

Municipal Services Commission Monthly Meeting
May 20, 2021, 10:00 a.m.
216 Chestnut Street New Castle, Delaware
Meeting via Zoom

The meeting was called to order at 10:00 a.m. with Dr. Roy Sippel, Commissioner, presiding.

Present: Dr. Roy J. Sippel, Commissioner, President
Daniel F. Knox, Commissioner
Scott L. Blomquist, Secretary

Staff in Attendance: Mary Jane Stubbs, Treasurer/Human Resources Manager
Tara French, Accounting/Customer Service Manager, Treasurer
Jay Guyer, Manager, Water Department
Pam Patone, General Manager

Also in Attendance: William J. Barthel, City Administrator
Mayor Michael J. Quaranta
Trish Gildea, Senior Financial Planner, Summit Financial Corp.
Joseph F. Bonasera, President, Summit Financial Corp.
Jason A. Denton, Senior Consulting Actuary, Summit Financial Corp.

Mr. Bonasera introduced the Agenda for the presentation of the Investment Performance & Pension Actuarial Report for the MSC.

Mr. Denton presented a high-level explanation of the Actuarial Report. Mr. Denton noted that in the last two years assets have done exceedingly well and that an "asset-smoothing method" was adopted whereby excess gains/losses in a given year are spread across a period of time so costs are fairly neutral from year-to-year. Commissioner Knox clarified that 2020 is the first year the "asset-smoothing method" was adopted. Mr. Denton also explained the funding target for an ongoing plan is to be 100% funded when the active employee group is going to retire.

Mr. Bonasera presented a high-level explanation of the Plan Investment Review. He summarized recommendations made to the MSC last year:

- Rebalance the portfolio.
- Overweight large cap growth stocks.
- Add MFS growth to the portfolio lineup.
- Increase the Active Management part of the portfolio.
- Remove Vanguard Global Cycles.

Mr. Bonasera explained the current investment policy, the quarterly and yearly Financial Reports, and Performance as of 12/31/2020. Recommendations as of May 2021:

- Rebalance to IPS: 65%/35%.
- Work towards a neutral weight in large cap.
- Shift allocation from AMCAP to large value index, resulting 13% in large value, 12% in large growth.

Mr. Bonasera will send a letter detailing the recommendations to the Commissioners for review, and a vote on recommendations will be held at the next meeting.

Municipal Services Commission Monthly Meeting
May 20, 2021, 10:00 a.m.
216 Chestnut Street New Castle, Delaware
Meeting via Zoom

Ms. Gildea gave a high-level presentation of the portfolio objectives and performance, noting that the portfolio is performing very well. She added that performance meets the benchmark in every metric mainly because: (1) the duration of New Castle's portfolio is shorter than the aggregate bond index, and (2) the portfolio has diversified mutual funds that had a slightly higher yield. She also explained the Morningstar Fixed Income Style Box % of the portfolio holdings. Ms. Gildea noted that they recommend putting as much as 40% of New Castle's portfolio into the 1-3 treasury bucket temporarily, which will help preserve the capital. She added that they feel the best way moving forward is to shorten the duration to protect principle. Mr. Bonasera added that one of the objectives is to minimize volatility and explained that when interest rates rise bond prices fall, and it is expected that interest rates will continue to rise. He noted that if the duration is shortened the drop in price will be less than if the current duration is maintained.

Minutes

A motion to approve the Minutes of the April 22, 2021, monthly meeting as presented was made, seconded and unanimously passed.

A motion to approve the Minutes of the April 22, 2021, executive session as presented was made, seconded and unanimously passed.

Appointments & Elections

A motion to approve the appointment of Scott L. Blomquist as Commission Secretary, Water Supply Coordinating Council Voting Delegate and Delaware River Basin Commission Voting Delegate was made, seconded and unanimously passed.

Treasurer's Report – Ms. French reporting

(See attached Report)

Operating cash	\$2,308,821.70
Escrow Meter Deposit/Petty Cash	\$ 699,917.90
Total Cash	\$3,008,739.60

Investments	\$1,269,615.60
-------------	----------------

Ms. French noted the disbursement to the Comptroller of Maryland was the Maryland withholding tax liability for employees who reside in Maryland and the disbursement to Utility Financial was for the cost of the Service Study.

A motion to approve the Treasurer's Report as presented was made, seconded, and unanimously passed.

Municipal Services Commission Monthly Meeting
May 20, 2021, 10:00 a.m.
216 Chestnut Street New Castle, Delaware
Meeting via Zoom

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

Ms. French noted that the Special Appropriations to the Mayor and Council of New Castle consisted mainly of MSC contributed labor and equipment provided for the 3rd Street Parking Lot. She also noted that the MSC had less capitalized labor in 2021 than in 2020 and there was a reduction of 2% for operating salaries.

Commissioner Knox asked that Ms. French provide clarification of funding of the pension and what was budgeted for that item.

A motion to approve disbursements was made, seconded and unanimously passed.

Electric Department Report – Mr. Blomquist reporting
(See attached report)

Mr. Blomquist reported the following:
Developer Projects

- 90 Lukens Drive – Mr. Blomquist met with Greggo & Ferrara and their electrical contractor relative to the need to move the current private primary electric feed to Probation and Parole and provided costs for two separate shutdowns.

Capital Projects

- Van Dyke Village – work on the project has started, and conduits have been run to the intersection of 14th Street and Moores Lane. Work will continue as long as weather permits and the conversion will be done during the winter months.
- Delaware Street – Urban Cable will complete the last two locations for Comcast. Verizon has not yet transferred the last location to underground.
- EV Chargers – Estimates were prepared for a number of locations. Mr. Blomquist will provide additional information if needed.
- 6th Street Traffic Light – City Council approved a plan to allow DelDOT time to continue the traffic study.

Capital Expenditures/Outages – There were no outages to report for the month.

Repairs and Maintenance

- Wilmington Road Substation – An outage was required from 5/10 to 5/12 on the site for Delmarva to perform maintenance in the New Castle Substation. The monthly inspection was performed at this location. An issue with the Circuit Switcher was experienced and G.E. will provide a cost estimate to the MSC for a clutch. G.E. located an available clutch and will provide the costs to replace. MSC Engineers located an available switch in the Town of Middletown, which would shorten the lead time if a new switch is needed.

New Employee – Mr. Mark Davis was hired to fill the vacant EUSP-1 position and started on May 10, 2021.

Municipal Services Commission Monthly Meeting
May 20, 2021, 10:00 a.m.
216 Chestnut Street New Castle, Delaware
Meeting via Zoom

Water Department Report – Mr. Guyer reporting

(See attached report)

Commissioner Knox clarified that work on Riverbend is progressing and Mr. Guyer noted that they are moving forward with the project.

Managers were thanked and excused from the meeting.

Secretary's Report – Mr. Blomquist reporting

DEMEC –

Mr. Blomquist reported on the May 18, 2021, regular DEMEC meeting.

The Treasurer reported that expenses exceeded budget for the First Quarter and the Rate Stabilization Fund was used to carry them through. Demand is now up and income is expected to catch up.

The Finance Committee recommended using UFS as the Rate Study consultant for DEMEC.

DEMEC requested that any broadband guidance or policies be forwarded to Kimberly Schilchting.

The Board approved \$10,000 for Light Up The Navaho Nation.

DEMEC will distribute a survey to members to ascertain their current training needs.

The MSC has been exempted from the final Community Solar Legislation.

Old Business

Electric Vehicle Charging Stations – Mr. Blomquist worked with the New Castle Historic Area Commission relative to appropriate locations for the installation of EV charging stations to prepare estimates. Eight additional chargers have been purchased.

Feasibility Study – Mr. Blomquist met with GMB on-site to discuss uses of the MSC building and appropriate spacing between the current and future buildings.

Comcast Agreement – Mr. Blomquist reported that Mr. Barthel had no update to report to the MSC on the Comcast Agreement.

Delmarva Gas 5-Year Plan – The project has been delayed to fall 2021 and may be delayed to 2022.

Auditors – The Auditors wish to schedule a meeting with one of the Commissioners and will be available Monday-Wednesday.

Municipal Services Commission Monthly Meeting
May 20, 2021, 10:00 a.m.
216 Chestnut Street New Castle, Delaware
Meeting via Zoom

New Business

A motion and vote is required to approve CPower as the exclusive provider of Demand Response for the year June 1, 2021-May 31, 2022.

A motion to approve CPower as the exclusive provider of Demand Response (DR) and other DR ordinance allowed related service in the City of New Castle for the year June 1, 2021-May 31, 2022 was made, seconded and unanimously passed.

Public Comment

Mayor Michael J. Quaranta

Financial Report – Mayor Quaranta requested that the financials be forwarded to him for review. He noted that there was not much discussion relative to inflation. He added that the presenter referenced interest rates rising a number of times, and stated that during several recent calls with national bank economists none of them anticipated interest rates going up. Commissioner Knox noted that the presentation was primarily about the Pension funding. The Mayor clarified that he was speaking of the larger portfolio that the Commission has, noting that he is still interested in the financials.

Comptroller Position – Mayor Quaranta encouraged the MSC to think outside the box for the Comptroller position, and noted that there are a number of diverse supplier firms that can supply those services. He added that a number of companies are moving in that direction because they do not have a need for full-time comptrollership duties. Commissioner Knox stated for the Record that he will not consider outsourcing any accounting or back office support positions of the MSC.

Cross Connection – Mayor Quaranta noted that he had forwarded a letter he received relative to cross connection to the MSC. Mr. Blomquist stated that the communication had been received and would be reviewed.

Electric Vehicle Charging Stations – Mayor Quaranta expressed his disappointment that although the City has a Historic Architect and a Planning Consultant on retainer, their expertise has not been tapped during discussions of EV charging stations. He questioned the value volunteer Commission members bring to the table and opined that the City consultants have more to offer.

6th Street Traffic Light – Mayor Quaranta noted that only two options for the intersection have been presented by DeIDOT (new traffic light or 4-way stop signs), and opined that there must be a more suitable alternative to the massive traffic light equipment proposed by DeIDOT for New Castle.

Mr. Philip Gross

Mr. Gross expressed his surprise that City Council is considering rescinding the Resolutions approving a traffic light at the 6th Street intersection, adding that the State had committed to cover the cost of the light and some architectural embellishments to camouflage the equipment. He added that the Chief of Police and Fire Department both opined that the new traffic light would be more beneficial. Mr. Gross stated that he will campaign for the installation of a new traffic light as opposed to having 4-way stop signs at the intersection.

Municipal Services Commission Monthly Meeting
May 20, 2021, 10:00 a.m.
216 Chestnut Street New Castle, Delaware
Meeting via Zoom

Relative to EV charging stations, Mr. Gross questioned the purchase of eight charging stations when it was never decided where those charging stations would be installed. Mr. Blomquist explained that City Council asked the MSC to purchase the charging stations to take advantage of DNREC and Green Energy funding before those Grants expire (June 30, 2021).

Mr. Gross said it was his understanding that the Van Dyke project had been put off for several years and asked when the decision was made to proceed with that project; noting there are other areas in the City that need work. Mr. Blomquist explained that there has been a long history of outages in Van Dyke and that the project was on hold during 2020 due to Covid; however the work in Van Dyke has been on the MSC books for several years and there have never been any discussions or decisions to discontinue the project. Ms. Patone added that staff was pulled from the Van Dyke project to assist with the Delaware Street project; but that was only a temporary stoppage in Van Dyke.

Mr. Gross clarified that MSC FOIA requests should be submitted to Mr. Blomquist.

Mr. Gross thanked Ms. Patone for her service with the MSC and wished her well in her new endeavors. He also congratulated Mr. Blomquist on his appointment as General Manager.

There being no further business from the floor, Secretary Blomquist called for a motion to move to Executive Session.

A motion was made and seconded to move into executive session at 11:46 a.m. The motion was unanimously approved.

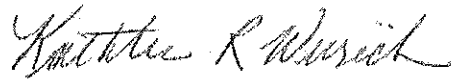
Commissioners returned to general session at 12:04 p.m.

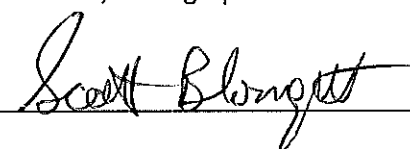
Next Meeting

Commissioners set the next monthly Board meeting to be June 17, 2021, at 10:00 a.m. Mr. Blomquist noted that the MSC has lifted the mask requirement and Commissioner Knox stated his willingness to begin in-person meetings at the MSC offices. Mr. Blomquist will poll the staff to ascertain their comfort level with in-person meetings; however, he added that the meeting will also be held via Zoom for public attendance.

Adjournment

A motion was made and seconded to adjourn the meeting. The motion received unanimous approval and the meeting was adjourned at 12:06 p.m.


Kathleen R. Weirich, Stenographer

Approved: 

(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

Accounting & Customer Service Department Meeting Report

May 20, 2021

Prepared By: Tara French on May 12, 2021

- **Billing / Customer Service**

The CSD continues to perform normal everyday functions of assisting customers and preparing consumption reports and monthly billing.

The CSD is preparing the annual vendor reconciliation for Catholic Charities.

- **Accounting**

Due to the timing of this meeting, the April 30, 2021 Monthly Budget Reports by Group Summary by Department and in Total provided are not reconciled for Investment activity.

Accounting provided Investment Performance by Security and Portfolio Holdings by Account at April 30, 2021. Also provided were the fiscal year ended March 31, 2021 unaudited financial statements and the capital budget vs actual report at March 31, 2021.

Accounting is preparing for the year end audit with fieldwork scheduled the last week in May. Inventory observation was performed on April 6, 2021.

Accounting reviewed the operating budget vs actual for the one month ended April 30, 2021. Overall the operating expenses are not expected to exceed budget for the fiscal year ended March 31, 2022.

MUNICIPAL SERVICES COMMISSION
(A Component Unit of the City of New Castle)
STATEMENTS OF NET POSITION
MARCH 31, 2021 AND MARCH 31, 2020

	<u>MARCH</u> <u>2021</u>	<u>MARCH</u> <u>2020</u>
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES		
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 2,439,700	2,420,596
Investments	1,258,189	1,176,476
Accounts receivable, net	524,760	679,148
Grants receivable	4,916	33,586
Dividends receivable	263	168
Other receivables	4,831	23,754
Inventory	692,180	707,160
Prepaid expenses	128,902	116,958
Total Current Assets	<u>5,053,741</u>	<u>5,157,845</u>
Restricted Assets:		
Cash and cash equivalents - restricted	\$ 698,934	\$ 748,777
Noncurrent Assets:		
Land	45,386	45,386
Construction-in-progress	916,508	381,566
Property, plant and equipment	25,446,102	24,786,808
Less: Accumulated depreciation	(14,379,029)	(13,625,106)
Total Noncurrent Assets	<u>12,028,967</u>	<u>11,588,654</u>
DEFERRED OUTFLOWS OF RESOURCES		
Deferred outflows - pension	104,836	536,237
Deferred outflows - regulatory accounting	3,124,345	2,818,863
Total Deferred Outflows	<u>3,289,181</u>	<u>3,355,090</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCE	<u>\$ 21,070,823</u>	<u>\$ 20,850,366</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION		
LIABILITIES		
Current Liabilities:		
Accounts payable	\$ 554,397	\$ 583,495
Accrued expenses	-	-
Payroll withholdings payable	37,198	32,307
Accrued wages	58,460	51,535
Accrued appropriations	0	-
Developer deposits	-	12,426
Other liabilities	410	858
Total Current Liabilities	<u>650,465</u>	<u>680,621</u>
Noncurrent Liabilities:		
Escrow deposits	4,494	4,492
Customer deposits	694,440	744,285
Accrued compensated absences	443,134	396,693
Net pension liability	474,757	1,498,337
Total Noncurrent Liabilities	<u>1,616,825</u>	<u>2,643,807</u>
DEFERRED INFLOWS OF RESOURCES		
Deferred inflows - pension	659,474	128,335
NET POSITION		
Net investment in capital assets	12,028,967	11,588,654
Unrestricted	6,115,092	5,808,949
TOTAL NET POSITION	<u>18,144,059</u>	<u>17,397,603</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION	<u>\$ 21,070,823</u>	<u>\$ 20,850,366</u>

The accompanying notes are an integral part of these financial statements.

MUNICIPAL SERVICES COMMISSION
(A Component Unit of the City of New Castle)
COMBINING SCHEDULES OF REVENUES AND EXPENSES BY DEPARTMENT
FOR THE YEARS ENDING MARCH 31, 2021 AND 2020

	Water Department		Electric Department		Total	
	2021	2020	2021	2020	2021	2020
OPERATING REVENUES:						
User charges	1,965,254	1,986,425	8,902,177	9,061,680	10,867,431	11,028,105
City service charges	26,125	19,141	43,051	46,227	69,176	65,368
Free service	3,061	6,983	42,967	46,344	46,028	53,327
Miscellaneous	20,983	15,139	58,830	53,591	77,813	68,730
TOTAL OPERATING REVENUES	2,015,423	2,007,688	9,045,025	9,207,842	11,060,448	11,215,530
LESS: Free service	(2,853)	(3,457)	(4,555)	(5,320)	(7,408)	(8,777)
NET OPERATING REVENUES	2,012,570	2,004,231	9,040,470	9,202,522	11,053,040	11,206,753
PURCHASE OF POWER AND WATER	(25,240)	(22,632)	(5,950,203)	(6,026,551)	(5,975,443)	(6,049,183)
OPERATING EXPENSES	(1,459,297)	(1,448,541)	(1,180,989)	(1,293,950)	(2,640,286)	(2,742,491)
GENERAL AND ADMINISTRATIVE EXPENSES	(415,001)	(433,484)	(672,963)	(721,330)	(1,087,964)	(1,154,814)
OPERATING INCOME AFTER CAPITALIZED ITEMS	113,032	99,574	1,236,315	1,160,691	1,349,347	1,260,265
NONOPERATING REVENUES (EXPENSES):						
Net Investment Income	6,686	8,034	39,031	47,084	45,717	55,118
Realized Gain/(Loss) on Sale of Assets	-	(7,944)	-	1,650	-	(6,294)
Grant income	14,075	33,586	17,322	-	31,397	33,586
Grant expense	(6,348)	(33,863)	(16,985)	(338)	(23,333)	(34,201)
Other Expense	(3,019)	(4,329)	(1,651)	(923)	(4,670)	(5,252)
Appropriations to the Mayor and Council of New Castle						
Ordinary	(117,985)	(104,859)	(543,701)	(568,494)	(661,687)	(673,353)
City services	(26,131)	(25,917)	-	-	(26,131)	(25,917)
Special	(8,924)	(560)	(25,247)	(5,442)	(34,171)	(6,002)
Realized Gain/(Loss) on Sale of Investments	3,669	(2,277)	20,790	(12,901)	24,459	(15,178)
Unrealized Gains/(Losses) on Investments	840	4,025	4,759	22,810	5,599	26,835
TOTAL NONOPERATING EXPENSES	(137,138)	(134,104)	(505,682)	(516,554)	(642,820)	(650,658)
CAPITAL CONTRIBUTIONS						
Private developer contributions	39,929	-	-	-	39,929	-
CHANGE IN NET POSITION	\$ 15,823	\$ (34,530)	\$ 730,633	\$ 644,137	\$ 746,456	\$ 609,607

MUNICIPAL SERVICES COMMISSION
(A Component Unit of the City of New Castle)
COMBINING SCHEDULES OF OPERATING EXPENSES BY DEPARTMENT
FOR THE YEARS ENDING MARCH 31, 2021 AND 2020

	Water Department		Electric Department		Total	
	2021	2020	2021	2020	2021	2020
OPERATING EXPENSES:						
Clothing allowance	\$ 3,550	\$ 4,565	\$ 9,083	\$ 8,441	\$ 12,633	\$ 12,996
Computer expense	16,047	12,786	14,449	11,380	30,496	24,166
Depreciation:						
Plant and equipment	397,813	397,960	210,959	203,178	608,772	601,138
Trucks and autos	21,801	23,158	78,607	74,442	100,408	97,600
Employee benefits	121,091	109,137	114,747	117,640	235,838	226,777
Engineering fees	-	-	458	483	-	-
Equipment rental	375	396	-	-	833	879
Insurance	53,965	43,498	16,663	37,978	70,628	81,476
Payroll taxes	45,346	40,519	41,357	42,136	86,703	82,665
Pension expense	56,576	144,864	51,114	151,147	107,690	296,011
Plant materials and supplies	6,407	3,691	7,818	6,262	14,225	14,225
Repairs and maintenance:						
Buildings and grounds	6,750	9,712	3,356	6,086	10,106	15,798
Hydrants, mains, and valves	12,855	15,539	-	-	12,855	15,539
Lines and poles	-	-	30,620	13,264	30,620	13,264
Meters and services	11,340	4,071	2,761	-	14,101	4,071
Pumping stations	26,508	26,031	-	-	26,508	26,031
Storm Damage	-	-	37	199	37	199
Street lights	-	-	6,954	5,177	6,954	5,177
Substations	-	-	3,737	2,799	3,737	2,789
System Maintenance	-	6,068	-	-	-	6,068
Salaries and wages	600,235	528,376	642,121	549,711	1,142,356	1,078,087
Safety expense	2,827	578	4,050	1,568	6,877	2,146
Sampling and testing	10,155	6,793	12,580	10,463	22,735	17,256
Security	456	-	1,066	1,715	1,522	1,715
Seminars/Training	3,414	2,270	2,727	3,818	6,141	6,088
Tools & Equip Supplies	14,067	16,383	10,112	21,004	24,179	37,387
Truck expense	8,820	8,449	6,022	15,182	14,842	23,631
Utilities	26,272	29,027	9,591	9,867	35,863	38,894
Water Treatment Supplies	12,627	14,680	-	-	12,627	14,680
TOTAL OPERATING EXPENSES	\$ 1,459,297	\$ 1,448,541	\$ 1,180,989	\$ 1,293,950	\$ 2,640,286	\$ 2,742,491

MUNICIPAL SERVICES COMMISSION
(A Component Unit of the City of New Castle)
COMBINING SCHEDULES OF GENERAL AND ADMINISTRATIVE EXPENSES BY DEPARTMENT
FOR THE YEARS ENDING MARCH 31, 2021 AND 2020

	Water Department		Electric Department		Total	
	2021	2020	2021	2020	2021	2020
GENERAL AND ADMINISTRATIVE EXPENSES:						
Administrative	\$ 30,998	\$ 23,682	60,336	35,522	91,334	\$ 59,204
Bad debts	410	1,674	8,253	13,693	8,663	15,367
Computer expense	19,918	20,654	24,345	25,243	44,263	45,897
Depreciation - furniture and fixtures	17,052	17,052	27,691	29,336	44,743	46,388
Dues and subscriptions	3,684	3,732	2,038	2,263	5,722	5,995
Employee benefits	34,359	36,544	52,068	54,694	86,427	91,238
Insurance	15,366	15,014	17,164	16,662	32,530	31,676
Office salaries	206,273	199,889	351,619	344,477	557,892	544,366
Office supplies	15,774	20,725	23,208	30,184	38,982	50,909
Payroll taxes	15,585	15,248	26,781	26,275	42,366	41,523
Pension expense	18,259	39,304	33,985	93,575	52,244	132,879
Professional fees	16,167	19,183	19,618	24,003	35,785	43,186
Repairs and maintenance - equipment/building/grounds	7,080	6,771	8,653	8,276	15,733	15,047
Security system	-	2,144	2,980	2,620	5,419	4,764
Telephone	7,663	7,115	9,367	8,697	17,030	15,812
Training - administrative	2,558	3,420	3,127	4,180	5,685	7,600
Utilities and other expenses	1,416	1,333	1,730	1,530	3,146	2,963
TOTAL GENERAL AND ADMINISTRATIVE EXPENSE	\$ 415,001	\$ 433,484	\$ 672,963	\$ 721,330	\$ 1,087,964	\$ 1,154,814

ELECTRIC DEPARTMENT COMMISSION REPORT

May 20, 2021

Prepared by Scott Blomquist on May 12, 2021

1. **Developer Projects:**

a. **90 Lukens Dr:**

- I. Manager Blomquist met with Greggo and Ferrara and their electrical contractor onsite. We discussed the need to move the current private primary electric feed to Probation and Parole. The conduit and wire currently run under the footprint of the future building. They asked the MSC to provide costs for two separate shutdowns. These costs were prepared and provided.

b. **Riverbend Subdivision:**

- I. There has been no contact regarding this project over the last month.

2. **Capital Projects:**

a. **Van Dyke Village:**

- I. The Electric Department has started back on this project. Conduits have been run to the intersection of 14th St and Moores Lane. The crew is currently working on installing conduits to the customer's service location and repairing roads, sidewalks, and driveways.
- II. The plan is to install conduit this year as long as weather permits and come back in the winter months and do the conversion. This will allow less downtime over the winter.

b. **Delaware Street:**

- I. Comcast assigned construction to Urban Cable to complete the last two locations.
- II. Verizon has not transferred the last location to the new underground

c. **System Undergrounding plan:**

- I. There has been no conversation over the past month regarding this project.

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

ELECTRIC DEPARTMENT COMMISSION REPORT

May 20, 2021

Prepared by Scott Blomquist on May 12, 2021

d. EV Chargers:

- I. Manager Blomquist prepared estimated costs for charger locations. For ease the fixed costs were determined so that we have a general understanding of this portion as it relates to the current locations being assessed. This would be for the transformer and electrical service. This cost is \$4,532.75 per location not per charger. The variable costs are the distance from the current electric source. The locations being assessed are the parking lot at Second St. and Chestnut St., the parking lot behind the Post Office, the parking lot at the Tennis Courts, the parking lot at the end of Third St., and the new parking lot on Third St that the Trustee's recently installed. The variable costs range from \$35 to \$428 per location and number of chargers. If the Commissioners want to see the break down for each site and the cost based on how many chargers are being assessed this can be provided

e. 6th St Traffic Light:

- I. There has been very little contact over the last month regarding this project. Per the May Council Meeting resolution 2021-15 the Council is allowing DelDOT time to study replacing the traffic light with a four way stop sign.

3. Capital Purchases:

- I. There have been no capital purchases over the last month.

4. Operations:

a. Outages :

- I. There have been no outages over the last month
- II. 5/01/2020 – 5/01/2021

SAIDI (minutes)	SAIFI (number of interruptions)	CAIDI (minutes)	ASAI (percent)
50.2	0.44	112	99.99

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

ELECTRIC DEPARTMENT COMMISSION REPORT

May 20, 2021

Prepared by Scott Blomquist on May 12, 2021

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. Delmarva Power needed an outage on this site to perform maintenance in their New Castle Substation. The outage was from 5/10 to 5/12.
- II. The Electric Department performed the monthly inspection at this location.

b. Dobbinsville Substation:

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

c. System:

- I. There is nothing to update at this time.

6. Safety:

- I. Daily tailgate sections are performed each morning.

7. Training:

- I. There has been no training over the last month.

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

ELECTRIC DEPARTMENT COMMISSION REPORT

May 20, 2021

Prepared by Scott Blomquist on May 12, 2021

8. PJM GATS:

- I. There have been no changes to the amount of SREC's approved by PJM. Manger Blomquist reached out to PJM via email with no response. Manager Blomquist continues to update the PJM Gats system with new meter reads each month.

9. New Employee:

- I. The MSC hired Mark Davis to fill the vacant EUSP-1 position. Mark started on May 10th.

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

May 20, 2021

Prepared By: Jay Guyer on May 13, 2021

1. Developer Projects

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

1. WUM Guyer is waiting on draft plans from Century Engineering to be submitted.

B. Delaware Street Repaving – City Project

1. The City has delayed final paving of Delaware Street until Spring 2021.

C. 6th and Delaware Street Traffic Light Replacement

1. WUM Guyer and EUM Blomquist met with City Administrator Barthel, Building Official Bergstrom, and Del DOT Representatives on site to mark out and document the final locations of all proposed signal equipment. Minutes were received and reviewed. At their May 11th meeting, City Council introduced a Resolution to re-visit the option of Del DOT completing its' study of installing a 4 way stop sign. Paving of the intersection from the previously completed water main work will need to be considered if the traffic signal installation does not get completed.

D. Delmarva Power 5 Year Gas Plan

1. WUM Guyer continues evaluating the Delmarva Power 5 Year Gas Plan for opportunities to coordinate water main cleaning / lining or replacement projects and is developing estimated costs for the options for review and discussion with a focus on Phase 2 of the plans.

E. Riverbend Subdivision

1. WUM Guyer received notification from Rail Pros that submissions for the water and electric utility crossings under the railroad were submitted. WUM Guyer contacted Ron Sutton of Civil Engineering Associates who confirmed he was starting the water and electric plan submission process with Rail Pros.

2. MSC Projects

A. Advanced Metering Infrastructure – American Municipal Power (AMP)

1. WUM Guyer has nothing to update on this project.

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

May 20, 2021

Prepared By: Jay Guyer on May 13, 2021

B. Cross Connection Control Program

1. WUM Guyer is working on revisions to our CCC Manual to make sure it aligns with the new regulations and to clarify testing requirements. WUM Guyer and WUS Jaeger participated in a conference call with local water utility providers Tidewater, Suez, Artesian, and City of Dover to discuss the new regulations and each utilities plan for implementing their program. WUM Guyer scheduled a meeting with Delaware Rural Water Association and Hydro Corp Representatives to discuss how their program works.

C. PFAS Sampling - Vessel 2 Carbon Consumption

1. PFAS Sampling was completed on April 14th and the results indicated the carbon in Lead Vessel 2 is continuing to be consumed with minimum break through into Lag Vessel 1. The next sampling is scheduled for May 12th with testing being performed at the Center for PFAS Solutions Lab on Quigley Boulevard. WUM Guyer and WUS Jaeger discussed carbon reactivation options with our CCC representative including performance, cost savings, and timing. WUM Guyer and WUS Jaeger will review the regeneration options and make a recommendation. WUM Guyer and WUS Jaeger will evaluate the May 12th sample results when received.

D. New Castle Little League Baseball Field – Water Service Upgrade

1. WUM Guyer was notified by Trustee Tom Episcopo they approved funding for the 2nd water service upgrade project for the NC Little League Fields. Parts and materials for the project have been ordered and are anticipated to be delivered in 3 to 4 weeks. Installation will be scheduled for late July when Little League Season ends.

E. Penn Farm House Renovation – Trustees

1. WUM Guyer received plans from Nowland Associates for the proposed Penn farm house renovations. WUM Guyer and WUS Jaeger will review the plans, develop costs for the water service work, and respond to their inquiry for information following MSC's established practice.

F. Van Dyke Village – Undergrounding Electric System

1. Water Operators continue working with the Electric crew on the Van Dyke underground electric project. 3-4 Operators are assisting with test excavations, trenching, conduit installation, backfill, restoration, concrete, and clean up.

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

May 20, 2021

Prepared By: Jay Guyer on May 13, 2021

G. School Lane Well - VFD Drive

1. WUM Guyer is reviewing and finalizing the specs on the School Lane Well Motor Variable Frequency Drive (VFD) with United Electric. Keystone Engineering confirmed their quote for the SCADA Programming portion of the project was still valid and is prepared to start when authorized.

H. Frenchtown Road Well – VFD Drive

1. WUM Guyer is reviewing and finalizing the specs on the Frenchtown Road Well Motor Variable Frequency Drive (VFD) with United Electric. Keystone Engineering confirmed their quote for the SCADA Programming portion of the project was still valid and is prepared to start when authorized.

3. Operations

A. Outages

1. There were no planned or unplanned water outages for the month of April 2021.

B. Reporting

1. ATSDR PFAS Testing in New Castle County – WUM Guyer has nothing to update on this item.
2. The Calgon Carbon Corporation (CCC) Pilot Study Test Skid Unit is collecting and transmitting daily data to CCC. The Unit is functioning as designed with no issues and MSC continues to collect bi-weekly PFAS samples. CCC will continue reviewing the test data as the PFAS compounds are starting to break through the resins and carbons being used in the study. Further evaluation and comparison of the results will be conducted as more data is collected.
3. WUM Guyer and WUS Jaeger started downloading and updating the data and verbiage for the 2021 Consumer Confidence Report (CCR). The report is part of the Newsletter and needs to be distributed to our customers and a copy to the Office of Drinking Water by July 1, 2021.
4. Delaware Legislature House of Representatives – House Bill 8 mandating the Department of Natural Resources and environmental Control and the Division of Public

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

May 20, 2021

Prepared By: Jay Guyer on May 13, 2021

Health to establish maximum contaminant levels (mcl) for specific contaminants including the PFAS compounds PFOA and PFOS has had 2 amendments to it. Final action on the Bill is pending.

5. Americas Water Infrastructure Act of 2018 – WUM Guyer and WUS Jaeger started working on the AWIA Risk and Resilience Assessment using the EPA Guidelines for Content to ensure our assessment meets the requirements. After completing Certification to the EPA we will start updating our Emergency Response Plan for certification. The R & R A certification is due to EPA by June 30, 2021 and the ERP certification is due to EPA by December 30, 2021. Recertification of R & R A is due to EPA every 5 years going forward.
6. WUM Guyer and WUS Jaeger met several times with the local Suez Tank Maintenance Program Representative to discuss the options of having a Managed Tank program. In this type of program, their crews handle all tank maintenance including painting for an annual fee. Suez is developing a proposal for their services for review and discussion.

C. System Repairs and Maintenance

1. Riverbend Subdivision – Flushed April 19th and May 6th to maintain Chlorine Residual.
2. Monthly Meter Reading – Completed on April 12th. Water Operators followed up on water check reads, missed reads, and replaced 1 water meter register and ERT.
3. Frenchtown Road Well Rehabilitation - WUM Guyer forwarded the absent bacteria test results to ODW requesting an Approval to Operate. Water Operators mobilized to the site completing installation of the new check valve and spool pipe with air relief valve to complete the tie in to existing pipe. The Approval was received and FTR Well was placed in service the first week of May running without issues.
4. Water Operators have continued with the curb box maintenance program and also using ESRI On-Line Maps to verify MSC Water Assets have been GPS located correctly.
5. Water Operators continue performing general water system maintenance including cutting the well head protected areas, trimming around system fire hydrants, performing monthly site/equipment inspections, and reviewing the long term cut list for discrepancies.

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

May 20, 2021

Prepared By: Jay Guyer on May 13, 2021

D. Grants and State Revolving Funds

1. Water Infrastructure Advisory Council (WIAC) Grants – RK&K continues working on a first draft of the prioritization model and will forward to WUM Guyer and WUS Jaeger for review and discussion when completed. RK&K Project Manager Bruce Jones forward a revised schedule illustrating Task 3, 4, and 5 being completed by June 18, 2021 then moving into Task 6 (Completed August 31, 2021) and Task 7 (Completed November 30, 2021).
2. WUM Guyer e-mailed SRF Program Administrator Sandi Spiegel requesting information on the EPA's Water Infrastructure and Finance Innovation Act (WIFIA) programs and how it ties into the States SRF loans and grants program and if there are any conflicts with possibly applying for both.

E. Capital and Operation & Maintenance Budgets

1. WUM Guyer reviewed the FYE 2022 Approved Capital Project Budget for Water and offers the following comments on the approved projects:

Delaware Street & 6th Street paving project will be re-evaluated as the City re-visits the option of a 4 way stop sign for the intersection. If the stop sign option is selected, WUM Guyer will discuss with City and Del DOT representatives their paving plans. Estimated paving cost is \$42,500.00.

F. Equipment

1. No equipment issues to report.

H. Personnel and Training

1. No personnel issues to report at this time.
2. WUM, WUS, and Water Operators have attended several training webinars in reference to water operations, treatment, and safety for continuing education hours to maintain their operator licenses.

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

May 20, 2021

Prepared By: Jay Guyer on May 13, 2021

I. Safety

1. MSC Water Operators and when requested 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.
2. Nothing to update on the Safety Committee. Scheduling of the next meeting is pending.

3. Local, State, and Federal Agencies

A. WSCC - Water Supply Coordinating Council

1. The next WSCC meeting is scheduled for May 27, 2021.
2. The Drought Advisory Guidelines Sub – Committee - The April 29th Meeting was cancelled to allow DGS additional time to research information for the Drought Advisory Guidelines. The next meeting is scheduled for April 29th.

B. WRA – Water Resource Agency

1. WUM Guyer will resume sending weekly pump data to Jerry Kauffman of U of D when requested.

C. DEWARN – Delaware Water/Wastewater Agency Response Network

1. The April 20th DEWARN Meeting went well. Elections were held, Rob Penman III of Suez is the Chair, Jay Guyer of MSC is the Vice Chair, and Mark Neimeister of Newark is the Secretary. Outgoing Chair Rob Penman Jr. will work to transition duties to the new chair. The group held a general discussion on WARN activities and how the Pandemic has affected utility operations.
2. The next DEWARN meeting is scheduled for June 2021.

D. Water Operator Advisory Council

1. The next meeting is scheduled for June 3, 2021.

E. WIAC - Water Infrastructure Advisory Council

1. The next meeting is scheduled for June 16, 2021.

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

May 20, 2021

Prepared By: Jay Guyer on May 13, 2021

F. Miss Utility of Delmarva Monthly Meeting

1. The next meeting is scheduled for May 20th via Zoom.

End of Report

Attachments: April 2021 Water Works Report
April 2021 Water Outage Tracking Sheet

MUNICIPAL SERVICES COMMISSION

CITY OF NEW CASTLE, DELAWARE 19720-0208

P.O. BOX 208

www.ncwcastlemsc.com

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

Monthly Water Works Report

April 1 - 30, 2021

Prepared By: Jay Guyer on May 13, 2021

Water Production	FT 300		Adjusted Finished		Gallons	
	Raw	Total Gallons	Total Gallons	Raw	Finished	Difference
Month	Year	2019	10,131,200	10,113,183	11,404,200	11,263,890
April	2020	11,404,200	11,263,890			
	Difference	1,273,000	1,150,707			-140,310
	Percentage Difference	11.2	10.2			Percentage Difference 1.2

NOTE: Artesian Water Company purchased 628,522 gallons of finished water from MSC on April 13, 2019. MSC 2019 Spring Hydrant Flushing was started on April 29. 2 days flushing totaled 656,815 gallons.

Well(s) in Operation	Basin Road	Frentchtown Road	School Lane	Cross Roads
Days Pumped			XXX	
			30	

Water Quality	MSC Average	Goal / Target Level	Range
Average Chlorine Residual	1.50 ppm	1.00 ppm	0.90 - 1.20 ppm
Average pH	6.8	7.6	7.4 - 7.8
Average Fluoride Residual	0.74 ppm	0.70 ppm	0.60 - 1.00 ppm

Note: The State of Delaware adopted revised Drinking Water Regulations for Fluoride. The Target Level is 0.70 ppm, the monthly average shall be between 0.60 ppm and 1.00 ppm, and 80% of the measurements shall be between 0.60 ppm and 1.00 ppm.

General Water System Report

Routine Bacteria Sampling
(Office of Drinking Water)

# Collected Results	# Absent Present
10	0
10	0

Miss Utility Locate Requests
(Water and Electric Locates)

# Received	# Completed	# of Damages
45	45	0

Building Permit Review
(Water Related Conflicts)

# Reviewed	# Approved	# Not Approved
33	33	0

MUNICIPAL SERVICES COMMISSION
CITY OF NEW CASTLE, DELAWARE 19720-0208
P.O. BOX 208

www.newcastlemsc.com

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

Monthly Water Outages / Interruptions Report

April 1 - 30, 2021

Prepared By: Jay Guyer on May 13, 2021

Planned Outage / Interruptions			No. of	Comments
Date	Approximate Duration Hours / Minutes	Location	Customers	

No Planned Outages or Interruptions for the Month of April 2021.

Unplanned Outage / Interruptions			No. of	Comments
Date	Approximate Duration Hours / Minutes	Location	Customers	

No Unplanned Outages or Interruptions for the Month of April 2021.