inventory of Electric Department. Secretary Patone stated she would anticipate some of the purchases would have been for the purchase of items for the Delaware St. Project. All purchases are placed into inventory first and are released through work orders as they are put on a project.

Secretary Patone stated we will need to address how we get the credit card statements for Commissioner Knox to review. Commissioner Knox stated an arrangement can be made for him to pick them up.

Treasurer Stubbs stated human resources is working on keeping everybody safe through face masks, gloves, and Clorox wipes. Commissioner Knox asked if any cases of COVID-19 have been reported in the organization or close to the organization. Secretary Patone responded we have been very fortunate not to have any cases. She went on to discuss some incidents where family members were sick or being tested and the MSC quarantined the employee, however, all cases to date have been negative. She advised management has been promoting communication and employees to stay home if they are not feeling well.

Dr. Sippel asked whether the MSC has sufficient supplies of Personal Protective Equipment (PPE). Secretary Patone indicated they had sufficient amounts of masks and gloves and a limited supply of N95 masks. She went on to report cloth face coverings were being secured. She advised there was an incident last week where a water operator had to enter a home due to a water issue. The water operator wore appropriate PPE and used all CDC guidelines when entering the home.

Secretary Patone went on to report the 13th modification of the state of emergency, requires employers to provide face coverings to all employees effective May 1, 2020. She indicated Team A has received their face coverings and Team B would be receiving their face coverings when they come in to work on Monday. Hand sanitizer has also been provided at each location. She indicated that securing cleaning supplies has been a little bit of a challenge, however, we do currently have supplies. Each team is responsible to clean throughout the day and prior to leaving each day.

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

Accounting and Customer Service Department Report – Ms. French reporting
(See attached report.)

Ms. French stated there was 961 payments online for the month of April 2020. About 30% of our customer base are using online bill pay.

Dr. Hansen stated Pam sent documents of budget considerations/summaries that accompanied the budget information. The summary showed residential electric consumption increased 10% and commercial electric

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consumption had decreased 14%. The time period covered was March 13, 2020 reading to April 13, 2020 reading. Readings are taken monthly and the 12th of March was the date the State of Emergency (SOE) was declared. Dr. Hansen stated the information to date was better than he feared. Commissioner Knox asked if the percentages of the increases and decreases are usage or dollars. Secretary Patone responded usage. She went on to report water usage was up 11% for residential and down 26% for Commercial.

Secretary Patone reported a large part of the Commission's supply of water goes to one large commercial account which has had a reduction in demand due to the SOE. She indicated she reached out to the MSC's key accounts and found that some customers are cutting shifts due to less demand for product and others have increased demand and are hiring more staff. She will continue to monitor the consumption and the financial effects of the situation.

The Customer Service Department has been advised to discontinue any late fees and not to disconnect service due to non-payment during the SOE. Ms. French has been tracking the late fee revenue loss and currently reflects a one month total of \$1,531. The monthly amount is anticipated to grow as the penalty charge is a 1.5% rate of the past due balance. In addition to waived late fees, application fees are being waived as a matter of convenience. The application fee revenue waived this past month amounted to \$220 which equates to 22 people applying for new service. Customer Service has successfully assisted customers with new service, payments and other utility related items without face to face interaction. Staff is tracking individuals who are calling as a result of Covid-19. Some customers are concerned regarding paying their bills. Staff are referring them to agencies which can assist them

Secretary Patone went on to explain in her documentation regarding loss revenues. She noted that gross revenues are down which also results in a corresponding reduction in the purchase of power expense. Therefore, to understand the net reduction in revenue to cover fixed costs she needs to utilize the gross profit margin calculation. She advised she does not go into granular detail to take into consideration of the operating costs which are also variable such as chemicals to treat the water etc.

Secretary Patone advised she is researching grants to potentially be reimbursed for some of the expenses incurred as a result of the SOE. Reimbursable costs consist of laptops, cleaning supplies, masks, and sanitizer. The majority of the grants are indicating if you have had this expense in your budget they are not reimbursable. The grants being explored are through DEMA, FEMA, and also the Cares Act. These funding options do not take into consideration loss revenue. \$5,000 is the current estimate of the expenditures to date. Ms. French has been tracking in the project accounting module within our accounting software.

Electric Department Report – Secretary Patone reporting
(See attached report.)

Secretary Patone stated Mr. Blomquist provided the report in advance. The Delaware St. Project is where Mr. Blomquist has spent the majority of his time. It is moving along faster than we would have anticipated, and faster than Henkels & McCoy would have anticipated. Places are not busy and the streets are not full. They are able to move along. Mr. Blomquist has a good working relationship with the group. They have been working with him as far as what he needs from an inspection perspective. At one point, they were moving so fast he wasn't able to get pictures. They had to make sure they were calling him before they

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cover up the conduit. In addition, we are making sure they are following the CDC Guidelines as would be expected during this time. Secretary Patone welcomes any questions.

President Sippel asked what is the percentage of completion of the Delaware St. Project. Secretary Patone stated there is still additional work needed on Dalby Alley. She hesitated on giving a % complete for Henkels portion of the project. She advised there is still a lot of work to do for Comcast and Verizon after Henkels is complete. The MSC will can come after Henkels and run the wire through the conduits. Gaining access to homes has delayed Delmarva Gas and will potentially delay Verizon when their portion begins. Secretary Patone reminded the Commissioners it was expected for Henkels portion of the project to run to approximately August. For the MSC, the anticipation was October. Depends on the situation with the state of emergency whether or not we will be able to accomplish this timeline. Dr. Hansen asked if they ran into any issues knowing they were potentially worried about ground water at some point. Secretary Patone stated as of right now, she has not been made aware of any issues. During Delmarva Gas' portion, earlier before they started ours, they found an old oil tank underground which had to be addressed. Dr. Sippel asked if there have been any safety incidents. Secretary Patone responded there have not.

Water Report – Secretary Patone reporting
(See attached report.)

Secretary Patone stated Mr. Guyer had provided his report in advance. Secretary Patone went on to report Mr. Guyer has been working for some time to make sure the water allocation permit had been renewed with no reduction in the allocation. She indicated the report could stand as presented and she welcomed any questions.

Dr. Hansen stated there have been no outages except for today due to the storm. We send a big thanks to those two guys and their team. Thank you to Ms. French and Ms. Stubbs for all you have done in this unusual circumstance.

Secretary Patone stated she appreciates all of the Commissioners comments noting that Ms. French, Ms. Stubbs, Mr. Guyer, and Mr. Blomquist have all come together and made changes in operations to be able to continue MSC functions remotely.

(Ms. French and Ms. Stubbs were thanked and excused from the meeting.)

Secretary's Report – Secretary Patone reporting

DEMEC – Secretary Patone stated even though the March DEMEC meeting was cancelled due to the state of emergency, there was a special meeting on March 14, 2020. The meeting was called to discuss the potential bylaws and certificate of incorporation changes. Most of the items that were being changed were housekeeping items. One of the items was related to the removal of preferential voting. Other items that were discussed during the meeting had to do with the roles of committees and also the succession plan that has been developed.

There were no votes taken, just discussion and preparation for the strategic planning that is going to be taking place in the next couple of months. The Board has agreed we have to have some of these special meetings to better define what our expectations of staff and the organization as a whole are. On March 10, 2020, the consultant who will lead the strategic plan reviewed the questionnaire distributed to the

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Commissioners in advance. The consultant was complimentary of the strategic approach the MSC took with the questionnaire. He will be summarizing all the questionnaires provided from each Municipality and will use that as a guideline for the planning sessions. There will be three sessions to discuss the goals of DEMEC for the next five years. The sessions have been delayed due to the SOE. DEMEC desires to have the sessions in person.

On April 23, 2020 the DEMEC Audit Committee reviewed the RFPs received for auditing services. The Committee scored each accounting firm and reviewed the summary of the scores.

As has been discussed previously, DEMEC is concerned regarding Senator McDowell's RPS bill to increase the renewable portfolio. The expectation earlier in the year was, it may possibly go through as higher percentage because of Governor Carney's support and Senator McDowell's legacy bill as he retired. However, the most recent comments are legislatures are only supposed to be dealing with essential bills. This may not be considered essential. The expectation would be the municipalities would not be subject to the requirement. The message is that each Municipality should be making their own decisions as to what their renewable portfolio looks like. Secretary Patone welcomes any questions on DEMEC update. Dr. Hansen stated he mentioned briefly in a previous email that he is curious if DEMEC is going to change the rates mid-year for power. With fuel costs being ridiculously low, it's probably going to persist for most of the year. I would expect that to show either in our reserve fund or in a mid-year rate change. Secretary Patone stated she will certainly reach out and obtain a response from DEMEC. She advised the philosophy of DEMEC has been to set a rate that stays consistent for the full year, so as not to affect budgets. Any changes as a result of economic changes are made in the next year.

Dr. Hansen stated it could help some of our Municipalities on their budgets to get that money, rather than have it build up in our reserve fund.

Old Business

Ordinance changes regarding Cohen Law- Secretary Patone stated there was the first reading of the change with City Council she will follow up with the City on the next steps.

Electric Vehicles- Secretary Patone stated the expectation was that staff would develop some type of incentive program to prompt customers to advise the MSC that they own an electric vehicle. She advised a plan has not yet been developed, she indicated she would make this project a priority moving forward now that things are getting into a routine. There are a couple of related webinars in the next few weeks. Dr. Hansen, Mayor Quaranta, and Secretary Patone will be participating.

Feasibility Study- Secretary Patone stated she spoke with the consultant performing the study. They have indicated the study is 90-95% complete. She hopes to have a preliminary report for her and Bill Barthel to review and then they would be scheduling a time for the consultant to present to both the Commission and City Council.

Rate Design Tariff Change- Secretary Patone reminded the Commissioners the consultants recommended a 1% reduction in electric rates and a 9% increase in water rates effective the beginning of the fiscal year 2021. Due to the SOE the fiscal year has already begun without the rate design being approved. Due to the economic effect of the state of emergency, there are electric utilities throughout the country that are trying to reduce electric rates to assist customers affected. Secretary Patone recommends if the 1% electric rate reduction is approved that it be effective with the May billing. She went on to recommend the

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water rate increase of 9%, be delayed for six months until the September 2021 billing. She went on to advise that she had consulted with the rate consultant/financial projection group UFS and they were in favor of delaying the water rate increase for six months. The rate design and Tariff changes were provided to the Commissioners for their review. It was suggested the water increase could be reviewed and approved at the September meeting.

A motion was made and seconded to approve the 1% electric rate decrease. The motion was approved.

New Business

Operating Budget- Secretary Patone reviewed the assumptions used in the development of the budget. She noted trying to anticipate the effect the SOE will have on the budget may not be productive at this time and the situation was fluid, therefore, she recommends the budget be approved as presented with the understanding that as we observe actual results we be prepared to make adjustments to the budget accordingly. Secretary Patone welcomed any questions. She noted the operating budget reflects a deficit of \$23,158. An \$87,940 deficit in the water department and a positive \$64,782 in the electric department.

Secretary Patone noted she anticipates salaries to be less than budget due to unfilled vacant positions that may remain vacant for a period of time. She advised she worked with Mr. Guyer to reduce the repairs and maintenance line item in water department. This line item has consistently run under budget and it was decided to make an adjustment to the budget. Repairs and maintenance can vary year to year. The Electric Dept. budget has stayed very consistent with the past year actual. She went on to discuss the assumptions related to pension expense. Currently, the budget reflects similar figures to the past year, however, with investment performance being down the expectation will be that pension expense will be higher than the previous year. Dr. Hansen brought this up at a previous meeting. The actuary report has not yet been received, the report is prepared as of March 31. In the past the report was prepared as of December 31st, however, when the new Government Accounting Standard Board developed new reporting requirements it was determined to be best to prepare the report as of the fiscal year end. The result of the change is a less accurate budget for pension expense.

Dr. Hansen questioned Secretary Patone regarding the cost of service fees budgeted for the next fiscal year and her note regarding discussing with Ms. French. Secretary Patone indicated that she has observed over the past years that the consultant utilizes the cost of service study for three years when preparing the annual financial projection and rate design. She believes this warrants the cost to be capitalized and amortized over a three year period. She will discuss with Ms. French and have her opinion on the accounting. Dr. Hansen stated he just wanted to be absolutely certain that we still intend to do the study and her note doesn't mean we are not going to do it. Secretary Patone stated we still intend to do it; it has already been approved on the capital budget. Commissioner Knox asked whether we would record the cost on the capital budget and amortize it over a three year period. Secretary Patone responded she believes that would be the appropriate recording of the expenditure. Commissioner Knox commented he believed it would be appropriate as well.

Secretary Patone welcomed any questions regarding the budget. She acknowledged the report was quite a lot of detail (twenty-six-page report) she prepares a comparison with the prior year actuals and prior year budget. She indicated Max Walton, MSC attorney confirmed it was acceptable to operate over the past

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month without an approved operating budget. Secretary Patone was eager to get an operating budget approved as the fiscal year had already begun.

Commissioner Knox asked about the capital budget, we can approve both at the same time. Secretary Patone indicated the capital budget had been approved at the February meeting without the Delaware Street Project. At the February meeting management was questioning the costs and requested more time to negotiate with Henkels & McCoy. President Sippel asked about the increase of the projected costs. Secretary Patone responded the Henkels quote increased roughly \$200,000 from the January estimate to the February estimate. (January estimate Henkels \$549,422; February estimate Henkels \$735,374) She explained the reason for the decrease to the current estimate was due to a scope change in the project. The scope was changed to remove the portion of the project that related to the installation of conduit for Verizon and Comcast between 2nd and 4th Street on Delaware Street. The MSC already has electric underground in that area and there is a backyard pole line that holds Verizon and Comcast infrastructure. The new scope would require the backyard pole line to remain. Henkels updated quote with the new scope is \$559,210. This figure was close enough to the approved January estimate, therefore, we have moved forward and begun the project. The summary of the entire project is shown in three phases. Third phase being all MSC's responsibility for the removal of the poles and old services, as well as restoration of any sidewalks. This phase does not yet have a cost estimate developed. Secretary Patone indicated she had miscommunicated previously that the City would be providing restoration of sidewalks. She had misunderstood a conversation with the City Administrator.

Secretary Patone went on to report Mr. Blomquist has done some design work with Verizon and Comcast on the possibility of putting the backyard pole line underground in the backyards instead of the front in the road. This leaves the possibility of having the backyard pole line removed and placed underground in the future at additional costs.

There are question marks under Comcast's column on the summary of costs because Comcast is absorbing those costs and we are not aware of those figures. The MSC's portion of phase one and two is \$312,404.34. Verizon's portion is \$270,829.33. Comcast's portion is \$186,403.33. This is a total of \$769,636. This figure has now been carried forward to the capital budget. The revised capital budget will need to be approved in the amount of \$1,822,900.62.

Secretary Patone requested approval of the operating budget with a deficit of \$23,958 and the revised capital budget in the amount of \$1,822,900.62.

Commissioner Knox noted the deficit would probably be made up with the savings in salaries with the position not being filled yet. Dr Hansen asked if the cost from Henkels & McCoy could increase or decrease. Secretary Patone stated the agreement was a lump sum so the figure will not change. Commissioner Knox asked whether on Delaware St, if MSC's project is in a separate trench than the gas line. Secretary Patone responded the most recent information is that a portion of MSC's projects infrastructure is in the same trench with Delmarva Gas, however, not all of it would fit therefore, a second trench was necessary.

A motion was made and seconded to approve the operating and capital budget. Motion was approved.

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DEMEC CPower Demand Response Agreement- Secretary Patone stated each year DEMEC and CPower apply to be an exclusive provider within MSC's service territory. All of the DEMEC members have adopted this approach. It allows for one provider to assist customers with demand response. DEMEC also manages the Efficiency Smart program and have identified demand response incentives for customers through that program. This is an advantage to having one group work within the MSC service territory. We need approval if it is the Commissions desire to continue with this program.

A motion was made and seconded to approve DEMEC/CPower as the exclusive provider for demand response. Motion was approved.

Secretary Patone indicated the next discussion was not on the agenda. The City has requested MSC's support in the form of a letter to DNREC regarding the City's Coastal Resiliency Community Partnership Grant. Secretary Patone wanted to confirm the Commission's agreement with the letter of support. The Commissioners had no concerns regarding a letter being prepared.

A motion was made and seconded to enter executive session at 5:08pm

Commissioners returned to general session at 5:17pm

Secretary Patone stated she has been participating conference call between the Governor's office and municipal government. She anticipated the state of emergency being extended and virtual meetings being continued.

Next Meeting

Commissioners set the next monthly Board meeting to be May 21, 2020 4 p.m.

Secretary Patone went on to inquire of the Commissioners whether there was anything they wanted to contribute on how the state of emergency was being handled by management. She asked if they would like anything done differently or moving forward with a different approach. She advised the circumstances happened very quickly and management's response was to protect employees and to ensure staff would be available to address any electric or water issues. She indicated the approach was supported by research of other utilities and local governments. Management had met with the union and discussed alternatives. Dr. Hansen inquired regarding how the staff felt. Secretary Patone indicated staff was appreciative of the approach, the quickness of the decision making, and the plan. She indicated those employees with children were accommodated, in agreement with the recently enacted laws to accommodate those who having issues with child care. She noted the majority of the administrative and management group are still working from home. She indicated the linemen and water operators are not really working due to limited things that we could have them doing. Management has operations staff participating in webinars and training on the days they are home. She indicated there is a sense of relief that employees are not being exposed to a whole bunch of people which minimizes their risk. She has reached out to the Union President twice during this time individually. He has given positive feedback. We have had two zoom meetings with everybody so we can stay connected and ask questions. They all have her mobile number and she has made sure they feel comfortable reaching out with any questions or concerns.

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Dr. Hansen stated he appreciates their sacrifice to put themselves somewhat at risk while many are staying home avoiding risk as much as possible. Staff is out there at least a little bit and it is appreciated. He indicated management's approach is fantastic and insures we have reliability. In having two teams, we don't lose our whole staff. We can assure reliability to the City. Secretary Patone responded any input you want to share at any time feel free to let me know.

Commissioner Knox inquired whether Team A and B had to be called in to work together on an issue. Secretary Patone responded this has not yet been necessary as both the Water Department and Electric Department crews work together and minimizes the need to expose the teams to each other. With an electric outage the water department is able to do groundwork and traffic control.

Dr. Hansen noted that even with this issue the MSC got the Delaware St. Project moving forward and that is amazing. Secretary Patone stated Mr. Blomquist has really taken the lead on this and it is very much appreciated.

Adjournment

A motion was made and seconded to adjourn the meeting. The motion received unanimous approval. The meeting was adjourned at 5:27pm

Michele R. Grussemeier

Michele R. Grussemeier, Stenographer

Approved: *Carol A. Patone*

(Minutes transcribed from recording)

MUNICIPAL SERVICES COMMISSION

CITY OF NEW CASTLE, DELAWARE 19720-0208

P.O. BOX 208

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

Accounting & Customer Service Department Meeting Report

April 30, 2020

Prepared By: Tara French on April 23, 2020

- **Billing / Customer Service**

The CSD has completed the annual electric and water billing audits and noted 9 electric services had reclassifications in accordance with MSC Tariff.

The CSD continues to prepare consumption reports for analysis in usage changes that may have resulted from the COVID-19 pandemic

Interviews for the CSR I position have been suspended during the State of Emergency.

The CSD prepared monthly billing to customers and continue to assist over the phone and by email.

Due to the pandemic, MSC saw a 12% increase in online payments from February to March, but a decline of 13% from March to April 23, 2020. CSM will review prior to April 30, 2020 Commission meeting.

- **Accounting**

Accounting has prepared revenue analysis with various assumptions of the rate design for fiscal year ending March 31, 2021 for GM Patone's review.

Accounting is preparing confirmations and workpapers for the annual year end audit.

Accounting prepared the eleven months ended February 29, 2020 workpapers and Financials Statements:

Total assets are \$20,428,936 for the eleven months ended February 29, 2020.

There was a Surplus in Net Assets of \$639,857 of that \$287,544 is due to capitalized labor and equipment. This leaves a net deficit of (\$33,164) in Water and a net surplus of \$385,477 in Electric.

ELECTRIC DEPARTMENT COMMISSION REPORT

April 30, 2020

Prepared by Scott Blomquist on April 23, 2020

1. **Developer Projects:**

a. **Sheriffs House:**

I. There is nothing to update on this project.

b. **20 Arbutus:**

I. The operations crew plans to do the paving at this location along with paving on several other projects.

c. **Read House:**

I. Manager Blomquist received a call Delaware Engineering regarding the existing service at the Read House and plans to upgrade the service and replace HVAC equipment. Currently there is nothing for the MSC to do until we know what the load increase will be.

d. **Fibertech/Crown Castle:**

I. Manager Blomquist was contacted by members from Fibertech/Crown Castle regarding pole attachments on 4th St starting at South St. up to Harmony St. Along Harmony St to 3rd St. Up 3rd St to a location on the Green where they have a conduit that runs over to the Sheriff's House and the Court House. This will be around 30 pole attachments. Manager Blomquist is in the process of reviewing the plans and working on Make Ready Engineering costs per the Fibertech franchise agreement with the City.

e. **200 - 210 W 9th St (even only).**

I. Manager Blomquist was contacted by Cirillo Bro's regarding 6 new houses they are building on 9th St. Manager Blomquist worked with their electrician to determine what will be needed to serve these locations. The developer has purchased some materials from the MSC for this project.

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ELECTRIC DEPARTMENT COMMISSION REPORT

April 30, 2020

Prepared by Scott Blomquist on April 23, 2020

2. Capital Projects:

a. **Van Dyke Village:**

I. Operations will start back on this project when weather allows.

b. **Wilmington Rd Substation:**

I. This project is complete.

3. Capital Purchases:

a. **Dump Truck:**

I. The new Dump truck has been received and Operations is making some minor alterations.

4. Operations:

a. **Pole Change outs:**

I. The electric crew has finished changing out poles planned in the FYE 2020 operating budget.

b. **Outages :**

I. There were no outages over the past month.

II. 04/01/2019 – 04/01/2020

SAIDI (minutes)	SAIFI (number of interruptions)	CAIDI (minutes)	ASAI (percent)
19.4	0.188	104.31	99.99

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ELECTRIC DEPARTMENT COMMISSION REPORT

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Prepared by Scott Blomquist on April 23, 2020

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.

5. Repairs and Maintenance:

a. Wilmington Road Substation:

I. The Electric Department performed the monthly inspection at this location.

b. Dobbinsville Substation:

I. The Electric Department performed the monthly inspection at this location.

6. Safety:

I. Daily tailgate forms are filled out and turned in with work orders.

II. Operation's has had many discussions over the last 2 months regarding safety amid the current pandemic.

7. Delaware Street Rehabilitation City:

I. Henkels started work on Delaware St at 4th St. and has completed pipe work to the manhole location at 3rd and Delaware. Conduit has been installed from MSC's manhole and Verizon's manhole to 220 Delaware to provide communications pathway. The MSC has private fiber installed to this location to provide internet and server connections.

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ELECTRIC DEPARTMENT COMMISSION REPORT

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Prepared by Scott Blomquist on April 23, 2020

- II. Management is currently working with Henkels to get an updated schedule for the project.
- III. Manager Blomquist and Supervisor Granger have been inspecting on this project and taking pictures of the work being performed. The Henkels crew has been great to work with and is doing a great job.

8. Training:

- I. Managers Guyer and Blomquist attended the DeIDOT Utility Summit on February 25th at Polytech High School.
- II. Management attended a course on team building at the Utility Building on March 4th.

9. Electric Vehicle Program:

- I. No new information on this program to date.

10. Operating Budget:

- I. Manager Blomquist has prepared and submitted a first draft of the Electric Department Operations Budget FYE 2021 to GM Patone for review.

11. Reporting:

- I. Manager Blomquist completed and submitted the EIA-861 report for the Department of Energy.

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Water Department Commission Meeting Report

April 30, 2020

Prepared By: Jay Guyer on April 23, 2020

1. Projects

A. Riverbend Subdivision

1. Riverbend was flushed on April 7th and 21st to maintain the required Chlorine Residual.

B. Water Metering

1. Meter reading was completed on April 13th. Water Operators followed up on water check reads and missed reads as needed.

C. MSC DNREC Water Allocation Permit

1. WUM Guyer received MSC's Renewed Water Allocation Permit No. 87-0001RMI from DNREC Water Supply Section with an Effective Date of February 20, 2020 and an Expiration Date of February 20, 2050. The permit was modified to include the Cross Roads Well as an approved supply and no reduction in allocation quantities. Allocation granted in a 24 Hour Period shall not exceed 1,670,000 Gallons, 30 Day Period shall not exceed 48,000,000 gallons, and 12 Month Period shall not exceed 438,000,000 gallons.

D. The Garrison Apartment Complex – 7th Street

1. The on-site meeting scheduled with Garrison representatives scheduled for March 13th was postponed and will be rescheduled to review outstanding administrative items and discuss the final water punch list.

E. Del DOT – SR 9 / SR 273 Delaware Street Railroad Crossing Safety Improvements

1. Century Engineering advised the project is scheduled for July 2021. They are completing design plans to advertise the project for bid in January 2021. WUM Guyer is marking up plans with comments to return to Century.

F. Delaware Street Repaving – City Project

1. City contractor Cirillo Brothers completed work on Delaware Street from The Strand to the Wharf. The City approved installation of a water and electric service to the lot near the Wharf. Water operators and linemen completed the ¾" water service and 4" PVC electric conduit installation on April 20th. Blacktop restoration will be completed the

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week of April 27th. Water Operators continue to work with the contractor to ensure valve boxes and curb boxes are adjusted or replaced as needed.

2. Delmarva Power Gas Main and Service Replacement – The Strand to 4th Street – Contractor Hinkles McCoy started installing new gas main at the intersection of 4th and Delaware Street working toward the Wharf. WUM Guyer and WUS Jaeger visited the site and spoke to the Foremen about the project, separation between water mains and services, and backfill material. Water Operators will periodically monitor the installation to ensure no conflicts with the existing water are created.

G. Delaware Street Repaving – City Project

1. WUM Guyer assisted EUM Blomquist and GM Patone with project planning and project scope and plan review as requested.

H. 200 – 210 West 9th Street - New Townhomes by Cirillo Brothers

1. The contractor continues working on the homes. The developer completed applications for service. Water meters will be installed when requested and bacteria samples collected from each service.

I. AMI Metering Project – American Municipal Power, Inc.

1. WUM Guyer estimated the number of AMI Modules required for water is 2,407 (50 spare) and is working on meter counts for retrofits and replacements to update the estimated cost of the water portion of the AMI project.

J. Sherriff's House Improvements – National Park Service

1. WUM Guyer responded to additional questions from VHB Engineering for the project. They will revise and resubmit the water plans for review and approval.

K. New Castle Foundry Apartments - 7th Street

1. WUM Guyer discussed the project with the developer and requested he have his architect contact him in reference to water supply and metering for the proposed 4 Story, 27 Unit Apartment Building. MSC observed the fire flow test performed by Bear Industries on March 19th and received a copy of their flow test report.

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L. 100 Municipal Boulevard Drainage

1. Water Operators and Linemen cleared the area around the drainage trough behind the Utility Building. Last cleaned out in 2002, the trough was observed to be full of silt causing drainage issues. Operators and Linemen cleanout it out, completed repairs to the failing concrete headwall and walls. The area was regraded and stone riprap will be placed over the next several weeks to control water flow and runoff.

M. Carrie Downie Elementary School

1. WUM Guyer was contacted by an engineer from GPI, Inc. in reference to the requirements for the water service replacement to the school. WUM Guyer e-mailed copies of MSC's Water Technical Specifications and Standard Details to the engineer. He will complete the preliminary drawings and forward for review and comment.

N. 16 Arbutus Avenue – New House

1. WUM Guyer was contacted by C & K Builders about water service for the new house they plan to build. WUM Guyer and WUS Jaeger reviewed the requirements for installing a water service from the main to the house.

2. Operations

A. Outages and Reporting

1. There were no planned or unplanned water outages for the month of March 2020.
2. ATSDR Testing in New Castle County – WUM Guyer has nothing to update on this item.
3. TA Instruments Real Time Water Metering - WUM Guyer researched options for real time water metering. GM Patone will schedule a follow up meeting with them.
4. The DNREC 2019 Annual Water Use Report was completed and filed on February 24th. The report is due by March 31st annually.
5. The DNREC Tier II Hazardous Chemical Report was completed and filed on February 24th. The report is due by March 1st annually.

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6. The DRBC 2019 Annual Water Audit Report was completed and filed on March 30th. The report is due March 31st annually.
7. Water Operators completed the annual water inventory counts on the April 1st and 2nd and submitted to Facility Person Jones for totalization and review. All counts have been forwarded to accounting for reconciliation.
8. Water Operations completed annual Water Billing audit and returned comments to ACSM French for review.

B. System Repairs and Maintenance

1. School Lane Well Rehabilitation – WUM Guyer requested and received a Certificate to Operate from the ODW, Office of Engineering on February 25th. The well was placed back in rotation February 26th. Performance is being monitored to ensure there are no issues. The final invoice was \$28,010.00, which was \$1,000.00 over the original quote. The overage was due to my miss-calculation of the individual costs associated with the 3 different options of acid available for cleaning the well. WUM Guyer discussed with GM Patone who acknowledged the error and approved the final invoice for payment.
2. WUM Guyer and WUS Jaeger planned to start up CR Well the week of March 30th however a SCADA communication error was encountered when starting up the well. Keystone Engineering will have Service Technician on site the first week of May to resolve the issue.
3. The Million Gallon Tank security panel malfunctioned and was replaced and reprogrammed by Security Instruments.
4. Water Operators pressure washed the base of the gray Street Tank column and legs. Significant corrosion was observed on several of the anchor bolts around the center column. WUM Guyer met with our representative from MBA Tank on-site and discussed the concerns related to the corrosion. He agreed it would be acceptable to clean and recoat the nuts and bolts with corrosion and address it in 2021 when the tanks are scheduled for painting.

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C. Budgets and Grants

1. Water Infrastructure Advisory Council (WIAC) Grants – WUM Guyer and RKK representatives have agreed to postpone the next progress meeting until May. WUS Jaeger and FP Jones continue inputting key attribute data for horizontal assets (mains, valves, hydrants, fittings) in the new ArcPRO software. WUM Guyer is reviewing the attributes and researching/field verifying the ones in question for accuracy. WUS Jaeger is gathering key attribute data for vertical assets (storage tanks, wells, treatment facility, pumps) and inputting data in spreadsheets to review with WUM Guyer then RKK.
2. WUM Guyer and EUM Blomquist reviewed the capital budget and forwarded a proposed timeline for the purchases and projects to be made.
3. WUM Guyer met with GM Patone and discussed the Draft Operations & Maintenance Budget for FYE 3-31-2021. WUM Guyer completed revisions and forwarded a revised copy to GM Patone and AM French.

D. Equipment

1. New T-9 Dump Truck was delivered on April 15th. Water Operators and Linemen are working to complete accessory installation so the truck can be placed in service.
2. The Case Tractor PTO gear box experienced a shifting problem and was repaired.

E. Personnel and Training

1. No personnel issues to report at this time.
2. WUM Guyer and EUM Blomquist attended the Del DOT 5th Annual Utility Summit on February 25th at Polytech High School in Woodside, DE. The Summit was beneficial and outlined initiatives Del DOT is taking to improve the working relationships.
3. Water Operators attended Delaware Rural Water Association's 30 Annual Technical Conference and Exhibition on February 26th and 27th in Harrington, DE.
4. MSC Management attended Leadership, Team Building, and Coaching Skills training on March 4th. The training was beneficial providing me with several new skills.

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F. Safety

1. MSC Water Operators and Facility Person hold daily morning tailgate talks discussing jobs/tasks to be performed that day, potential issues or hazards to be considered, personal protective equipment to be utilized, and safety concerns. WUS Jaeger and EUS Granger are working to standardize a "Tail Gate Talk" form for both Departments to use.
2. MSC Water Operators and Facility Person continue with Safety Training utilizing the AWWA 52 Safety Talks Manual and AWWA Support videos.

3. Reporting Agencies

A. WSCC - Water Supply Coordinating Council

1. The next meeting is scheduled for May 28, 2020.
2. On February 20th, Sub-Committee members from Northern New Castle County met to start developing templates for the Self Sufficiency Report and Conservation Rates Effectiveness filings with the Council. The next meeting has not been scheduled.

B. WRA – Water Resource Agency

1. WUM Guyer will resume sending weekly pump data to Jerry Kauffman of University of Delaware Water Resource Agency (WRA) when requested in Spring 2020.

C. DEWARN – Delaware Water/Wastewater Agency Response Network

1. The next DEWARN meeting has not been scheduled.

D. Water Operator Advisory Council Meeting

1. The March 4th meeting went well. The council reviewed Water Operator License Applications and approved/denied based upon the regulations, approved the meeting minutes from the December Meeting, Reviewed and approved new training courses from Del Tech, Delaware Rural Water Association, and the US EPA, Council Member Terms are pending review approval of the Governor, discussed the Regulation revisions being posted on the State monthly Register of Regulations, and Del Tech reminded everyone of the annual Water Operator Recognition Award that is open through March 12th.
2. The next meeting is scheduled for June 4, 2019.

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E. Delaware Public Service Commission – Miss Utility Damage Prevention Reporting

1. The first meeting was held by teleconference on April 2nd from the Public Services Commission Building in Dover, DE. The proposed changes to the rule related to the Miss Utility Damage Prevention Program were presented and discussed. Written comments will be accepted through the end of business on April 27th.

F. Miss Utility of Delmarva Monthly Meeting

1. The next meeting is scheduled for May 21st at Tide Water Utilities in Dover, DE.

End of Report

Attachments: March 2020 Water Works Report
March 2020 Water Outage Tracking Sheet