

Municipal Services Commission Monthly Meeting
December 20, 2022, 8:00 a.m.
216 Chestnut Street New Castle, Delaware

The meeting was called to order at 8:00 a.m. with Dr. Roy Sippel, President, presiding.

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

Staff in Attendance: Kendrick Natale, Comptroller
Jay Guyer, Manager, Water Utility
Artie Granger, Manager, Electric Utility

Dr. Sippel convened the meeting at 8:00 a.m. Roll call followed and a quorum to conduct business was declared.

Minutes

A motion was made by Mayor Quaranta to approve the Minutes of the November 17, 2022, regular session as amended. The motion was seconded by Commissioner Knox and unanimously passed.

A motion was made by Mayor Quaranta to approve the Minutes of the November 17, 2022, executive session. The motion was seconded by Commissioner Knox and unanimously passed. Mayor Quaranta abstained from voting.

Comptroller/Treasurer Report – Mr. Natale reporting

(See attached report)

Mr. Natale reported that it costs approximately \$1,500-\$2,000 per year to manage the Intermediate Bond Fund portion of the portfolio. Mr. Natalie opined that piece could be brought in-house. He recommended that the Commission wait to bring it in-house until the value of the portfolio has recovered to avoid having to report a loss. Mayor Quaranta stated he had no objection to Mr. Natalie's recommendation.

Mr. Natale reported the following as of November 30, 2022:

- Total Cash on Hand: \$2.9M
- Investment Portfolio: \$1.148M – Net gain of \$27,000 from prior month. Mr. Natale noted that the interest rate was raised again and there has been a slight decline in value over the last week. The Government Money Market Mutual Fund (GMMM) has an average maturity of 11 days, and MSC is picking up most of those increases faster on funds invested there. A 91 day Treasury Bill is trading at just over 4%, and at the end of November the GMMM was paying 3.73%.
- Unrestricted Cash on Hand: 104 days, which is down 3 days from prior month.
- Check Register Disbursements: Mr. Natale noted several disbursements:
 - \$5,435 – Compliance Environmental, Inc. for infrared testing at substations.
 - Multiple checks to Kendall Electric, Inc., was a processing error resulting in invoices getting paid with separate checks.

Municipal Services Commission Monthly Meeting
December 20, 2022, 8:00 a.m.
216 Chestnut Street New Castle, Delaware

Mayor Quaranta noted that there are several substantial amounts on the M&T One Card. Mr. Natale stated those entries are a combination of many vendors and explained the review process for purchases. Mr. Blomquist added that the M&T card is being used heavily to avoid writing checks and to take advantage of the 1.5%. During discussion it was noted that vendors are charged a fee to accept the M&T card and Mr. Natale explained that checks are still being written to vendors who want to recoup the fee. It was also noted that using the M&T card has significantly cut down on written checks and vendors are being paid faster.

Customer Service

- Service cuts are averaging about 20 per month, which is back to pre-pandemic numbers. Two households received an average of \$317 from the New Castle Cares Fund.

Electric Department

- User charges were unfavorable YTD (\$105,000). October sales decreased by approximately 1.6% (93,000 kWh) over the same period last year. Residential use is up slightly, but commercial use is down over all classifications. In response to a question from Mayor Quaranta, it was noted that electric kWh usage is higher in summer than in winter. Mr. Blomquist reviewed the DEMEC analysis, noting that MSC is in the top 3 in all categories, and is the lowest provider in residential and small commercial rates.
- Electric expenses have an unfavorable variance YTD (\$35,000). There is a favorable variance of \$28,000 for power supply costs, but that is offset by unfavorable variances in other categories related to timing differences.
- DEMEC paid off the Bond for the Dobbinsville Substation and the substation was transferred to MSC as an asset valued at approximately \$3.6M that will be depreciated over the next 10 years.

Water Department

- User charges are unfavorable YTD (\$22,000). Consumption was approximately the same as last year, and is slightly lower than the 5-year average.
- Water expenses have an unfavorable variance YTD (\$80,000) related to expenses budgeted to be capitalized for the Van Dyke project.

Electric Department Report – Mr. Granger reporting

(See attached report)

Developer Projects

- Riverbend Subdivision – The project is mostly built out and they will need to work on getting a feed to the substation. Mr. Granger spoke to the developer about having the feed come from Centerpoint Industrial Park, which is preferable.
- Potential New Customers – Mr. Granger has not heard any more on the new customer in Centerpoint Industrial Park.

Capital Projects

- Van Dyke Village – Most of the wire is pulled and they are working on making up connections and will do conversions shortly.

Municipal Services Commission Monthly Meeting
December 20, 2022, 8:00 a.m.
216 Chestnut Street New Castle, Delaware

Capital Purchases

- Utility Building – Most of the utilities are in the building and connected.

Operations

- Outages – There were no planned or unplanned outages for the month of November.

Repairs and Maintenance

- Dobbinsville Substation – Mr. Granger updated the Board regarding an issue with the Dobbinsville Substation, explaining that the engineer stated that the transformer must be tested before it can be re-energized. In response to a question from Commissioner Knox, Mr. Granger stated that the worst case scenario would be that MSC would need to replace the transformer.
- T-2 Bucket Truck – The motor of the Bucket Truck is bad. First State Fleet diagnosed the problem and Mr. Granger authorized them to replace the engine at a cost of approximately \$20,000.00.

Water Department Report – Mr. Guyer reporting
(See attached report)

Developer Projects

- Riverbend Subdivision – The Rail Pros agreement was reviewed, signed and returned. Freedom Development stated their desire to do water and electric through Centerpoint as soon as possible. A meeting will be planned in January 2023. Three water services were installed and are in compliance with MSC Standards.
- Sheriffs House Renovation – Market Street – The domestic and fire services have been installed.
- Colonial School District / William Penn High School and Wallace Wallin School – Greenman-Pedersen, Inc. (GPI) contacted Mr. Guyer regarding redoing water services for both schools. In response to a question from Mayor Quaranta, Mr. Guyer provided additional information about the lead testing process, noting that all lead testing will be completely redone by the State of Delaware. He added that testing at Wallace Wallin was collected after the summer break and before the system was fully flushed. MSC's responsibility is to incorporate testing of 25% of schools and daycares within the normal triennial testing and then test 25% of schools and daycares annually. MSC offered assistance to Harvest Christian Academy to instruct staff so they can do the testing.

MSC Projects

- Cross Connection Control Program – 3rd and final notices are being reviewed for non-compliant customers and they will be sent out in January.
- PFAS Sampling – Carbon Filtration System – Non-compliance PFAS sampling is being conducted monthly. MSC received the results of the November 10th testing. Results were slightly above the October readings. Compliance sampling was completed on December 1st and results are pending.
- Pole Building / MSC Utility Building – Operators are installing sheet metal and working to install utilities.

Operations

- Outages – There were no planned or unplanned outages for the month of November.

Municipal Services Commission Monthly Meeting
December 20, 2022, 8:00 a.m.
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Reporting

- Calgon Carbon – Representatives from the University of Delaware (UD) came in with STRIDE to tour the School Lane facility. UD will be working with STRIDE under a Grant to study PFAS treatment options.
- Pre-Apprenticeship Water Operators Course – The program began on November 28th with 12 students. The first field trip to Cross Roads was conducted on December 5th. Several students are repeats. One student has a full scholarship to college for engineering, and a few other students have interest in continuing their education in engineering as well.
- WIAC Drinking Water Cub-Committee – Mr. Jaeger attended the November 30th meeting. The Hewlett and Janvier project was approved to move on to the full WIAC meeting.
- House Bill 8 – They are waiting to see what the EPA will do with their Health Advisory Limits.
- EPA Revised Lead and Copper Rule Requirements – MSC worked with Harvest Christian Academy (HCA) on testing and 12 of the 14 results were non-detect or below the method of detection levels. Two results had levels: one was 2 parts per billion and one was 4 parts per billion. Both are well below the action level of 15 parts per billion. The data was shared with the school and the State Department of Health (DOH). The DOH is working with Dr. Williams at HCA to draft a notice to be sent to all students, teachers and parents.
- ERSI Lead and Copper Service Inventory Module – Mr. Guyer signed and returned the proposal to RK&K. MSC received a list of data fields they can begin collection on and Mr. Guyer is coordinating that with the AMI Program.
- December Newsletter – Mr. Guyer is gathering and organization information for the December Newsletter, which contains the annual financial statements. Mayor Quaranta asked if MSC provides guidance on water safety during cold weather to customers who may be away for an extended period of time. Mr. Guyer stated he would add information in the December Newsletter and on the Water Department tab of the MSC website. Mr. Guyer opined that approximately 12 customers request that water be turned off at the curb stop and have their homes winterized. During discussion it was noted that when the AMI program is completed some additional analytics can be performed and warnings sent directly to the customer.

System Repairs and Maintenance

- Riverbend Subdivision – Riverbend was flushed on November 18th to maintain chlorine residual.
- Monthly Meter Reading – Monthly meter reads were completed on November 14th. Mr. Guyer noted that in December another 100 meters failed. MSC is looking at options to begin installing meters.
- Tank Maintenance – The exterior of the Million Gallon Tank was completed. The tank has been filling for the last two weeks. Bacteria and VOC samples were taken and results are pending. Very positive feedback has been received from the public regarding the new paint scheme including the City branding.
- Artesian Interconnection – The interconnection at School Lane was flushed and bacteria tested. Results show everything is functional.

Grants & State Revolving Funds

Municipal Services Commission Monthly Meeting
December 20, 2022, 8:00 a.m.
216 Chestnut Street New Castle, Delaware

- WIAC Grants – MSC continues working on the Asset Management program. They are down to Tasks 6 and Test 7 and receipt of a draft to review is anticipated in January. The completion date is January 30th, which is 2 years under the approved completion date. Mr. Guyer stated that RK&K has asked to use the MSC model to do an abstract and make a presentation of the project at Conferences they attend. They stated it is the most in-depth asset management program they have done to date with the most data and it incorporates horizontal and vertical assets. Mr. Guyer stated he will need approval from the Commissioners.

Capital and Operation & Maintenance Budgets

- Messrs. Guyer and Jaeger are working on O & M Capital Budgets.

Personnel and Training

- Messrs. Guyer and Jaeger thanked the Commissioners and Secretary Blomquist for the employee recognition.

Safety

- MSC met with DFIT Representative Scott Stohrer to review the Safety Manual updates and reorganizing the safety committee.

Legal, State and Federal Agencies

- DEWARN – Delaware Water/Wastewater Agency Response Network – Mr. Guyer reported that the rail strike was avoided. They were reminded about the new Lead and Copper Rules and the ODW guidance documents. The next DRWA Conference is scheduled for February 22-23. The next regular meeting is tentatively scheduled for February 14, 2023.
- Water Operator Advisory Council – The December 1st meeting went well. Applications for licensing were reviewed and training courses were approved. The sub-committee is working on regulations.
- WIAC – Water Infrastructure Advisory Council – The full Council voted to approve the Hewlett and Janvier Water Project at the December 14th meeting. MSC representatives attended a meeting with Pennoni to continue working on engineering. It is hoped that final bid documents will be ready for publication in March 2023 with an early summer start date.

Managers were thanked and excused from the meeting.

Public Comments

Phil Gross – 1301 13th Street

- Mr. Gross asked if MSC had any liability relative to the schools' water. Mr. Blomquist noted that there is no liability to MSC.
- Mr. Gross suggested that MSC communicate a monthly or quarterly communication with important information.
- In response to a question from Mr. Gross, Mr. Blomquist explained how MSC evaluates the standard water fee charge. Mr. Natale explained the difference between Delmarva's and MSC's process in evaluating fees.
- Mr. Gross asked if a significant load would be placed on MSC if the Riveredge project proceeds. Mr. Blomquist stated that the developer has not provided any load data; however, in concept,

Municipal Services Commission Monthly Meeting
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MSC could handle the additional load. Mr. Blomquist noted that MSC inspects the work done by the developer's contractor.

- In response to a question from Mr. Gross, Mr. Blomquist explained that meters under the SRF loan will be installed by outside contractors and meters that MSC purchased will be installed by staff. The expectation is that all meters will be changed out within 1-2 months after installation begins.
- In response to a question from Mr. Gross, Mr. Blomquist stated that the bucket truck has less than 10,000 miles. It was noted that it is almost impossible to find someone to repair an engine today.

Miscellaneous

New Castle Courthouse – Mayor Quaranta received a request from Sarah Mullen to discuss billing/payments between MSC and the Historical and Cultural Affairs Division relative to the New Castle Courthouse. Mr. Natale explained the situation and how he communicated to Ms. Mullen.

Budget Discussion

The proposed Budget was reviewed by Mr. Natale and discussed by the Commissioners.

A motion was made by Mayor Quaranta to adjust the PCA in the January 2023 bill to .0082%. The motion was seconded by Mr. Knox and unanimously passed.

A motion was made by Mr. Knox to approve the Budget. The motion was seconded by Mayor Quaranta and unanimously passed.

Secretary's Report – Mr. Blomquist reporting

DEMEC – C Power did a presentation for the 2023 PJM Demand response programs. MSC only has one customer involved in the energy efficiency program.

The Holiday Lunch is Thursday, December 22nd at Firebirds starting at noon.

A motion to move to executive session was made by Commissioner Knox and seconded by Mayor Quaranta. The motion was unanimously passed and the meeting adjourned to executive session at 9:59 a.m.

The Commissioners returned to regular session at 10:14 a.m.

A motion to approve the One Time Union Inflationary Bonus with amendments as discussed in executive session was made by Commissioner Knox. The motion was seconded by Mayor Quaranta and unanimously passed.

A motion to approve the adjustments to the Non Union Pay Scale was made by Commissioner Knox. The motion was seconded by Mayor Quaranta and unanimously passed.

Next Regular Meeting

The Commissioners set the next monthly Board meeting to be Tuesday, January 24, 2023, at 8:00 a.m.

Municipal Services Commission Monthly Meeting
December 20, 2022, 8:00 a.m.
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Adjournment

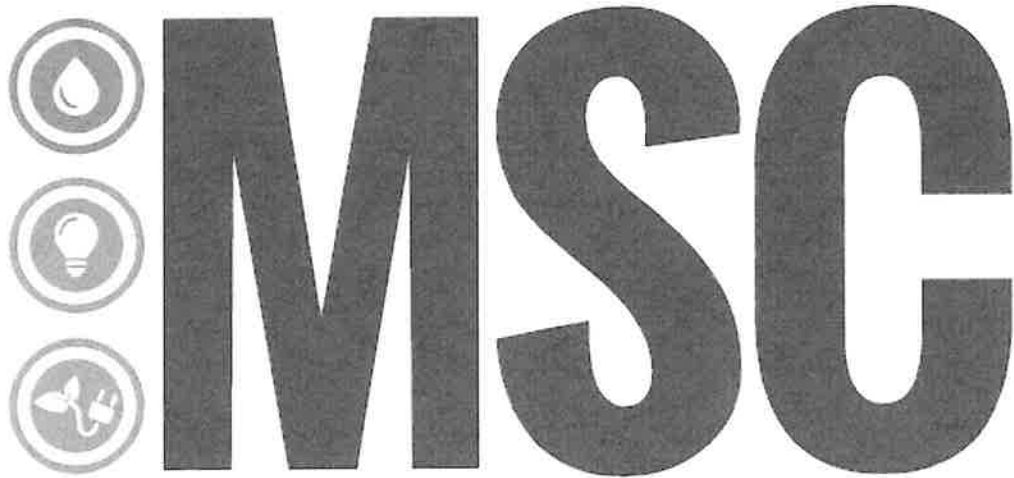
A motion to adjourn the meeting was made by Commissioner Knox and seconded by Mayor Quaranta. The motion received unanimous approval and the meeting was adjourned at 10:18 a.m.

Kathleen R. Weirich

Kathleen R. Weirich, Stenographer

Approved: *Scott Blongust*
(Minutes transcribed from notes.)

Comptroller/Treasurer's Report



**Municipal Services Commission
of the City of New Castle**

December 20, 2022 Commission Meeting
Prepared By: Ken Natale on December 12, 2022

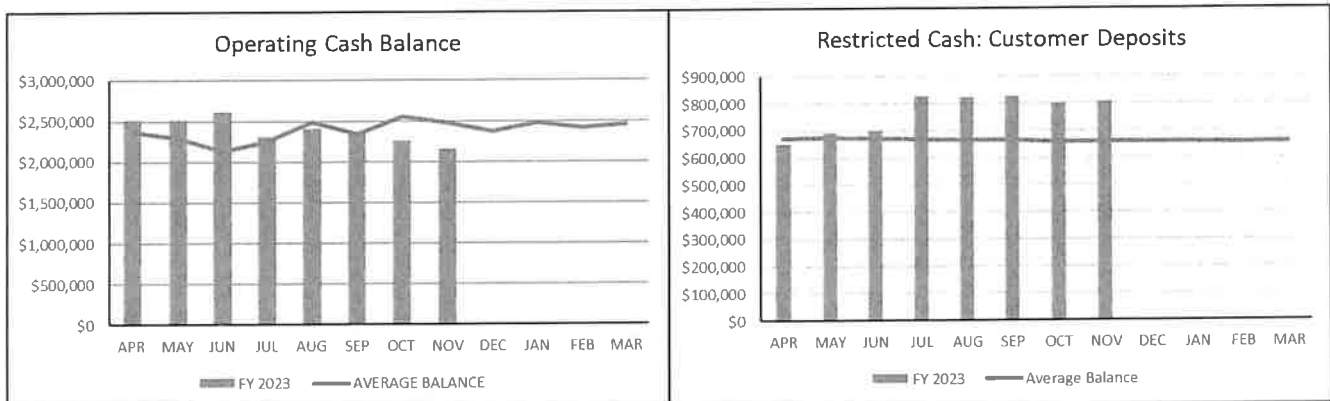
Contents

Cash & Investments	1
Check Register	3
Customer Service/Billing	4
New Castle Cares	4
Electric Revenues.....	5
Electric Expenses.....	5
Budget to Actual Comparison – Electric	6
Water Revenues.....	7
Water Expenses	7
Budget to Actual Comparison – Water	8
Statement of Net Position	9
Statement of Revenues, Expenses, and Changes in Net Position	10
Combining Balance Sheet by Fund	11
Combining Schedules of Revenues, Expenses, and Changes in Net Position by Fund	13
Capital & Projects Budget to Actual.....	15

Cash & Investments

As of November 30, 2022 the cash balances were:

M&T Bank Checking:	\$	402,016
M&T Investment Sweep:		1,752,713
M&T Bank MMA:		808,218
Petty Cash/Change Fund:		898
Total Cash on Hand:	\$	2,963,845



A condensed cash flow summary for November is provided below for the operating accounts:

Beginning Balance	\$	2,235,668
Cash from customers		865,205
Interest Income		2,598
Refunds to customers - deposits	(7,243)
Payments to suppliers for goods & services*	(822,678)
Bank service fees	(490)
Payments to employees for services	(118,331)
Net Cash Provided(Used)	(80,939)
Ending Cash Balance	\$	2,154,729

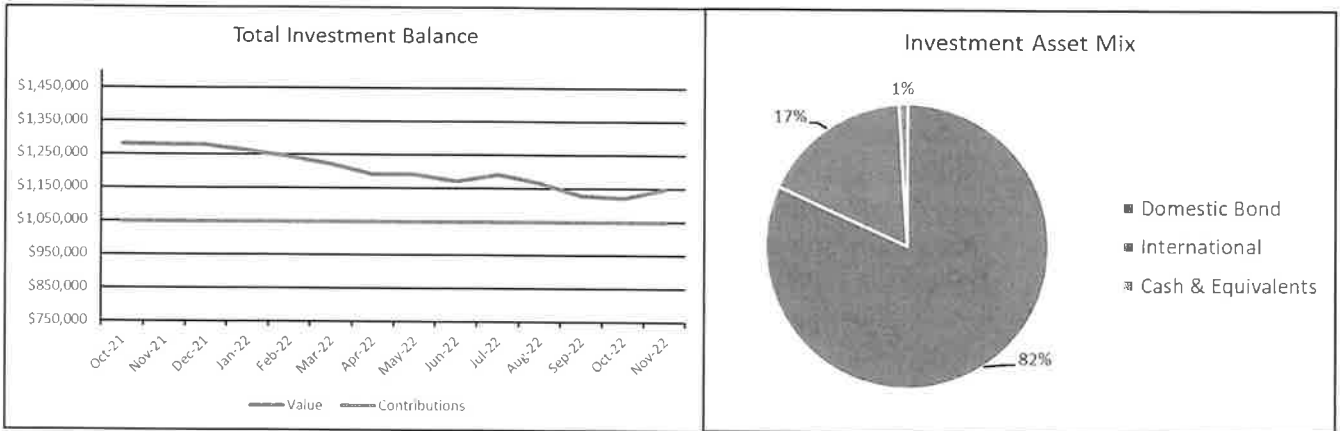
*A detailed check register for the month is available on page 3 of this report.

As of November 30, 2022 the value of the Commission's investment portfolio totaled \$1,148,280 which is a net gain of \$27,844 (2.4%) from the prior month. Fiscal year to date, the value of the investment portfolio is down 6.4%.

In October, a new investment account was opened with M&T Bank to invest idle cash in safe, stable and liquid instruments. A total of \$1,750,000 was transferred from the checking account into a Goldman Sachs Government Money Market Mutual Fund (FGTXX) which currently pays **3.73% interest** and has a stable net asset value of \$1.00.

There was 104 days unrestricted cash on hand at November 30 (-3 day from prior month) when including the value of the Commission's investment portfolio which is held in liquid assets (mutual and exchange traded funds).

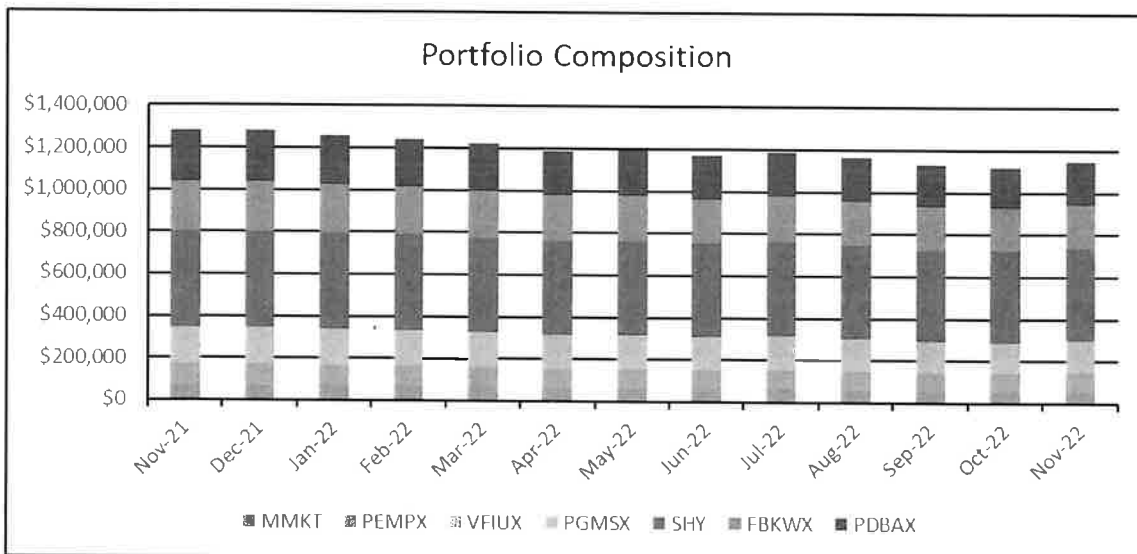
Comptroller/Treasurer's Report – December 20, 2022



The “domestic bond” category in the *Investment Asset Mix* chart above, includes US Government instruments and corporate bonds of US based organizations. The “international” category includes debt instruments of foreign governments as well as corporate bonds issued by foreign corporations.

The Commission’s investment portfolio was invested in the following securities:

Holdings	Symbol	Market Value	Est. Yield
Money Markets			
First Republic Bank NA – Insured		\$ 10,720	0.40%
Mutual Funds			
Fidelity Advisor Total Bond CL Z	FBKWX	208,677	3.23%
PGIM Total Return Bond CL A	PDBAX	201,662	3.77%
PIMCO Emerging Markets Bond I2	PEMPX	48,089	5.48%
T Rowe Price Global Multi Sector Bond I	PGMSX	151,640	3.74%
Vanguard Intermediate Term Treasury	VFIUX	88,937	3.84%
Exchange Traded Funds			
iShares Trust 1-3 Year Treasury Bond EFT	SHY	438,555	0.76%
Total		1,148,280	



Comptroller/Treasurer's Report – December 20, 2022

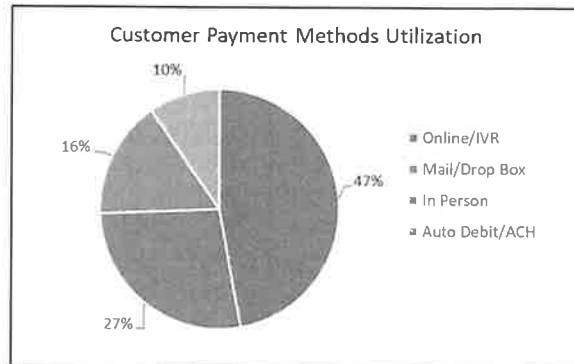
NOVEMBER 2022 CHECK REGISTER

Number	Date	Vendor Name	Amount
200634	11/10/2022	Anixter	\$ 481.98
200635	11/10/2022	Compliance Environmental Inc	5,435.00
200636	11/10/2022	Consult Dynamics Inc DCA Net	20.00
200637	11/10/2022	Delmarva Power	116.12
200638	11/10/2022	DEMEC Inc	1,056.38
200639	11/10/2022	Dover Plumbing Supply Co.	709.50
200640	11/10/2022	GE Grid Solutions LLC	1,773.16
200641	11/10/2022	Kathleen R Weirich	202.50
200642	11/10/2022	Keen Compressed Gas Co	36.00
200643	11/10/2022	Kendall Electric INC	338.17
200644	11/10/2022	Kendall Electric INC	6,028.12
200645	11/10/2022	Kendall Electric INC	493.63
200646	11/10/2022	Kendall Electric INC	14.70
200647	11/10/2022	Kendall Electric INC	168.85
200648	11/10/2022	Kendall Electric INC	1,487.68
200649	11/10/2022	Kendall Electric INC	14.07
200650	11/10/2022	New Castle County	618.59
200651	11/10/2022	New Castle County	20.25
200652	11/10/2022	Pennoni Associates Inc.	7,111.25
200653	11/10/2022	Security Instrument Corp.	296.85
200654	11/10/2022	Trans Union LLC	330.81
200655	11/10/2022	Tyler Technologies Inc.	250.00
200656	11/10/2022	United Electric Supply Co	742.73
200657	11/10/2022	Utility Engineers PC	880.00
200658	11/18/2022	Diamond Materials	886.20
200659	11/18/2022	Kathleen R Weirich	285.00
200660	11/18/2022	Keen Compressed Gas Co	165.28
200661	11/18/2022	Pitney Bowes Purchase Power	4,035.00
200662	11/18/2022	Rummel Klepper and Kahl LLP	7,687.50
200663	11/18/2022	United Electric Supply Co	2,285.36
DFT0001756	11/04/2022	PNC BANK	26.00
DFT0001783	11/10/2022	Maryland Child Support Account	184.62
DFT0001784	11/10/2022	Nationwide Retirement Sol	4,318.82
DFT0001787	11/10/2022	United States Treasury	17,313.93
DFT0001788	11/02/2022	OpenEdge	1,526.65
DFT0001806	11/02/2022	M&T ONE CARD	48,853.85
DFT0001807	11/03/2022	Nationwide Life Ins. Co. of America	19,513.25
DFT0001808	11/10/2022	DEMEC Inc	542,291.66
DFT0001809	11/14/2022	M&T ONE CARD	19,679.37
DFT0001810	11/15/2022	M&T ONE CARD	38,278.60
DFT0001811	11/17/2022	BRINKS CAPITAL	589.00
DFT0001814	11/23/2022	United States Treasury	8,853.28
DFT0001815	11/23/2022	Maryland Child Support Account	184.62
DFT0001816	11/23/2022	Nationwide Retirement Sol	4,350.23
DFT0001819	11/23/2022	United States Treasury	17,374.86
DFT0001820	11/21/2022	COMPTROLLER OF MARYLAND	669.40
DFT0001824	11/18/2022	M&T ONE CARD	21,987.36
DFT0001825	11/30/2022	Delaware Div. of Revenue	15,053.00
DFT0001826	11/30/2022	M&T ONE CARD	17,658.82
		TOTAL PAYMENTS	\$ 822,678.00

Customer Service/Billing

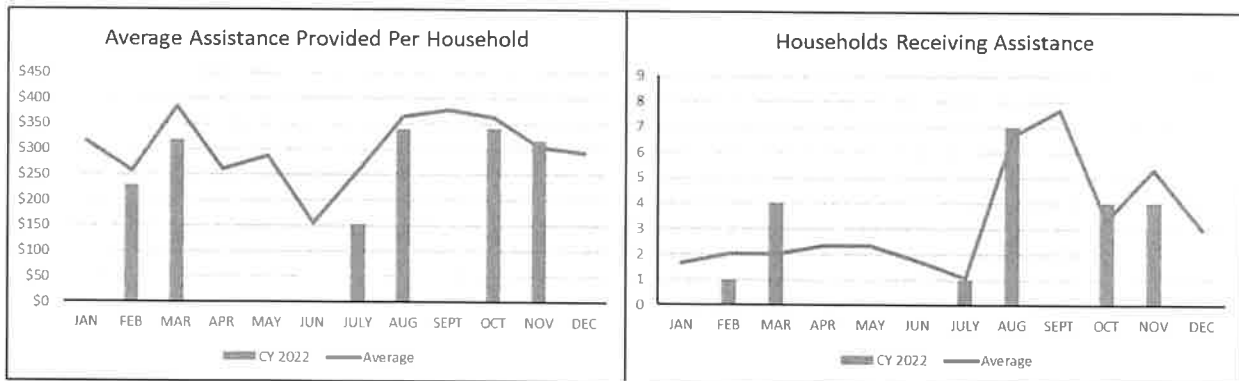
Since the previous meeting, the Customer Service Department processed:

Bills sent	3,211
Delinquent & past due notices	394
Automated phone notifications	268
Payment arrangements	76
Contracts	0
Service cuts – November	23
Accounts sent to collections	0
Electric bad debt write-offs	0.00
Applications for service	17



New Castle Cares

The Salvation Army oversees the New Castle Cares Fund which is funded by the Commission to assist households having trouble making their utility payments. During the month of November, the fund assisted two household(s) with an average of \$317. The maximum allowed by the program is \$400. The balance in the fund as of November 30 was \$6,998.



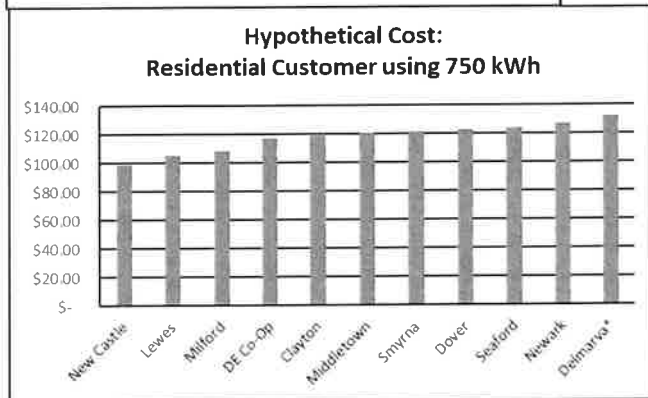
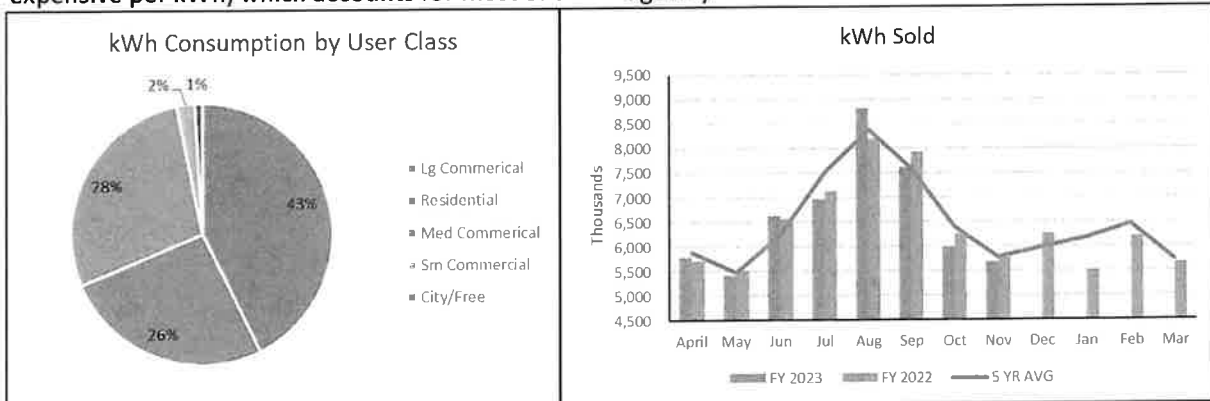
In addition to assistance provided through the New Castle Cares fund, seven customers received an average of \$400 from other agencies or nonprofits that provide assistance for utility bills.

Below is a condensed aging report for active customers as of December 12, 2022

Total	Current	30 Days	60 Days	90 Days	120 Days
\$201,011	\$193,221	\$6,039	\$742	\$1,009	\$0

Electric Revenues

User charges are unfavorable fiscal year to date (\$105,000). November sales decreased by approximately 1.6% (93,000 kWh) from the same period last year. Residential customers used 20,000 kWh more than the same period last year while all other classifications used less. Fiscal year to date, total billed electric consumption is in line with last year's consumption fiscal year to date (-0.03%). However, as has been noted previously, while total kWh sold is comparable, there has been a marked shift in the current fiscal year from residential consumption (most expensive per kWh) towards commercial consumption (less expensive per kWh) which accounts for most of the budgetary variance.



Each month, DEMEC provides a comparison of the cost of residential electric service. The analysis assumes a residential customer who uses 750 kWh per month. MSC's rate is 25% lower than Delmarva* and 15% lower than the co-op.

*Approximate. DP&L's transmission capacity charge is based on each individual's Peak Load Contribution (PLC) to the overall transmission load. Each customer has a unique PLC that changes every January.

Electric Expenses

Electric operating expenses have a year-to-date unfavorable variance (\$35,000). There is a favorable variance \$28,000 for power supply costs. This is offset unfavorable variances in other categories related to timing differences in how the budget was allocated for capitalized labor & equipment, and purchase of tools and supplies. These unfavorable variances are anticipated to be reduced/eliminated as the year progresses.

The DEMEC-Substation expense line shows a positive variance of \$112,000. In December, DEMEC will pay off the bond for the Dobbinsville Substation and the substation will be transferred to MSC as an asset valued at approximately \$3.6 million, to be depreciated over the remaining 10 years of the substation's estimated useful life. In the current year, DEMEC will have been paid \$561,000 which was budgeted. The variance showing on the budget to actual report is related to accounting entries that are required under the "regulatory accounting" standards used to account for the financing of the substation which enabled MSC to not report this financing as debt of the MSC due to Charter restrictions that were in effect at the time.

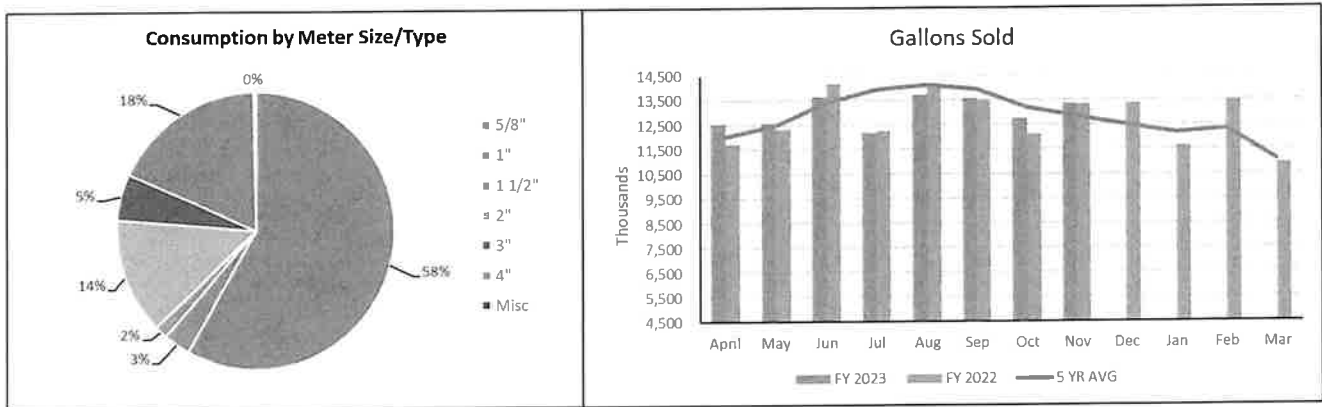
Comptroller/Treasurer's Report – December 20, 2022

**Municipal Services Commission
Budget to Actual Comparison – Electric
As of November 30, 2022**

	YTD Budget	YTD Activity	Variance	Total Budget
Operating Revenues				
User charges	6,330,405	6,225,887	(104,518)	9,149,590
City service charges	30,679	31,332	653	45,450
MSC service charges	24,629	24,906	277	42,500
Miscellaneous income	27,601	34,508	6,907	36,570
<i>Total Operating Revenues</i>	<u>6,413,314</u>	<u>6,316,633</u>	<u>(96,681)</u>	<u>9,274,110</u>
Less: Free Service	1,858	3,864	(2,006)	4,000
<i>Net Operating Revenues</i>	<u>6,411,456</u>	<u>6,312,769</u>	<u>(98,687)</u>	<u>9,270,110</u>
Operating Expenses				
Purchase of Power	4,313,600	4,285,538	28,062	6,400,000
DEMEC - Substation	423,096	311,357	111,739	561,271
<i>Operations</i>				
Salaries and benefits	476,954	495,128	(18,174)	742,650
Insurance	41,665	48,631	(6,966)	63,681
Utilities	5,685	5,245	440	11,700
Repairs and maintenance	(90,482)	26,838	(117,320)	(111,130)
Supplies and materials	41,592	52,803	(11,211)	71,399
Professional fees	28,917	29,522	(605)	50,000
Depreciation	194,922	234,821	(39,899)	292,500
<i>Operations total</i>	<u>699,253</u>	<u>892,988</u>	<u>(193,735)</u>	<u>1,120,800</u>
<i>General & administrative</i>				
Salaries and benefits	314,080	319,232	(5,152)	485,100
Insurance	14,129	19,313	(5,184)	21,400
Utilities	7,437	11,731	(4,294)	11,500
Repairs and maintenance	10,154	12,148	(1,994)	14,700
Supplies and materials	20,370	19,410	960	30,000
Professional fees	67,064	48,053	19,011	87,500
Misc	68,223	56,538	11,685	98,375
Depreciation	19,992	16,672	3,320	30,000
<i>Total general & administrative</i>	<u>521,449</u>	<u>503,097</u>	<u>18,352</u>	<u>778,575</u>
<i>Total operating expenses</i>	<u>5,957,398</u>	<u>5,992,980</u>	<u>(35,582)</u>	<u>8,860,646</u>
Operating income	<u>454,058</u>	<u>319,789</u>	<u>(134,269)</u>	<u>409,464</u>
Nonoperating revenue(expense)				
Investment income	13,696	19,984	6,288	20,000
Investment expense	(1,850)	(1,452)	398	(2,500)
Unrealized gain(loss) on investment	10,662	(75,894)	(86,556)	16,000
Realized gain(loss) on sale of asset	-	7,346	7,346	-
Grant income	-	-	-	-
Grant expense	-	(480)	(480)	-
Other Expense	-	(509)	(509)	-
Appropriations				
Mayor and Council	(360,000)	(355,259)	4,741	(540,000)
City Services	-	-	-	-
Special	-	(3,465)	(3,465)	-
Contributed Capital	-	-	-	-
<i>Total nonoperating revenue(expense)</i>	<u>(337,492)</u>	<u>(409,729)</u>	<u>(72,237)</u>	<u>(506,500)</u>
Change in Net Position	116,566	(89,940)	(206,506)	(97,036)

Water Revenues

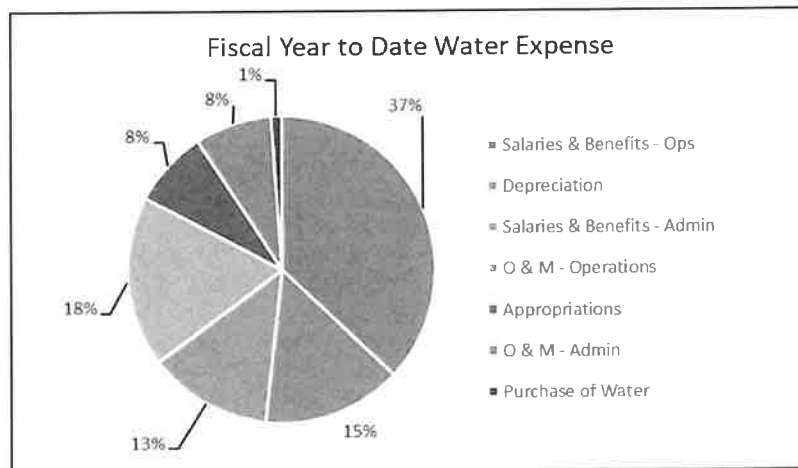
User charges are unfavorable fiscal year to date (\$22,000). Water consumption for the month was in line with the same period last fiscal year. Fiscal year to date, water consumption is in line with last year's consumption at this point (+0.75%), and 1.54% lower than the five-year average for the fiscal year to date. A good portion of the difference from the 5-year average (1.4 million gallons is related to a large customer who did a lot of irrigation in August of 2017 – 2019. After 2019, their consumption in the month of August has decreased to a negligible amount.



Water Expenses

Water expenses have an unfavorable year to date variance (\$80,000) which is related to timing differences in how the budget was allocated for capitalized labor and equipment, tank maintenance, and engineering fees for assistance with preparation of notices of intent which were filed with the State. These variances are expected to be reduced/eliminated as the year progresses. There is a large variance in salaries and benefits (\$49,000) due to delays in working on the Van Dyke electrical undergrounding project which would have seen those costs capitalized and removed from the expenses.

Water has an unfavorable variance in non-operating revenue (expense) of \$33,000. \$15,000 is related to unrealized losses on the Commission's investment portfolio which is invested in intermediate term bond funds, the value of which has been negatively impacted by interest rate increases. \$12,000 is related to appropriations to the City and Trustees being greater than anticipated at this point in the year.



Comptroller/Treasurer's Report – December 20, 2022

**Municipal Services Commission
Budget to Actual Comparison – Water
As of November 30, 2022**

	YTD Budget	YTD Activity	Variance	Total Budget
Operating Revenues				
User Charges	1,579,568	1,551,551	(28,017)	2,366,000
City Service Charges	17,326	23,695	6,369	26,000
MSC Service Charges	3,463	2,549	(914)	5,000
Miscellaneous Income	9,823	18,888	9,064	(138,861)
<i>Total Operating Revenues</i>	1,610,180	1,596,683	(13,498)	2,258,139
Less: Free Service	2,624	2,562	62	4,000
<i>Net Operating Revenues</i>	1,607,556	1,594,121	(13,436)	2,254,139
Operating Expenses				
Purchase of water	18,067	16,007	2,060	26,000
<i>Operations Dept</i>				
Salaries and benefits	494,079	543,224	(49,145)	779,862
Insurance	33,845	45,052	(11,207)	52,103
Utilities	17,427	14,193	3,234	26,895
Repairs and maintenance	45,018	127,537	(82,519)	117,752
Supplies and materials	59,241	48,742	10,499	106,327
Professional fees	36,300	28,117	8,183	55,214
Depreciation	221,511	204,232	17,279	332,400
<i>Total operations</i>	907,421	1,011,097	(103,676)	1,470,553
<i>General & administrative</i>				
Salaries and benefits	186,391	190,301	(3,910)	283,500
Insurance	11,524	15,802	(4,278)	17,500
Utilities	5,898	9,209	(3,311)	9,100
Repairs and maintenance	8,294	9,939	(1,645)	12,000
Supplies and materials	14,966	13,700	1,266	22,400
Professional fees	31,896	20,998	10,898	40,000
Miscellaneous	69,241	48,510	20,731	104,450
Depreciation	13,328	11,310	2,018	20,000
<i>Total general & administrative</i>	341,538	319,769	21,769	508,950
<i>Total operating expenses</i>	1,267,026	1,346,873	(79,847)	2,005,503
Operating Income	340,530	247,248	93,282	248,636
Nonoperating revenue(expense)				
Investment income	2,732	3,165	433	4,000
Investment expense	(370)	(256)	114	(500)
Unrealized gain(loss) on investment	1,933	(13,393)	(15,326)	2,900
Realized gain(loss) on sale of asset	-	(2,172)	(2,172)	-
Grant income	-	20,098	20,098	-
Grant expense	-	(20,098)	(20,098)	-
Other Expense	-	(2,951)	(2,951)	-
Appropriations				
Mayor and Council	(83,966)	(88,634)	(4,668)	(126,000)
City Services	(21,150)	(23,902)	(2,752)	(32,000)
Special	-	(5,271)	(5,271)	-
Contributed Capital	-	-	-	-
<i>Total nonoperating revenue(expense)</i>	(100,821)	(133,414)	(32,593)	(151,600)
Change in Net Position	239,709	113,834	(125,875)	97,036

Comptroller/Treasurer's Report – December 20, 2022

**Municipal Services Commission
Statement of Net Position
As of November 30, 2022 and 2021**

	<u>2023</u>	<u>2022</u>
ASSETS:		
Current assets:		
Cash and equivalents	\$ 2,155,627	\$ 2,626,403
Investments	1,148,280	1,279,153
Accounts receivable, net	1,389,447	754,616
Inventories	847,148	732,575
Prepays	183,330	191,962
Restricted cash	<u>808,218</u>	<u>656,476</u>
Total current assets	6,532,050	6,241,185
Noncurrent assets:		
Capital assets not being depreciated:		
Land	45,386	45,386
Construction in progress	906,463	1,624,317
Capital assets net of accumulated depreciation:		
Buildings	257,892	283,309
Equipment	715,510	759,082
Infrastructure	<u>10,841,564</u>	<u>9,686,662</u>
Total noncurrent assets	12,766,815	12,398,756
Total assets	<u>19,298,865</u>	<u>18,639,941</u>
DEFERRED OUTFLOWS OF RESOURCES		
Pension	319,164	164,836
Regulatory accounting - substation	<u>3,632,130</u>	<u>3,124,345</u>
Total deferred outflows	<u>3,951,294</u>	<u>3,289,181</u>
LIABILITIES		
Current liabilities:		
Accounts payable	1,523,612	654,571
Accrued liabilities	37,626	46,974
Customer Deposits	<u>954,868</u>	<u>661,516</u>
Total current liabilities	2,516,106	1,363,061
Noncurrent liabilities:		
Compensated absences	422,270	407,658
Net pension liability	<u>720,830</u>	<u>474,757</u>
Total noncurrent liabilities	1,143,100	882,415
Total liabilities	<u>3,659,206</u>	<u>2,245,476</u>
DEFERRED INFLOWS OF RESOURCES		
Pension	<u>472,843</u>	<u>659,474</u>
Total deferred inflows	<u>472,843</u>	<u>659,474</u>
NET POSITION		
Investment in capital assets	12,766,815	12,398,756
Unrestricted	<u>6,351,295</u>	<u>6,625,416</u>
Total net position	<u>\$ 19,118,110</u>	<u>\$ 19,024,172</u>

Comptroller/Treasurer's Report – December 20, 2022

Municipal Services Commission
Statement of Revenues, Expenses, and Changes in Net Position
As of November 30, 2022 and 2021

	2023	2022
Operating Revenues:		
Water sales	\$ 1,577,795	\$ 1,519,949
Power sales	6,282,125	6,275,905
Miscellaneous	53,396	33,563
Total operating revenues	7,913,316	7,829,417
Less: free service	(6,426)	(4,938)
Net operating revenues	7,906,890	7,824,479
 Purchase of water and power	 4,612,902	 4,335,470
Operating Expenses		
Salaries and benefits	1,547,886	1,369,532
Repairs and maintenance	232,057	(12,373)
Supplies	112,417	92,593
Utilities	40,378	34,236
Insurance	128,798	93,644
Professional fees	87,919	51,928
Administrative	110,460	107,674
Depreciation	467,036	432,981
Total operating expenses	2,726,951	2,170,215
Operating income (loss)	567,037	1,318,794
Nonoperating revenues (expenses):		
Net investment income	21,441	15,435
Realized gain (loss) on investments	-	(290)
Unrealized gain(loss) on investments	(89,287)	4,368
Gain (loss) on disposal of assets	5,174	-
Grant income	20,098	55,932
Grant Expense	(20,578)	(49,113)
Miscellaneous	(3,460)	1,784
Appropriations to Mayor & Council of New Castle		
Ordinary	(443,893)	(434,698)
City Services	(23,902)	(22,755)
Special	(8,736)	(9,345)
Total nonoperating revenues (expenses)	(543,143)	(438,682)
Income before capital contributions	23,894	880,112
Capital Contributions	-	-
Change in net position	23,894	880,112
Net position - beginning	19,094,216	18,144,060
Net position - ending	\$ 19,118,110	\$ 19,024,172

Comptroller/Treasurer's Report – December 20, 2022

**Municipal Services Commission
Combining Balance Sheet by Fund
As of November 30, 2022 and 2021**

	Water		Electric		Total
	2023	2022	2023	2022	
ASSETS:					
Current assets:					
Cash and equivalents	-	-	2,155,627	2,626,403	2,626,403
Investments	172,242	191,873	976,038	1,087,280	1,279,153
Accounts receivable, net	199,162	197,698	1,190,285	556,918	754,616
Inventories	187,104	102,668	660,044	629,907	732,575
Prepays	67,070	86,383	116,260	105,579	191,962
Restricted cash	-	-	808,218	656,476	656,476
Total current assets	625,578	578,622	5,906,472	5,662,563	6,241,185
Noncurrent assets:					
Capital assets not being depreciated:					
Land	45,386	45,386	-	-	45,386
Construction in progress	293,788	164,643	612,675	1,459,674	1,624,317
Capital assets net of accumulated depreciation:					
Buildings	119,664	131,238	138,228	152,071	283,309
Equipment	251,389	254,390	464,121	504,692	759,082
Infrastructure	7,038,510	7,187,223	3,803,054	2,499,439	9,686,662
Total noncurrent assets	7,748,737	7,782,880	5,018,078	4,615,876	12,398,756
DEFERRED OUTFLOWS OF RESOURCES					
Pension	143,624	74,176	175,540	90,660	164,836
Regulatory accounting - substation	-	-	3,632,130	3,124,345	3,124,345
Total deferred outflows	143,624	74,176	3,807,670	3,215,005	3,289,181

(Continued)

**Municipal Services Commission
Combining Balance Sheet by Fund
As of November 30, 2022 and 2021**

	Water		Electric		Total
	2023	2022	2023	2022	
LIABILITIES					
Current liabilities:					
Accounts payable	88,338	29,776	1,435,274	624,795	1,523,612
Accrued liabilities	16,932	21,138	20,694	25,836	37,626
Customer Deposits	59,978	-	894,890	661,516	954,868
Due to other funds	871,402	1,276,187	(871,402)	(1,276,187)	-
Total current liabilities	1,036,650	1,327,101	1,479,457	35,960	2,516,106
Noncurrent liabilities:					
Compensated absences	244,035	73,378	178,235	334,280	422,270
Net pension liability	324,373	213,641	396,457	261,116	720,830
Total noncurrent liabilities	568,408	287,019	574,692	595,396	1,143,100
DEFERRED INFLOWS OF RESOURCES					
Pension	212,779	296,763	260,064	362,711	472,843
Total deferred inflows	212,779	296,763	260,064	362,711	472,843
NET POSITION					
Investment in capital assets	7,748,737	7,782,880	5,018,078	4,615,876	12,766,815
Unrestricted	(1,048,635)	(1,258,085)	7,399,930	7,883,501	6,351,295
Total net position	6,700,102	6,524,795	12,418,008	12,499,377	19,118,110
					1,363,061
					407,658
					474,757
					882,415
					659,474
					659,474
					12,398,756
					6,625,416
					19,024,172

Municipal Services Commission
Combining Schedules of Revenues, Expenses, and Changes in Net Position by Fund
For the eight months ending November 30, 2022 and 2021

	Water		Electric		Total	
	2023	2022	2023	2022	2023	2022
Operating Revenues:						
Charges for services	\$ 1,577,795	\$ 1,519,949	\$ 6,282,125	\$ 6,275,905	\$ 7,859,920	\$ 7,795,854
Miscellaneous	18,888	11,875	34,508	21,688	53,396	33,563
Total operating revenues	1,596,683	1,531,824	6,316,633	6,297,593	7,913,316	7,829,417
Less: free service	(2,562)	(2,474)	(3,864)	(2,464)	(6,426)	(4,938)
Net operating revenues	1,594,121	1,529,350	6,312,769	6,295,129	7,906,890	7,824,479
Purchase of water and power	16,007	16,335	4,596,895	4,319,135	4,612,902	4,335,470
Operating Expenses						
Salaries and benefits	733,526	673,060	814,360	696,472	1,547,886	1,369,532
Repairs and maintenance	142,222	64,331	89,835	(76,704)	232,057	(12,373)
Supplies	60,543	38,893	51,874	53,700	112,417	92,593
Utilities	23,402	22,241	16,976	11,995	40,378	34,236
Insurance	60,854	42,140	67,944	51,504	128,798	93,644
Professional fees	41,637	22,358	46,282	29,570	87,919	51,928
Administrative	53,140	20,502	57,320	87,172	110,460	107,674
Depreciation	215,542	221,903	251,494	211,078	467,036	432,981
Total operating expenses	1,330,866	1,105,428	1,396,085	1,064,787	2,726,951	2,170,215
Operating income (loss)	247,248	407,587	319,789	911,207	567,037	1,318,794

(Continued)

Municipal Services Commission
Combining Schedules of Revenues, Expenses, and Changes in Net Position by Fund
For the eight months ending November 30, 2022 and 2021

	Water		Electric		Total
	2023	2022	2023	2022	
Nonoperating revenues (expenses):					
Net investment income	2,909	2,147	18,532	13,288	21,441
Realized gain (loss) on investments	-	(43)	-	(247)	-
Unrealized gain(loss) on investments	(13,393)	655	(75,894)	3,713	(89,287)
Gain (loss) on disposal of assets	(2,172)	-	7,346	-	5,174
Grant income	20,098	1,379	-	54,553	20,098
Grant Expense	(20,098)	(1,379)	(480)	(47,734)	(20,578)
Miscellaneous	(2,951)	(810)	(509)	2,594	(3,460)
Appropriations to Mayor & Council of New Castle					
Ordinary	(88,634)	(78,473)	(355,259)	(356,225)	(443,893)
City Services	(23,902)	(22,755)	-	-	(23,902)
Special	(5,271)	(977)	(3,465)	(8,368)	(8,736)
Total nonoperating revenues (expenses)	<u>(133,414)</u>	<u>(100,256)</u>	<u>(409,729)</u>	<u>(338,426)</u>	<u>(543,143)</u>
Income before capital contributions	113,834	307,331	(89,940)	572,781	23,894
Capital Contributions	-	-	-	-	-
Change in net position	113,834	307,331	(89,940)	572,781	23,894
Net position - beginning	6,586,268	6,217,464	12,507,948	11,926,596	19,094,216
Net position - ending	<u>\$ 6,700,102</u>	<u>\$ 6,524,795</u>	<u>\$12,418,008</u>	<u>\$12,499,377</u>	<u>\$19,118,110</u>
					<u>\$19,024,172</u>

Comptroller/Treasurer's Report – December 20, 2022

**Municipal Services Commission
Capital & Projects Budget to Actual
As of November 30, 2022**

Project	Total Approved Budget	Materials as of 11/30/2022	Remaining Budget as of 11/30/2022	Total Capitalized To Date (1)	Status
Vandyke Village Undergrounding	\$ 886,000.00	\$ 550,225.51	\$ 335,774.49	\$ 1,050,884	In Progress
AMI System - Electric	665,000	27,211	637,789	-	Not Started
Debt Principal Pymt - 6months DEMEC	30,000	6,356	23,644	-	In Progress
Dobbinsville Relay Replacement	85,000	-	85,000	-	Not Started
Stake Body Truck	90,000	82,116	7,885	-	In Progress
Overhead/Underground Fault Indicators	10,000	8,856	1,144	-	Awaing Intst
T-10 Replacement Ram 3500	-	88,933	(88,933)	-	Fabrication
WIAC AMP Grant - MSC Asset Management \$100,000 RK&K Engineering (approved 07-01-19)	100,000	71,505	28,495	-	In Progress
AMI System - Water	1,159,100	7,596	1,151,504	-	Awarded
Debt Principal Pymt - 6months SRLF	50,000	-	50,000	-	N/A
Delaware St & 6th Street Paving	42,500	-	42,500	-	CANCELLED
Delaware St 12" Main Ext & 10 St Xing approved 04/2021 \$42,500 + \$13,600 (increase) approved 04/2022	56,100	-	56,100	-	CANCELLED
Delaware Street RR Xing - Water Main Reloc approved 04/2021 \$37,500 + 12,000 (increase) approved 04/2022	49,500	-	49,500	-	CANCELLED
Structural Improvements to Water Tanks	100,000	118,307	(18,307)	-	Constructor
VFD Upgrades	44,000	-	44,000	-	Not Started
Toyota Pallet Lift	10,500	-	10,500	-	In Progress
T-8 Replacement	92,500	-	92,500	-	Cancelled
60'x120' Pole Building for storage					
Electric	203,500	164,574	38,926	-	Constructor
Water	166,500	134,651	31,849	-	Constructor
2 Way Radio Replacement					
Electric	8,250	7,829	421	-	Complete
Water	6,750	6,406	344	-	Complete

Comptroller/Treasurer's Report – December 20, 2022

**Municipal Services Commission
Capital & Projects Budget to Actual
As of November 30, 2022**

Project		Total Approved Budget	Materials as of 11/30/2022	Remaining Budget as of 11/30/2022	Total Capitalized To Date (1)	Status
Admin Confrence Room Furnishings						
	Electric	8,250	9,865	(1,615)	-	Complete
	Water	6,750	8,071	(1,321)	-	Complete
Phone System Replacement						
	Electric	8,250	914	7,336	-	In Progress
	Water	6,750	748	6,002	-	In Progress
Admin Copier/Folding Machine						
	Electric	16,500	11,987	4,513	11,987	Complete
	Water	13,500	9,807	3,693	9,807	Complete
Master Campus Plan/Admin Facility approved \$19,000 12/2019 + 2ND Phase \$15,000						
	Electric	18,700	19,505	(805)	-	In Progress
	Water	15,300	15,958	(658)	-	In Progress
Accounting Policies/Procedures manual						
	Electric	3,328	1,075	2,252	-	In Progress
	Water	2,723	880	1,843	-	In Progress
		\$ 3,955,250.00	\$ 1,353,376.01	\$ 2,601,873.99		

(1) Includes capitalized labor and equipment costs.

Special Appropriatons

City & Trustee Projects	Donated Labor & Equipment	Billable Material	Invoiced Date	Paid Date
Penn Farm Water	\$ 2,680.62	\$ 502.83	2/28/2022	7/5/2022
Penn Farm Water Domestic Pressure Pump	\$ 2,800.00	\$ 3,222.14	8/9/2022	12/2/2022
Penn Farm Invoice Reimburse Delaware Sol	\$ 1,155.00	\$ 215.90	9/16/2022	10/21/2022
Penn Farm Steet Lights	\$ 1,450.00	\$ 782.30	10/25/2022	11/3/2022

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

December 20, 2022

Prepared by: Jay Guyer on December 13, 2022

1. Developer Projects

A. Riverbend Subdivision

1. WUM Guyer reviewed the updated submission of the Railroad Water / Electric Crossing Agreement from Rail Pros, signed and returned. Water Operators completed field inspection of 3 water service installations which were in compliance with MSC standards. Completed / sold lots are being reconciled and unused escrow amounts will be refunded to the developer.

B. Sheriffs House Renovation – Market Street

1. Domestic and fire services have been installed into the building. Additional fittings were installed on the fire service that was approved by the Fire Protection Engineer. MSC Water Operators inspected the installation which was installed in general conformance with MSC specifications. The fire service was hydrostatically pressure tested at 150 psi for 2 hours and passed. Water samples from both the domestic and fire services were collected for bacteria testing which were absent.

C. Colonial School District – Wm Penn High and Wallace Wallin School

1. WUM Guyer was contacted by engineering firm Greenman-Pedersen, Inc. (GPI) in reference to the current water services supplying the facilities. GPI will be doing the water main design work for replacing the private mains and they were inquiring about MSC Standards and requirements for water main installation and options for service tapping locations.

2. MSC Projects

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

1. MSC continues receiving water meters and supplies for the installation.

B. Cross Connection Control Program – Hydro Corp's Proposal

1. WUM Guyer and WUS Jaeger received and are reviewing the revised list of customers that are non-compliant with testing/certifying their Backflow Prevention Devices. After review, Third/Final notices for non-compliance will be sent. WUS Jaeger has reached out to several customers, who have indicated that they are scheduling to have their backflow devices tested.

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

Water Department Commission Meeting Report

December 20, 2022

Prepared by: Jay Guyer on December 13, 2022

C. PFAS Sampling - Carbon Filtration System

1. Non-compliance PFAS Sampling of the carbon filtration system to determine carbon consumption was completed on November 10th. The results have not been received. WUM Guyer contacted Calgon Carbon in reference to timing for scheduling a carbon exchange in Vessel 1 and issued a PO with an anticipated delivery date of February or March 2023. WUM Guyer reached out to the State of Delaware DWSRF Program Administrator who is checking on Grant Options that may be available at this time to cover the exchange cost. The grant MSC received in 2021 was not funded for 2022.
2. Compliance PFAS sampling was completed on December 1st for reporting to the Office of Drinking Water. It will include sampling at the School Lane System Distribution Entry Point (DEP1), 100 Municipal Boulevard, and 220 Delaware Street. Results are pending.

D. Van Dyke UG Electric Project

1. Water Operators assisted the Electric crew with blacktop and concrete restoration, and site restoration of disturbed areas as needed.

E. Pole Building – MSC Utility Building

1. Water Operators and Linemen continue working on the new Pole Building installing utilities, installing metal sheeting on the ceiling, and installing plywood on the walls.

3. Operations

A. Outages

1. There were no planned and unplanned water outages for the month of November 2022. See attached outage report for details.

B. Reporting

1. The Calgon Carbon Corporation (CCC) Pilot Study Test is ongoing collecting and transmitting daily data to CCC. MSC collects monthly PFAS samples for evaluation and comparison to historic data collected. Dr. Pei Chiu from the University of Delaware, a UD intern and 3 representatives of STRIDE toured the School Lane Treatment Facility on November 22nd. They will be working with STRIDE under a State grant and were interested in the pilot study and our carbon filtration system.

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Water Department Commission Meeting Report

December 20, 2022

Prepared by: Jay Guyer on December 13, 2022

2. WUM Guyer and WUS Jaeger attended first class with the new Delaware Rural Water Association (DRWA) Apprenticeship Coordinator Lynn Tanner, Rick Duncan and representatives from Colonial School District on November 28th. MSC hosted the first walking fieldtrip to our Cross Roads Well on December 5th for the students.
3. WUS Jaeger attended the WIAC Drinking Water Sub-Committee Meeting on November 30th. Five SRF loan requests were discussed including the Hewlett Javier Water Main Replacement Project. WUS Jaeger answered several questions the Sub-Committee asked about the project. The Sub-Committee agreed to approve the project for presentation/approval at the WIAC meeting on December 14th. WUS Jaeger and representative from Pennoni Engineering will plan to participate in the meeting to answer any questions from council.
4. WUM Guyer continues following the US Environmental Protection Association proposal to add the East Basin Road Groundwater Site to the Superfund National Priorities List (NPL). WUM Guyer has nothing to update on this proposal.
5. House Bill 8 - Legislation directing the Division of Public Health (DPH) and the Department of Natural Resources and Environmental Control (DNREC) to establish a State Maximum Contaminant Level (MCL) for the PFAS contaminants PFOA and PFOS. The State is holding off moving forward until the EPA releases their revised Health Advisory Limits (HA's) at the beginning of the 2023. WUM Guyer has nothing to update on this legislation.
6. EPA Revised Lead and Copper Rule Requirements – On November 16th, MSC assisted the Harvest Christian Academy (HCA) School with collecting 14 water samples that were delivered to Suburban Testing Labs for lead testing. Sample results were received and forwarded to HCA and James Hanes from the State Department of Public Health. Results indicated that 12 of the samples were below the method of detection limit. The remaining two samples were 2 parts per billion (ppb) and 4 ppb, which are well below the action level of 15 ppb. Dr. Williams, Headmaster from Harvest Christian Academy, indicated that he would work with James Hanes to communicate the results to faculty and parents. WUM Guyer and WUS Jaeger will continue working to contact the Schools and Daycares in our service area to discuss their water services.
7. ESRI Lead and Copper Service Inventory Module – WUM Guyer reviewed, signed, and returned the RK & K Proposal for integrating MSC's mapping data into the ESRI Lead and Copper Service Line Inventory Module. Preliminary planning has started to identify MSC's data and assigning those values to field values in the new software.

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8. December Newsletter – Managers and Supervisors started gathering and organizing the information for generating the December Newsletter which contains our annual financial statements.

C. System Repairs and Maintenance

1. Riverbend Subdivision – Flushed on November 18th to maintain Chlorine Residual.
2. Monthly Meter Reading – Monthly meter reads were completed on November 14th. Operators handed out door hangers and will follow up on check and missed reads.
3. Tank Maintenance – The exterior of MGT has been cleaned, prepped, primed and painted. A new vent on the top of the tank and sample tap on the riser pipe were installed. MGT was disinfected and filling started. Bacteria and VOC samples will be collected after the tank is overflowed.
4. Artesian Interconnection – The interconnection at School Lane Treatment Facility was flushed and samples collected for bacteria testing. Sample results were negative and the interconnection operation was tested and confirmed to be functional. This is completed annually to ensure the system is available for use if needed.

D. Grants and State Revolving Funds

1. Water Infrastructure Advisory Council (WIAC) Grants – RK&K are working on Task 6 – Develop Asset Rehabilitation and Replacement Cost and Task 7 – Prepare Water Infrastructure Asset Management Plan. Condition and Criticality tools in the ArcPro Mapping System have helped with Task 6. Weekly meetings are scheduled through December. The completion goal has been moved to January 30th. RK&K is drafting for our review an Abstract for making several presentations at conferences in 2023. Commission Approval needed for this to move forward.

E. Capital and Operation & Maintenance Budgets

1. WUM Guyer and WUS Jaeger continue working on Draft O & M Budget and Capital Budget for FYE 2024. Managers and supervisors met for planning purposes.

F. Equipment

1. No equipment issues to report for the month of November 2022.

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G. Personnel and Training

1. No personnel issues to report at this time.
2. WUM Guyer and WUS Jaeger thank the Commissioners and GM Blomquist for the Employee Recognition and wish everyone a Safe and Happy Holiday Season and New Year.

H. Safety

1. MSC Water Operators hold daily morning Tailgate Talks discussing jobs/tasks to be performed each day with potential hazards and control measures.
2. MSC Managers and Supervisor met with our DFIT Representative Scott Stohrer to review our safety manual updates and reorganizing our safety committee.

3. Local, State, and Federal Agencies

A. WSCC - Water Supply Coordinating Council

1. The next meeting of the Northern New Castle County Water Providers has not been scheduled.

B. WRA – Water Resource Agency

1. WUM Guyer has stopped sending weekly pump data to the WRA Staff for demand tracking.

C. DEWARN – Delaware Water/Wastewater Agency Response Network

1. The December 13th meeting went well. The National bi-weekly chair meetings continue, the rail strike has been avoided, no Delaware Utilities are reporting any issues, Delaware PFAS MCL development remains on hold, reminded about new Lead and Copper Rule requirements / ODW guidance documents, annual DRWA Conference is scheduled for February 22nd and 23rd at State Fairgrounds in Harrington, no new DEWARN members, and reviewed the feasibility of creating asset list by Utility Members for reference when preparing for an emergency.

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Water Department Commission Meeting Report

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2. The next DEWARN meeting is tentatively scheduled for February 14, 2023.

D. Water Operator Advisory Council

1. The December 1st meeting went well. Council reviewed Water Operator License Applications and approved/denied based upon the regulations, approved the September 1st meeting minutes, reviewed and approved new training courses from Del Tech, Delaware Rural Water Association, American Water Works Association, and the US EPA. The Sub – Committee updated the council on its' progress reviewing the Operator Certification Regulations. Council discussed Sub-Category Endorsement Training for Small Systems, reviewed the option of using ABC Testing Services as an alternative to Del Tech Testing, and vacant Council seats that need to be filled.
2. The next Advisory Council meeting is scheduled for February 2, 2023.
3. The next meeting of the 5 person Advisory Council Sub - Committee tasked with review and update of the Water Operator Certification Regulations is pending.

E. WIAC - Water Infrastructure Advisory Council

1. The next WIAC meeting is scheduled for December 14, 2022. MSC Representatives and our Engineer from Pennoni plan to attend for presentation of our Hewlett and Janvier Avenue Water Main Replacement Project presentation.

End of Report

Attachments: November 2022 Water Works Report
November 2022 Water Outage Tracking Sheet

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Monthly Water Works Report
 November 1 - 30, 2022
 Prepared By: Jay Guyer on December 13, 2022

Water Production		FT 300		Gallons	
Month	Year	Raw Total Gallons	Adjusted Finished Total Gallons	Raw Finished	Difference
November	2021	12,588,600	12,418,344		
November	2022	11,423,800	11,276,703		
	Difference	-1,164,800	-1,141,641		
	Percentage Difference	-10.2	-10.1		1.3

Well(s) in Operation	Basin Road Reserve Status	Frenchtown Road Reserve Status	School Lane	Cross Roads
Days Pumped		Resting	XXX	Resting
			30	

Water Quality	MSC Average	Goal / Target Level	Range
Average Chlorine Residual	1.39 ppm	1.00 ppm	0.90 - 1.20 ppm
Average pH	7.3	7.6	7.4 - 7.8
Average Fluoride Residual	0.89 ppm	0.70 ppm	0.60 - 1.00 ppm

General Water System Report
 Routine Bacteria Sampling
 (Office of Drinking Water)

# Collected	Absent	Present
10		
10		
0		

Miss Utility Locate Requests
 (Water and Electric Locates)

# Received	# Completed	# of Damages
68	68	0

Building Permit Review
 (Water Related Conflicts)

# Reviewed	# Approved	# Not Approved
36	36	0

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Monthly Water Outages / Interruptions Report

November 1 - 30, 2022

Prepared By: Jay Guyer on December 13, 2022

Planned Outage / Interruptions

Date	Approximate Duration Hours / Minutes	Location	No. of Customers	Comments
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No Planned Outages or Interruptions for the Month of November 2022.

Unplanned Outage / Interruptions

Date	Approximate Duration Hours / Minutes	Location	No. of Customers	Comments
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No Unplanned Outages or Interruptions for the Month of November 2022.

ELECTRIC DEPARTMENT COMMISSION REPORT

December 20, 2022

Prepared by Artie Granger on December 13, 2022

1. Developer Projects:

A. Riverbend Subdivision:

- I. MSC continues to work with the builder to turn on electric to houses as requested.
- II. MSC has reminded the builder that they have just about reached the capacity of the temporary service.
- III. MSC has had limited conversation with the developer about installing a feed from either the substation or Centerpoint Industrial Park. At this time it seems like they are wanting to bring the feed from Centerpoint Industrial Park.

B. Potential New Customers

- I. New customer in Centerpoint Industrial Park. There has been no new information about this customer.
- II. New customer in Riveredge Industrial Park. There has been no new information about this customer.

2. Capital Projects:

a) Van Dyke Village:

- a. MSC is working on pulling all wire for this phase. At this time most of the house service wires have been pulled to the meter location. MSC is beginning to pull the primary and larger feeds. MSC hopes to have this complete this week.

b) Grant Opportunities:

- a. Baker Tilley notified MSC that there is no significant changes until the second quarter of 2023.

3. Capital Purchases:

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ELECTRIC DEPARTMENT COMMISSION REPORT

December 20, 2022

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I. **MSC Utility Building**

1. MSC has completed installation of the utilities to the new building. Water and electric has been connected. The gas line has been ran and will need connected.
2. MSC has received most of the building lighting and will begin installation as time allows.
3. MSC will continue to work on building as time allows.

4. **Operations:**

a. **Budgets**

- I. MSC has begun to start working on FY 23/24 operations and capital budgets.

b. **Outages :**

- I. There were no outages this month.

SAIDI (minutes)	SAIFI (number of interruptions)	CAIDI (minutes)	ASAI (percent)
49.598	1.531	32.401	99.9905%

II. 12/1/21 – 12/1/22

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:**

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ELECTRIC DEPARTMENT COMMISSION REPORT

December 20, 2022

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A. Wilmington Road Substation:

- I. The electric department has performed the monthly inspections at this location.

B. Dobbinsville Substation:

- I. The electric department has performed the monthly inspections at this location.
- II. MSC schedule the replacement of the bushing that needed to be replaced.
- III. MSC scheduled our engineers (Utility Engineering), our testing company (Cable Testing Inc.) to be on site to assist with the replacement.
- IV. MSC worked with the direction of Utility Engineering and the bushing was replaced. The bushing was tested and the test results were good.
- V. MSC went to re-energize the transformer and the 138kv circuit switcher tripped out on transformer differential. This is a relay protection scheme to protect the transformer.
- VI. At this time our engineers have recommended bringing the transformer manufacture to verify the integrity of the transformer. While discussing with them we are getting the transformer tested and we will send results to the manufacture. Then we will determine the next steps.

6. T-2 Bucket Truck

- I. T-2 MSC's small bucket truck has been having problems. This has been going on for a bit. It has had a problem with consuming engine oil. This caused the turbo to go out. This was replaced. Shortly after we got it back it started having additional problems. The diagnosis is that the engine needs replaced. After much discussion it was decided to go ahead with the replacement engine. This is expected to cost around \$19,000.00