

Municipal Services Commission Monthly Meeting
November 17, 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

Absent: Artie Granger, Manager, Electric Utility

Also in Attendance: Joseph F Bonasera, President, Summit Financial
Trish Gildea, Senior Financial Officer, Summit Financial

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

HUB International Investment Review – See attached Report

Mr. Bonasera began the Investment Review with a recap of the May and October 2021 recommendations that were implemented.

Proposed Changes May 2022

- Increase exposure to Western Asset Management and Vanguard Total Bond Market Index from 0% to 5% each.
- Reduce PIMCO Real Return from 5% to 0%.
- Reduce Guaranteed Fund by 5% to 20%.
- Commodity Exposure from 0% to 2%.

Mr. Bonasera explained the current Investment Policy 2022-2023, and recommended that the Investment Policy remain the same. He explained that AMCAP shows up as a Watch List holding; however, Morningstar gives AMCAP their highest Gold Rating. Mr. Bonasera added Morningstar commented that “the talent of the management team will show through on this fund”. Mr. Bonasera noted that there are eight experienced managers, each managing a sleeve of the portfolio; and six of them have over \$1M of their own money invested and two have over \$.5M of their own money invested.

Recommendation: Retain the allocation.

- Total Assets at December 31, 2021, were \$4.1M. Returns in 2021 were mostly positive.
- Total Assets January 1, 2022 through October 31, 2022 are \$3.4M.
- As of November 16, 2022, Total Assets are \$3,550,967.90. Overall, Total Assets are down 15.55%. Mr. Bonasera explained that this year bonds and stocks were highly correlated, and both have gone down. The average bond reduction is about 3%-4%, and this year there has been a 15% reduction driven by a very aggressive Fed raising rates quickly and at a high level.

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Mr. Bonasera reported that, with the exception of cash and commodities, performance is down in all class of assets year-to-date.

Mr. Bonasera reviewed the Investment Monitoring Process, the primary responsibilities of the Retirement Plan Committee, and the Quarterly Status Summary for the period ending June 30, 2022. Mr. Bonasera pointed out that AMCAP has four quarters below .250; however, they are seeing improvement and reiterated that AMCAP should remain on the watch list.

Recommendation: No change to any fund.

Mr. Bonasera reviewed the 3rd Quarter market and economy drivers, noting that it has been a challenging year with high inflation and rising interest rates. Additionally, there is fear of a recession and Mr. Bonasera stated that he feels there will be a recession some time in 2023. There are negative market returns in both stocks and bonds; and Mr. Bonasera opined that much of the uncertainty in the market is attributed to the geopolitical situation with Russia and the Ukraine.

Mr. Bonasera stated that over time the intra-year declines being seen now are cyclical and the market will recover.

Ms. Gildea began her presentation with a reminder of the Portfolio Objectives:

- Low volatility.
- Return in excess of inflation.
- Time Horizon short to intermediate: 1-5 years.

The Plan has performed relatively well during this challenging time; however, the return was not in excess of inflation.

Ms. Gildea reviewed the Allocation of Assets, the Credit Quality Breakdown, Performance Detail, and Estimated Income.

Two-thirds of the portfolio is AAA rated. The Market Value is \$1.1M. Ms. Gildea explained why the portfolio is down, noting that the overall rate of return (-6.98%) is much less than the aggregate index decline of -14% to -15%.

Recommendation: For near term – no change for another 1-2 months and make an off-cycle recommendation.

Comptroller/Treasurer Report – Mr. Natale reporting

(See attached report)

Mr. Natale reported the following as of October 31, 2022:

- Total Cash on Hand: \$3.0M
- A new Investment Account was opened with M&T Bank to invest idle cash in a stable, liquid instrument. Approximately \$1.7M was moved from the Investment Account to a Goldman Sachs Mutual Fund that is paying 2.41% interest and has stable net asset value of \$1.00. The average maturity of the portfolio is 11 days.

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- Investment Portfolio: \$1.12M – Net loss of \$8,535 (-0.8%) from prior month. Fiscal year to date, the value of the Investment Portfolio is down 8.3%.
- Unrestricted Cash on Hand: 107 days, which is down 4 days from prior month.
- Check Register Disbursements: Mr. Natale noted several disbursements:
 - \$166,459 – City of New Castle Allocation
 - \$26,580 – Strategic Insurance Partners
 - \$78,275 – Paragon Insurance Holding, Inc.

In response to a question from Mayor Quaranta, Mr. Natale noted that payments listed to M&T One Card on the check register are for the Purchasing Cards. There are multiple payments listed because the statement cycle is 14 days, and staff is finding there are more vendors than initially anticipated to accept the card, which has resulted in some off cycle payments on the card to be able to charge as much as possible to maximize the rebate.

Customer Service

- There were 24 service cuts in the month of October. The New Castle Cares Fund assisted four households for an average of \$341.00. The balance at the end of October in the Fund is \$7,600.00. Five additional customers received assistance from other Agencies for approximately \$360.00 in October.

Electric Department

- User charges were unfavorable (\$83,000). October sales decreased by approximately 4.2% (261,000 kWh) over the same period last year. Large commercial customers used 81,000 kWh over the same period last year and all other classifications used less.
- Electric expenses have an unfavorable variance YTD (\$83,000); of that there is a favorable variance of \$50,000 for power supply costs, but that is offset by other unfavorable variances in other categories related to timing issues.
- DEMEC will make a decision as to whether the additional 3.6% over the anticipated rate increase (6.5%) will be maintained or if it will increase. Mr. Natale suggested that MSC consider using the power cost adjustment (PCA) feature of the tariff. Mr. Blomquist noted that it appears for MSC it will be a 2.97% increase in wholesale. Mr. Blomquist recommended that the Commission consider what it would like to do if the PCA is long-term. Mr. Natale explained the benefit of doing a rate increase vs. the PCA. The Board discussed the timing of the PCA and a potential rate increase.

Water Department

- User charges are unfavorable YTD (\$24,000). Consumption was up 5.3% from the same period last year, and is in line with last year's consumption at this time.
- Water expenses have an unfavorable variance YTD (\$65,000) related to timing differences.

Questions on the Comptroller's Report

Mr. Natale explained Salaries and Benefits under Operating Expenses.

Mayor Quaranta suggested that the Board consider whether it is necessary for MSC to have an actively managed Fund, or if it could have a passively managed Fund. The Board discussed the merits of active vs passive management and what would be best for MSC. Mr. Natale will research management and

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costs and report back to the Board at the December meeting. Mr. Natale added that he is unsure if he would be comfortable managing the Pension side.

In response to a question from Commissioner Knox, Mr. Natale reported that the Audit Services were awarded as per motion and the Audit Partner will be contacting him this week.

Minutes

Mayor Quaranta noted that his question regarding Pension reserves was not clearly reflected in the October Minutes and asked Mr. Natale if he is comfortable with 84%. Mr. Natale stated that 84% is fair and will cover what current retirees are using, and funds are still being added to the Plan to grow. He added that no cost of living is built into the Plan.

A motion was made by Mayor Quaranta to approve the Minutes of the October 27, 2022, regular session as presented. The motion was seconded by Commissioner Knox and unanimously passed.

A motion was made by Commissioner Knox to approve the Minutes of the October 27, 2022, executive session. The motion was seconded by Mayor Quaranta and unanimously passed.

Electric Department Report – Mr. Blomquist reporting

(See attached report)

Developer Projects

- Riverbend Subdivision – They are working to get houses turned on as the contractor builds.

Capital Projects

- Van Dyke Village – They are pulling wire and will transfer customers throughout the winter.

Capital Purchases

- Utility Building – the garage door installer was in this week. MSC staff is actively working inside to get steel panels up and prepped for the wash bay.

Operations

- Outages – There was one outage in Van Dyke Village on the aerial section. Thirty-seven customers were without power for approximately two hours.

Personnel

- Four men attended a confined space class. Additional men will take the class at a later date.
- MSC is working on a plan for continuing certification classes. Mayor Quaranta noted that the Police Department is holding classes for Paramedics at the Police Station and suggested that MSC contact the S/Sgt. Richard Perillo.
- Messrs. Jaeger and Bennett attended a Smart Utility Summit this week.

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Water Department Report – Mr. Guyer reporting

(See attached report)

Developer Projects

- Riverbend Subdivision – Mr. Guyer received an updated submission of the railroad water crossings and will review that with Mr. Jaeger. Temporary meters were changed-out to the new E Series Meters. Building permits were issued for three additional homes.
- Sheriffs House Renovation – Market Street – They mobilized on water service installation from the curb to the building. There were problems and they had to shut it down and get the engineer involved. They have not heard back from the engineer on that.

MSC Projects

- Advanced Metering Infrastructure – American Municipal Power (AMP) – MSC is receiving all components that were ordered and is keeping AMI updated on what is received.
- Cross Connection Control Program – The revised list of customers that are non-compliant has been revised and they will be doing a 3rd and final letter for customers that are out of compliance.
- PFAS Sampling – Carbon Filtration System – Non-compliance PFAS testing is still being monitored. Testing will be done monthly going forward. They started having a PFOA breakthrough from the Lead Vessel into the Lag Vessel, but it is not detected at the Lag Vessel 25% test port. MSC's carbon has been regenerated and is ready to be used. The next exchange will be approximately \$48,000, which is about \$24,000 less than the last exchange. The next exchange will happen in the January –February timeframe. With the new health advisory levels we cannot have any detects coming out into the distribution system.
- Van Dyke Underground Electric Project – Water Operators have assisted the electric crew as needed with underground conversion.
- Pole Building / MSC Utility Building – Work continues.

Operations

- Outages – There were no planned outages for the month of October. There were 2 unplanned outages, both of which were the result of services being hit. Repairs were made and no injuries were sustained.

Reporting

- Calgon Carbon – The Pilot Study is ongoing.
- Pre-Apprenticeship Water Operators Course – Mr. Guyer met with the new Coordinator, Lynn Danner, from Delaware Rural Water last week. The course will be 18 weeks, one day a week on Mondays. Pennoni and Keystone Builders have both committed to doing a day. Viola Water has offered to do a 4-hour tour of their facility in Stanton. MSC will do five tours of the facilities. Artesian Water is also interested in getting involved. Sixteen students will start on November 28th.
- Hewlett and Janvier Water Main – Preliminary plans are being reviewed.
- East Basin Road Groundwater Site – Mr. Guyer drafted and submitted comments to the EPA in reference to the proposal.
- EPA Revised Lead and Copper Rule Requirements – MSC worked with Harvest Christian Academy to complete their sampling plan and assisted them with their first collection. Mr. Guyer is still trying to get a meeting with St. Peters. Mr. Guyer received a list of all schools and

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daycare/child care facilities in the City from Jeff Bergstrom, and he will continue to reach out to them. Mr. Guyer recommended that ERI's Lead and Copper Service Line Inventory Solution be implemented now in order to get the system set up and data integrated. Mr. Guyer explained that the new EPA regulations state that MSC is accountable from the curb to the house. A service line inventory from the main to the first valve inside the house must be done; and that must be reported in 2024. Mr. Guyer stated that if galvanized lines are installed the homeowner must be informed that it is as dangerous as a lead line and the pipes should be replaced. There is funding available through the State to replace private service lines. MSC's standard is copper service. Mr. Guyer explained the testing process. The State Department of Health is planning to do additional testing on Wallace Wallin School, and MSC plans to duplicate the sampling on its mains as a reference. Mr. Guyer has funds in his budget to purchase the software and get the system set up to be prepared for 2024.

System Repairs and Maintenance

- Riverbend Subdivision – Riverbend was flushed on October 9th to maintain chlorine residual. Monthly meter reads were completed on November 14th.
- Tank Maintenance – Gray Street Tank is completed. GST was disinfected, filled, overflowed and bacteria/VOC samples were collected. Bacteria results were absent and the VOC results were non-detect. The tank was filled and placed back in service. The Million Gallon Tank is out of service now. It has been painted and the contractor is finishing up on the logo. One incident occurred last week: The contractor's box truck was parked outside the fence and was broken into on Sunday night. The incident was reported to the Police. MSC has no responsibility as the truck was parked outside the fence and MSC's facility was not violated.

Grants & State Revolving Funds

- WIAC Grants – MSC continues working on the Asset Management program. Mr. Guyer expects it to be completed by the end of the month.

Capital and Operation & Maintenance Budgets

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

Safety

- Daily morning Tailgate Talks continue to be held.

Wellness Program – Mr. Blomquist reporting

The recommended Wellness Plan is:

MSC will pay \$X per month for an employee to be in an approved wellness program.

The Board agreed on a reimbursable amount of \$50 per month up to \$600 per year. The maximum would be \$11,400 per year for 20 employees. The Wellness Plan is a voluntary benefit.

Mayor Quaranta suggested a 12-month trial. Commissioner Knox concurred.

Miscellaneous

Graber Technologies – MSC has not heard anything more from Graber Technologies.

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Mayor Quaranta reported that Printpack is closing. MSC does not service that location. The Board discussed annexing businesses.

A motion to move to executive session was made by Commissioner Knox and seconded by President Sippel. The motion was unanimously passed and the meeting adjourned to executive session at 10:09 a.m.

The Commissioners returned to regular session at 10:39 a.m.

The Commissioners approved the Employee Recognition program as discussed in executive session.

Next Regular Meeting

The Commissioners set the next monthly Board meeting to be Tuesday, December 20, 2022, at 8:00 a.m.

Adjournment

A motion was made and seconded to adjourn the meeting. The motion received unanimous approval and the meeting was adjourned at 10:40 a.m.

Kathleen R. Weirich

Kathleen R. Weirich, Stenographer

Approved: *Scott Blomquist*

(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

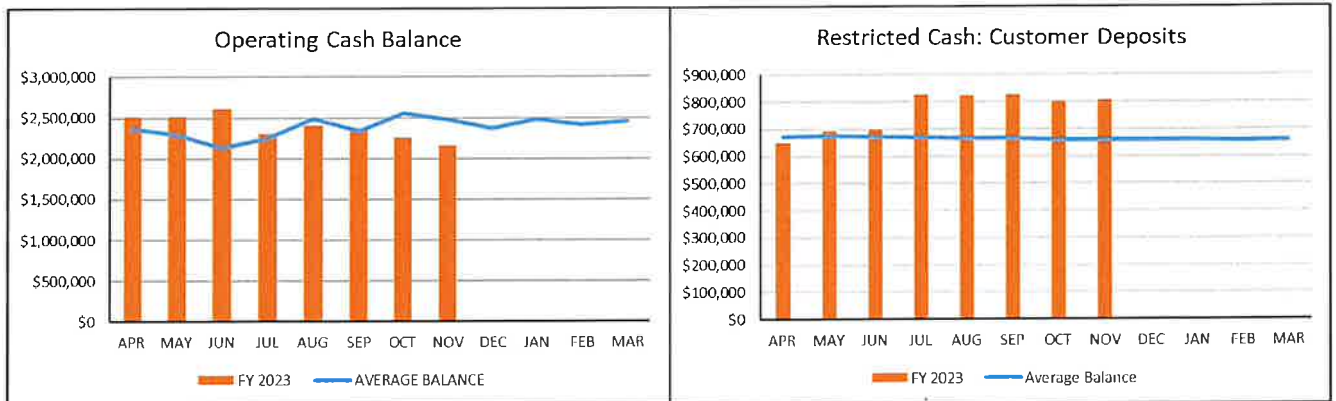
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Cash & Investments

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

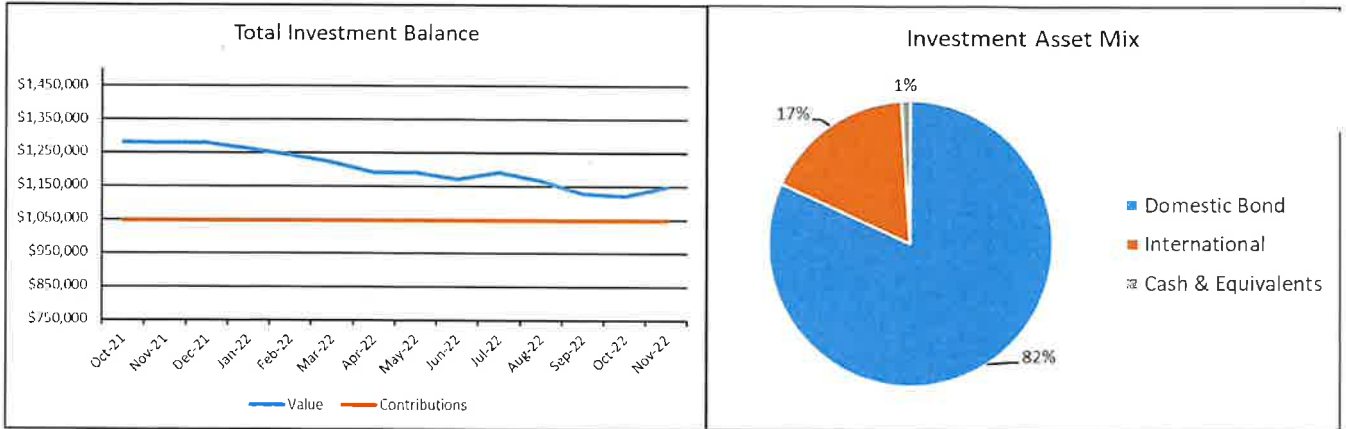
*A detailed check register for the month is available on page 3 of this report.

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).

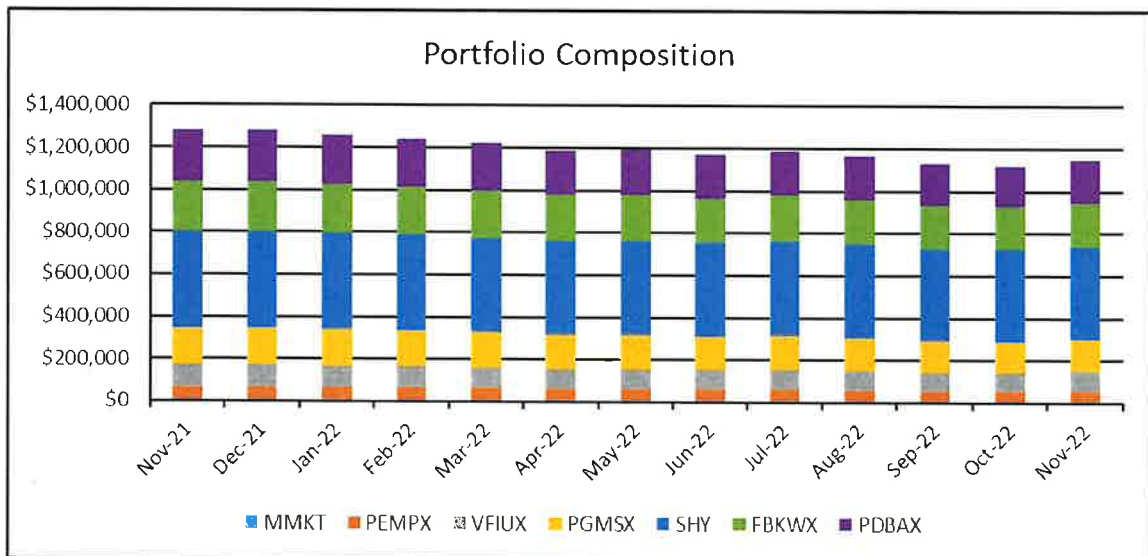
Comptroller/Treasurer's Report – December 20, 2022



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	



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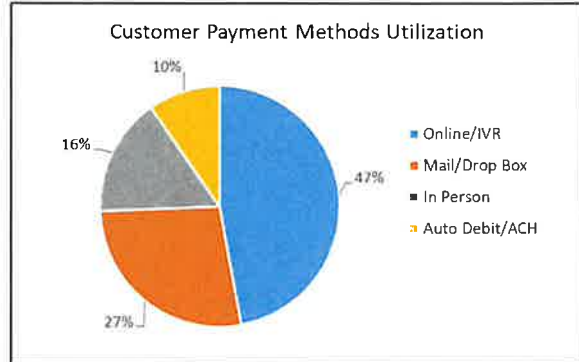
NOVEMBER 2022 CHECK REGISTER

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

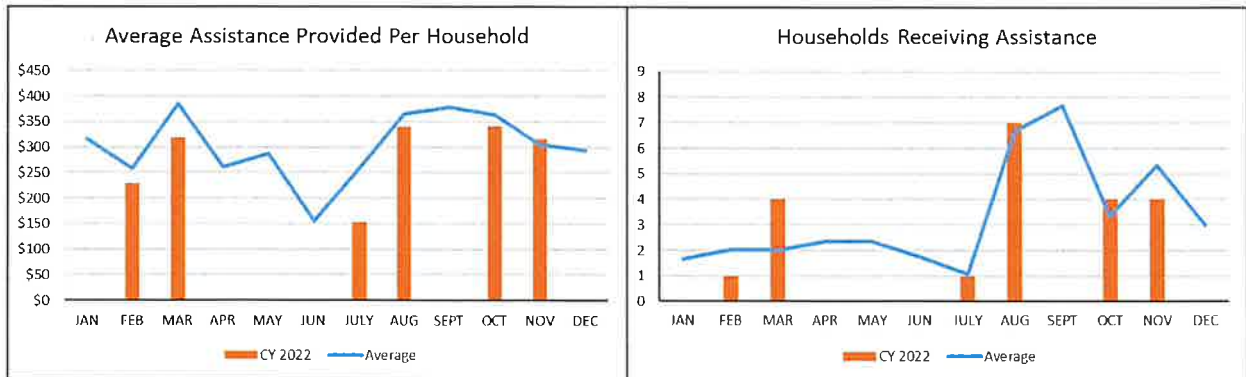
Since the previous meeting, the Customer Service Department processed:

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.



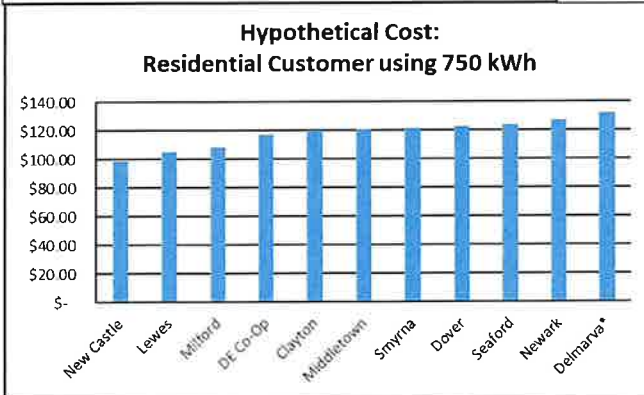
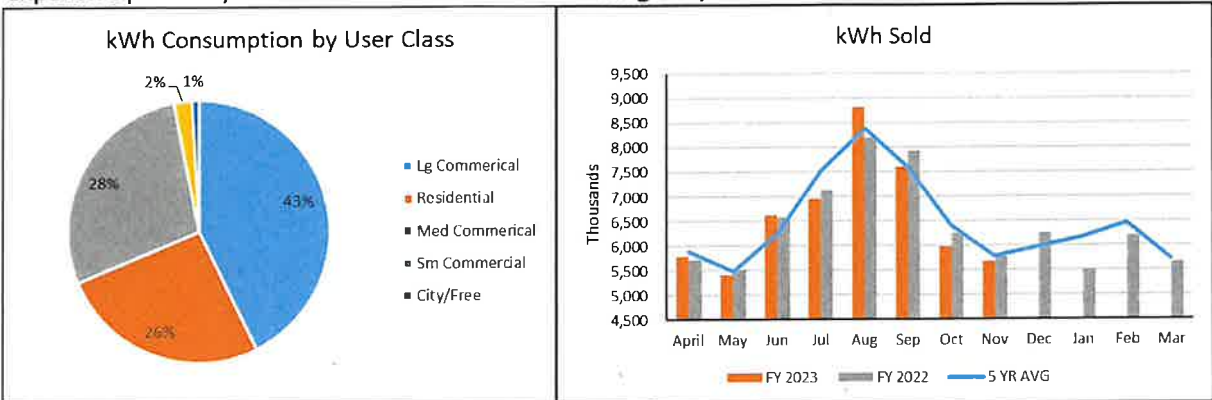
In addition to assistance provided through the New Castle Cares fund, seven customers received an average of \$400 from other agencies or nonprofits that provide assistance for utility bills.

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.

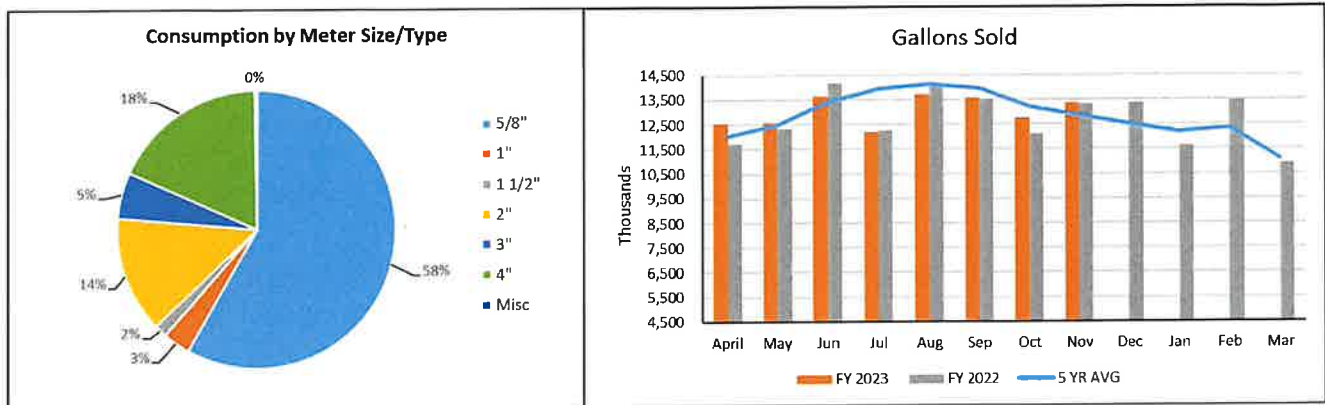
Comptroller/Treasurer's Report – December 20, 2022

**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

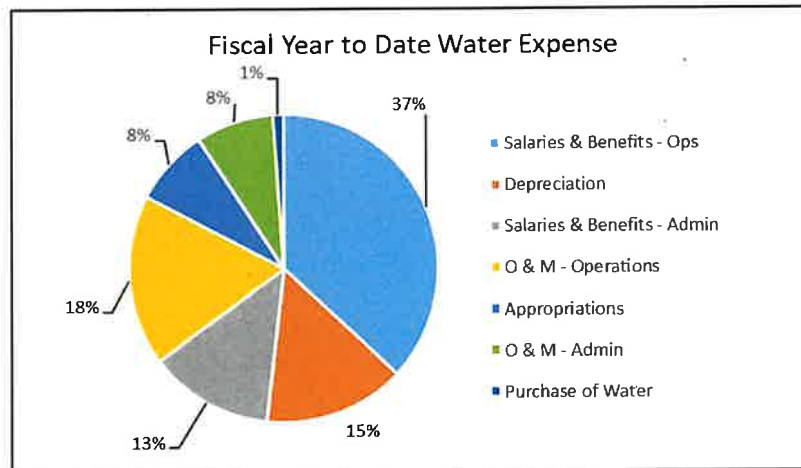
User charges are unfavorable fiscal year to date (\$22,000). Water consumption for the month was in line with the same period last fiscal year. Fiscal year to date, water consumption is in line with last year's consumption at this point (+0.75%), and 1.54% lower than the five-year average for the fiscal 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)	-
<i>Appropriations</i>				
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	808,218	656,476
Total current assets	<u>6,532,050</u>	<u>6,241,185</u>
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	10,841,564	9,686,662
Total noncurrent assets	<u>12,766,815</u>	<u>12,398,756</u>
Total assets	<u>19,298,865</u>	<u>18,639,941</u>
DEFERRED OUTFLOWS OF RESOURCES		
Pension	319,164	164,836
Regulatory accounting - substation	3,632,130	3,124,345
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	954,868	661,516
Total current liabilities	<u>2,516,106</u>	<u>1,363,061</u>
Noncurrent liabilities:		
Compensated absences	422,270	407,658
Net pension liability	720,830	474,757
Total noncurrent liabilities	<u>1,143,100</u>	<u>882,415</u>
Total liabilities	<u>3,659,206</u>	<u>2,245,476</u>
DEFERRED INFLOWS OF RESOURCES		
Pension	472,843	659,474
Total deferred inflows	<u>472,843</u>	<u>659,474</u>
NET POSITION		
Investment in capital assets	12,766,815	12,398,756
Unrestricted	6,351,295	6,625,416
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

**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	6,532,050
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	906,463
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)

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	
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	2023	2022
Nonoperating revenues (expenses):						
Net investment income	2,909	2,147	18,532	13,288	21,441	15,435
Realized gain (loss) on investments	-	(43)	-	(247)	-	(290)
Unrealized gain(loss) on investments	(13,393)	655	(75,894)	3,713	(89,287)	4,368
Gain (loss) on disposal of assets	(2,172)	-	7,346	-	5,174	-
Grant income	20,098	1,379	-	54,553	20,098	55,932
Grant Expense	(20,098)	(1,379)	(480)	(47,734)	(20,578)	(49,113)
Miscellaneous	(2,951)	(810)	(509)	2,594	(3,460)	1,784
Appropriations to Mayor & Council of New Castle						
Ordinary	(88,634)	(78,473)	(355,259)	(356,225)	(443,893)	(434,698)
City Services	(23,902)	(22,755)	-	-	(23,902)	(22,755)
Special	(5,271)	(977)	(3,465)	(8,368)	(8,736)	(9,345)
Total nonoperating revenues (expenses)	<u>(133,414)</u>	<u>(100,256)</u>	<u>(409,729)</u>	<u>(338,426)</u>	<u>(543,143)</u>	<u>(438,682)</u>
Income before capital contributions	113,834	307,331	(89,940)	572,781	23,894	880,112
Capital Contributions	-	-	-	-	-	-
Change in net position	113,834	307,331	(89,940)	572,781	23,894	880,112
Net position - beginning	6,586,268	6,217,464	12,507,948	11,926,596	19,094,216	18,144,060
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 Conference 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 Appropriations

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

November 17, 2022

Prepared by: Jay Guyer on November 10, 2022

1. Developer Projects

A. Riverbend Subdivision

1. WUM Guyer received the updated submission of the Railroad Water Crossing from Rail Pros and is reviewing the Agreement. The water meters in the new homes with residential fire sprinkler systems have been changed to the 1" E Series Water Meters. Building permits for 3 additional homes have been issued.

B. Sheriffs House Renovation – Market Street

1. WUM Guyer contacted the project engineer in reference to the revised water plans. The contractor agreed to follow the comments on the plans and mobilized to start water service installation. Issues with additional fittings being required on the fire service requires approval from the Fire Protection Engineer which is pending.

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.

C. PFAS Sampling - Carbon Filtration System

1. Non-compliance PFAS Sampling of the carbon filtration system to determine carbon consumption was completed on October 12th. The results were received on October 25th and reviewed. PFOA has starting breaking through the lead Vessel however is not being detected at the lag Vessel 25% test port. WUM Guyer reached out to Calgon Carbon in reference to timing for scheduling a carbon exchange in Vessel 1.

D. Van Dyke UG Electric Project

1. Water Operators are assisting the Electric crew with conduit installation, blacktop and concrete restoration, and site restoration of disturbed areas as needed.

MUNICIPAL SERVICES COMMISSION

CITY OF NEW CASTLE, DELAWARE 19720-0208

P.O. BOX 208

<http://newcastlemsc.delaware.gov>

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

Water Department Commission Meeting Report

November 17, 2022

Prepared by: Jay Guyer on November 10, 2022

E. Pole Building – MSC Utility Building

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

3. Operations

A. Outages

1. There were no planned and 2 unplanned water outages for the month of October 2022. See attached outage report for details of the outages.

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.
2. WUM Guyer and WUS Jaeger met with new the Delaware Rural Water Association (DRWA) Apprenticeship Coordinator Lynn Tanner and representatives from Colonial School District. The meeting went well and the plan is to offer an 18 week course, 1 day a week. MSC will offer the same type of technical training and field trips to MSC facilities as last year. 16 Students have registered and the school district would like to start after the Thanksgiving break.
3. WUM Guyer and WUS Jaeger reviewed the Hewlett and Janvier Water Main replacement project. Pennoni Associates continues working on design and has provided preliminary plans to review and discuss valve arrangements for tie-ins and new main alignment.
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). On behalf of MSC, WUM Guyer drafted and submitted a comment letter to the EPA in reference to the 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. WUM Guyer has nothing to update on this legislation.

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Water Department Commission Meeting Report

November 17, 2022

Prepared by: Jay Guyer on November 10, 2022

6. WUM Guyer has nothing to update after forwarding several NOI's to the representatives from the University of Delaware, Biden School for Public Administration for their review and recommendations on improving them.
7. EPA Revised Lead and Copper Rule Requirements – WUM Guyer and WUS Jaeger have had several meetings with Harvest Christian Academy. A Sampling plan has been developed and reviewed with the school. A meeting with St. Peters is being scheduled. Following up on Wallace Wallin School, the State Department of Health (DPH) is planning to perform another test on the water to confirm the issue is the water main supplying the school. WUM Guyer discussed the additional sampling with DPH and will plan to duplicate the sampling on our mains as a reference. WUM Guyer and WUS Jaeger will continue to reach out to the schools and child care facilities in reference to the new requirements. WUM Guyer believes ESRI's Lead and Copper Service Line Inventory Solution is the best option for MSC and requests funding to move forward with acquiring the software and working with RK & K's GIS Specialist to Integrate MSC's current GIS Data at a cost of \$5,000.00. Starting in 2024, MSC will have to demonstrate that we have inventoried all of our water services from the main to the first valve inside the customer's house and identified the pipe material. Moving forward now will allow our mapping system to be set up to accept the new data that will be collected during the AMI Meter installation.

C. System Repairs and Maintenance

1. Riverbend Subdivision – Flushed on October 19th to maintain Chlorine Residual.
2. Monthly Meter Reading – Monthly meter reads will be completed on November 14th. Operators handed out door hangers and will follow up on check and missed reads.
3. Tank Maintenance – GST was disinfected, filled, overflowed, and bacteria / VOC samples collected. Bacteria results were absent and the VOC results non-detect. GST was placed back in service and MGT drained. The exterior of MGT has been cleaned, prepped, primed and painted. The contractor is working on the logo and anticipates being completed by November 18th.

D. Grants and State Revolving Funds

1. Water Infrastructure Advisory Council (WIAC) Grants – WUM Guyer and WUS Jaeger received revised Task 3 and Task 4 Level of Service and Key Performance Indicator documents and met with RK & K to review them. Weekly meetings are scheduled through November. The completion goal is November 30th.

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E. Capital and Operation & Maintenance Budgets

1. WUM Guyer and WUS Jaeger have started 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 October 2022.

G. Personnel and Training

1. No personnel issues to report at this time.

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.

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 is sending weekly pump data to the WRA Staff for demand tracking.

C. DEWARN – Delaware Water/Wastewater Agency Response Network

1. The next DEWARN meeting is tentatively scheduled for December 13th.

D. Water Operator Advisory Council

1. The next Advisory Council meeting is scheduled for December 1, 2022.
2. The next meeting of the 5 person Advisory Council Sub - Committee tasked with review and update of the Water Operator Certification Regulations is pending.

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November 17, 2022

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E. WIAC - Water Infrastructure Advisory Council

1. The next Drinking Water Subcommittee meeting is scheduled for November 30th and the Council meeting is scheduled for December 14, 2022.

End of Report

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

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Monthly Water Works Report

October 1 - 31, 2021

Prepared By: Jay Guyer on November 10, 2020

Water Production		FT 300		Adjusted Finished		Gallons	
Month	Year	Raw Total Gallons	Total Gallons	Raw Total Gallons	Finished Total Gallons	Raw	Finished
October	2021	11,938,600	11,879,810	11,879,810	12,306,007	12,452,000	12,306,007
October	2022	12,452,000	12,306,007	12,306,007	426,197	-145,993	
Difference		513,400	426,197	426,197			
Percentage Difference		4.1	3.5	3.5			1.2

Well(s) in Operation	Basin Road	Frenchtown Road	School Lane	Cross Roads
Days Pumped	Reserve Status	XXX	XXX	Resting
		5	31	

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	0.94 ppm	0.70 ppm	0.60 - 1.00 ppm

General Water System Report

Routine Bacteria Sampling
 (Office of Drinking Water)

# Collected Results	Absent	Present
10	10	0

Miss Utility Locate Requests
 (Water and Electric Locates)

# Received	# Completed	# of Damages
84	84	0

Building Permit Review
 (Water Related Conflicts)

# Reviewed	# Approved	# Not Approved
31	31	0

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Monthly Water Outages / Interruptions Report
October 1 - 31, 2022

Prepared By: Jay Guyer on November 10, 2022

Planned Outage / Interruptions

**Approximate
 Duration**

Date Hours / Minutes

Location

No. of

Customers

Comments

No Planned Outages or Interruptions for the Month of October 2022.

Unplanned Outage / Interruptions

**Approximate
 Duration**

Date Hours / Minutes

Location

No. of

Customers

Comments

10/19/2022	30 minutes	223 North Heron Circle - Riverbend	20	Royal Cable drilled through the 1 1/2" water service between the main and curb stop.
10/19/2022	1 hour / 30 minutes	160 East 2nd Street	48	Chesapeake Utilities hit an unmarked water service during gas main installation.

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ELECTRIC DEPARTMENT COMMISSION REPORT

November 17, 2022

Prepared by Artie Granger on November 10, 2022

1. Developer Projects:

A. Riverbend Subdivision:

- I. MSC has been working with the general contractor to continue to turn on houses as they are completed.
- II. MSC has not heard anything further about getting the development off of the temporary feed.

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 has completed digging for this year. The remaining excavation on this project will be one more transformer and houses on New Amstel and then the completion of Casimir Drive. MSC hopes this will be able to be completed next year.
- b. MSC has completed most of the restoration for the areas we excavated this year.
- c. MSC will continue to work on preparations to convert the customers from the aerial to the new underground.

b) Grant Opportunities:

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

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ELECTRIC DEPARTMENT COMMISSION REPORT

November 17, 2022

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3. Capital Purchases:

I. MSC Utility Building

1. MSC has started to install ceiling and wall coverings. MSC has installed most of the Utilities.
2. The garage doors are scheduled for delivery and installation the week of 11/14.
3. MSC has placed orders for interior and exterior lighting. MSC will begin to work on the interior fit out as well.

4. Operations:

a. Budgets

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

b. Outages :

- I. There were 1 outages the past month. A squirrel took out a fuse in Vandyke Village. This outage was for 37 customers for just under 2 hours.

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

II. 11/1/21 – 11/1/22

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

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

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

ASAI - is the Average Service Availability Index.

5. Repairs and Maintenance:

A. Wilmington Road Substation:

I. The electric department 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 has received the replacement bushing for the transformer. MSC will get this scheduled and replaced.

6. Personel

I. MSC sent 4 guys to a confined space class. MSC will send additional guys at a later date.

II. MSC is working on a plan for continuing certification classes.

III. Both Artie and Dave will be attending the Smart Utility Summit the week of 11/14.