

Municipal Services Commission Monthly Meeting
July 27, 2023, 8:00 a.m.
216 Chestnut Street New Castle, Delaware

The meeting was called to order at 8:00 a.m. with Mr. Scott Blomquist, Secretary, presiding.

Present: Sheila A. Shannon, Commissioner
William J. Barthel, Acting Commissioner
Scott L. Blomquist, Secretary

Absent: Dr. Roy J. Sippel, Commissioner, President

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

Also Present: Cheri Amoss, CPA, Principal, CliftonLarsonAllen LLP

In Dr. Sippel's absence, Mr. Blomquist 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 Commissioner Shannon to table the minutes of the June 15, 2023, regular session. The motion was seconded by Acting Commissioner Barthel and unanimously passed.

A motion was made by Commissioner Shannon to approve the minutes of the July 6, 2023, special meeting as presented. The motion was seconded by Acting Commissioner Barthel and unanimously passed.

CliftonLarsonAllen, LLP – Fiscal Year End 2023 Audit

Ms. Cheri Amoss, CPA, Principal of CliftonLarsonAllen, LLP (CLA) gave a high level overview of the Fiscal Year End 2023 Audit of the MSC. Ms. Amoss explained CLA's audit approach and stated that CLA was expressing an unmodified, or clean, audit opinion of MSC's financial statements, meaning they present the financial position fairly in all material respects.

One isolated material weakness was noted regarding the Pension Plan. Ms. Amoss explained that historically the Pension Plan had not been included in the financial statements, and a recent accounting standard requires the Pension Plan to be reported in the financial reporting entity of the financial statements. It was noted that the MSC Pension Plan is not part of the City's pension plan. Mr. Natale noted that this issue had been flagged with prior management and the prior auditors and he was informed that it did not meet the requirements of the recent accounting standards. Going forward the Pension Plan will be included in the financial statements. Ms. Amoss also noted that the Pension Plan is classified as a fiduciary fund and is dedicated for the future use of the employees; and it cannot be used for general government ongoing operations.

No significant deficiencies were noted.

Ms. Amoss reviewed a Management Letter that was provided with best practices and what was observed through the audit for consideration.

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Mr. Natale explained that all comments were related to IT:

- MSC has communicated with the IT contractor and will discuss password structure with the City to implement changes that would affect City employees as well as MSC staff.
- MSC uses some cloud-based software and control reports from the vendors have been pulled and will be reviewed on an annual basis.
- Penetration testing / risk assessment. Mr. Natale has reached out to the State for grant funding for risk assessment and is getting a quote for penetration testing from MSC's cybersecurity insurance vendor. Ms. Amoss noted the importance of protecting against cyber-attack.

Ms. Amoss also noted that:

- There were no significant issues discussed with management prior to retention as auditors.
- Management informed CLA that they made no consultations on the application of GAAP and GAAS.
- There were no new or changed accounting standards implemented in the current year.
- The Pension Plan's liability is an estimate, and Management has a reasonable basis for significant judgments and estimates that impact the financial statements.
- There were no particularly sensitive financial statement disclosures.
- There were no significant difficulties encountered during the audit.
- One corrected misstatement was detected related to adding the Pension Plan as a fiduciary fund in accordance with GASB 84.
- CLA was not notified of any uncorrected misstatements for the audit.
- The representation letter was signed by Management.
- There were no disagreements with Management on financial accounting and reporting matters, auditing, auditing procedures, or other matters.
- No other significant findings or issues were noted.

Ms. Amoss noted that there is one accounting pronouncement regarding software that CLA will be working on with Mr. Natale to implement in the March 31, 2024 financial statements.

In response to a question from Commissioner Shannon, Mr. Guyer noted that he has done penetration testing of software for operations. He added that MSC's SCADA group works with DTI to ensure there is proper authentication and there is one additional layer to access SCADA. In addition, Messrs. Guyer and Jaeger are notified when anyone logs in.

Mr. Natale thanked Ms. Amoss and her team at CLA for their work on the audit.

A motion to accept the Auditor's Report as presented was made by Commissioner Shannon, seconded by Acting Commissioner Barthel, and unanimously passed.

Comptroller/Treasurer Report – Mr. Natale reporting

(See attached report)

- Total cash on hand: \$2.9M
- Investment Portfolio: \$1.1M, which is a net loss of \$2,800, (2.4%) from prior month.

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- Unrestricted cash on hand: 99 days at June 30, 2023, which was up six days from the prior month.
- Check Register Disbursements: Mr. Natale pointed out some particular payments that were fairly large:
 - \$4,700 – Heartline Press for the June Newsletter
 - \$4,800 – Pennoni Associates for Hewlett & Janvier project management
 - \$6,785 – American Municipal Power for water supplies for the AMI project

Customer Service/Billing

- There were 73 service cuts in June. All have been restored. Messrs. Natale and Blomquist explained the Customer Service team will only be offering payment due date extension one time in a rolling 12-month period as the tariff says due dates can only be extended for “unusual or severe circumstances”. Mr. Blomquist noted that customers are not eligible for many financial assistance programs until service has been cut.
- One customer received approximately \$300 from New Castle Cares, and five customers received an average of \$335 from other agencies and non-profits for assistance with utility bills.

Electric Department

- User charges are on target with the current point in the fiscal year. There was a decrease in the budgetary variance from May of \$32,000.
- kWh sales decreased by approximately 13.77% from the same period last year
- Consumption was down in large commercial and residential and is approximately 6.5% lower than the 5-year average due in large part to mild temperatures.
- MSC’s rate is 25% lower than Delmarva and 13% lower than the Co-op; and MSC remains the lowest electric provider for residential service in the State.
- Electric expenses had a favorable variance of \$55,000.
- There is an \$81,000 favorable variance in purchase power costs due to lower-than-anticipated consumption.
- There is a negative variance in salaries and benefits related to compensated absences from vacation accruals that occurred in June.

Water Department

- User charges have a favorable variance of \$37,000 fiscal year to date.
- Consumption was up 4.5 million gallons (33%) gallons compared with the same period last fiscal year. This increase is entirely related to selling water to a neighboring utility in the beginning of June.
- Operating expenses are favorable YTD \$36,000 related to timing differences.

The quarterly financial report and audited annual financials will go out to the City and the Trustees as required by the Charter.

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Electric Department Report – Mr. Granger reporting

(See attached report)

Developer Projects:

- Riverbend – One customer had part power due to a bad connection that was repaired.

Capital Projects:

- Substation Relay Replacement Project – Mr. Granger received an estimate from the SCADA integrator and can now go out for numbers.
- Van Dyke Village – Work continues in Van Dyke Village. After the conduit has been installed they will go back and do restoration for sidewalks and roads. In response to a question from Acting Commissioner Barthel, Mr. Granger stated he was not aware of a requirement to do a complete mill and overlay of the streets when the project is complete. Mr. Blomquist noted that was never the intention with the design of the project.

Capital Purchases:

- T-12 Bucket Truck – Mr. Granger is still working on getting proposals, and is getting quotes from three different manufacturers.
- AMI Project – Recommended relays and access points have been installed and test meters are being installed at various locations. Installation of commercial meters has started and installation of residential meters should start next week.

Outages:

- There was one outage last month due to a tree branch taking down a span of primary cable on Meggison Avenue. Fourteen customers were without service for approximately four hours. The following day MSC replaced a pole that was broken.

Repairs and Maintenance:

- Pole Barn – Paving was completed around the Pole Barn.

Water Department Report – Mr. Guyer reporting

(See attached report)

Developer Projects

- Riverbend Subdivision – Freedom Development has still had no response from Norfolk Southern and Mr. Guyer opined that it will be necessary to redo both permits for the water and electric crossings under the railroad. Funds were escrowed for the main installation along North Heron Circle.
- Sheriffs House Renovation – Mr. Guyer was informed that the contractor needs to do some additional work on the domestic service. The fire service had to be turned off due to some structural issues along the rear wall of the building that are being corrected.
- Colonial School District – Mr. Guyer received plans from the engineer. The flow tested requested by the State Fire Marshall showed the design had more than enough capacity to serve the school and also be converted in the future to the fire system. All plans were submitted and approved. Mr. Guyer submitted to the Office of Engineering for an Approval to Construct, which they agreed to provide. A preconstruction meeting was held on July 12th and the contractor

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began installation on July 17th. The service is completed and installed, the meter has been relocated inside, and MSC is waiting for the results of the bacterial samples to come back.

- DelDOT School Lane Trail – Rt. 273 to Rt. 13 – Mr. Guyer received the plans from Whitman Requardt. The plans were reviewed and returned with comments. Mr. Guyer has had several conversations with them regarding maintaining limited access to the lane to prevent dumping. Mr. Guyer has taken a hard-line approach to that matter. A second meeting with DelDOT, Artesian and the Trustees will be held on August 2nd on site.
- 106 Brylgon Avenue – The contractor installed water service yesterday.
- 104/106 East 4th Street – The homes are almost done. The contractor has been on site to do water and sanitary service installations.

MSC Projects

- Advanced Metering Infrastructure – American Municipal Power (AMP) – MSC received all water and electric ERTS and started installing meters on Tuesday. Approximately 400 need to be installed. The contractor is only doing 5/8" x 3/4" and some 1" meters.
- Cross Connection Control Program – Hydro Corp's Proposal – A draft letter is being updated with addresses and devices and MSC will begin visiting non-compliant customers. MSC will work on getting the percentage of compliance increased. In response to a question from Commissioner Shannon, Mr. Guyer stated that they consider customers in industrial parks and large commercial customers as high hazard threat because MSC cannot continually monitor the changing tenants.
- Hewlett, Janvier, and Meggison Avenue Water Main Replacement – Two bid packets were received. The Commissioners voted to award the project to R. E. Pierson Contracting at a Special Commission Meeting on July 6th. Mr. Guyer is drafting a letter of award.

Operations

- Outages – There was one planned outage and no unplanned outages in June.
- Calgon Carbon Corporation (CCC) Pilot Study Test – The study is ongoing. Data continues to be collected.
- Unregulated Contaminant Monitoring Rule 5 – The first round of partial results was received back from the UCMR 5 testing. All compounds that were looking to be regulated by the EPA came back as non-detects. The next round of testing is scheduled for September 2023. Mr. Guyer will follow-up on the EPA 537 results.
- Interconnection – MSC sold water to a neighboring utility for approximately 13 days totaling 4.58 million gallons.

System Repairs and Maintenance

- Riverbend Subdivision – Riverbend was flushed on June 7th and July 10th to maintain chlorine residual.
- Carbon Filtration System – Mr. Guyer is moving forward to schedule an exchange for Vessel 1. There are still some outstanding questions on radioactivity. Details and information will be provided to Commissioner Shannon and she will be introduced to Adam Redding. The engineer from Pennoni has been doing research on radioactivity and Messrs. Guyer, Jaeger and Blomquist

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had a productive conversation about the possible causes. The engineer has also reached out to other providers to solicit their thoughts.

- Water Samples – Samples were collected from the three wells testing for Radium 226, Radium 228 and Uranium 200.8 and sent to Suburban Laboratory for testing. All results were received and were consistent with previous test results.
- Fire Hydrant Flushing – Flushing started on June 19th and was completed on June 27th. One fire hydrant broke during operation and general maintenance was done. The total water loss was 765,000 gallons.
- 1972 Corey / Rensselear Hydrant – Water operators replaced the hydrant at 14th Street and Moores Avenue on July 13th. The outage lasted approximately 2.25 hours and affected 25 customers. The hydrant was tested and placed back in service.
- Valve Exercising Program – During the fire hydrant flushing program 31 valves in Washington Park were operated under the flow condition. Everything operated well with the exception of one valve that would not stop leaking. The decision was made to remove the valve entirely.
- Van Dyke Village – Water operators work with the Electric Crew in Van Dyke Village as needed.

Grants and State Revolving Funds

- Water Infrastructure Advisory Council Grants – The project listed as #5 (PFAS Treatment System Improvements at School Lane Treatment Facility) was approved under the SRF program. The full application is being completed; however, Mr. Guyer stated that they will step back and see if they can understand how the water flow and the size of the current system could be affecting some of the unanticipated contaminants and causing problems. Messrs. Blomquist and Guyer and Commissioner Shannon provided a synopsis of the issue for Acting Commissioner Barthel's benefit.

Equipment

- Operators replaced the wooden deck on the large utility trailer.

Personnel and Training

- Messrs. Guyer and Jaeger attended the 4-day ASSE Backflow Preventer Program Administrator Certification Training July 17th through July 20th. Both are now certified and MSC meets the State requirement to have a certified individual to administer the program.

Safety

- Tailgate Talks – Morning Tailgate Talks are conducted daily to discuss jobs/tasks.
- Safety Committee – The Safety Committee is meeting to review the Safety Manual.

Local, State and Federal Agencies

- Water Supply Coordinating Council – The Council has sunset, but the water suppliers in northern New Castle County continue to meet. They met on June 19th. The Delaware Geological Survey and the State Climatologist made reports on water conditions. Conditions have improved with recent rains. There are several good projects that have been undertaken. Conditions remain dry due to deficit precipitation over the last 6-12 months. The group will continue to monitor conditions and will schedule the next meeting in early August if needed. DNREC advised that

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Senate Bill 190 was picked up and supported and it moved through the House and Senate and was voted to approve almost unanimously. This will authorize the Water Supply Coordinating Council as a standing committee.

- WRA – Water Resource Agency – Mr. Guyer started sending weekly pump data to the University of Delaware WRA Staff.
- DEWARN – Delaware Water/Wastewater Agency Response Network – The meeting on June 20th went well and was well attended. The group was updated on Warn activities and national events. Discussions included the New Federal regulations for PFAS, Lead and Copper Rule Revisions. Consumer Confidence Reporting revisions, and the East Basin Road Ground Water Site being added to the Superfund Program National Priorities List. There were no Warn activations over the last quarter.
- Water Operator Advisory Council – The July 13th meeting went well. Council reviewed and approved seven Water Operator License Applications, and approved one training course. New applications for Council appointments are being reviewed and recommendations will be made to the Secretary for appointment.

Secretary's Report – Mr. Blomquist reporting

- Mr. Blomquist noted that in his absence Mr. Natale sat in as Alternate.
- There were updates on wind study that was commissioned by legislature. Climate change: by 2030 – 50% green energy; by 2050 – 75% green energy. This is the most aggressive move forward other than California. Mr. Blomquist stated that those targets are aspirational, not required. Mr. Natale provided additional information on the requirement. In response to a question from Commissioner Shannon, Mr. Blomquist noted that there did not appear to be much acceptance and some of what they are trying to do is cost prohibitive and not feasible.
- The legislature passed some enhanced criminal penalties that have been instituted for damaging critical infrastructure. There is an exclusion in the law for one utility having to cut another utility's infrastructure in order to maintain public safety.
- DEMEC broke ground on the Joint Line Worker Training Yard. A ribbon cutting has been scheduled for October 3rd.
- A Settlement Conference was held on July 6th regarding the Indian River Substation, but no agreement has been reached yet. An additional conference is scheduled for September. Mr. Blomquist provided background on this matter for Acting Commissioner Barthel's benefit.
- Chloe Chapman, a teacher at St. Peters School, placed second in the Efficiency Smart contest and will receive a walk-through and a \$750 energy efficiency upgrade to her home.
- Winter Storm Elliott – Because DEMEC ran and over-performed, it is owed \$1.5M; however, underperforms owe PJM \$2B in penalties.
- There is one piece of property left in the Smyrna Business Park that DEMEC would like to purchase. The Board authorized DEMEC to send a formal letter to the property owner expressing interest in purchasing the parcel.
- SemaConnect has been taken over by BLINK and users are being migrated into the BLINK platform. In response to a question from Commissioner Shannon, Mr. Blomquist explained how the EV chargers work.

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Next Regular Meeting

Mr. Blomquist noted that the August DEMEC meeting is scheduled for August 10th and suggested that the August MSC Board meeting be set for August 17th.

A motion to approve the next Board meeting as Thursday, August 17, 2023, was made by Commissioner Shannon seconded by Acting Commissioner Barthel. The motion was unanimously passed.

In response to a question from Commissioner Shannon, Mr. Blomquist noted that his report has historically not been provided to the Commission; however, if the Commissioners would like a report he will provide it.

A motion to adjourn was made by Commissioner Shannon and seconded by Acting Commissioner Barthel. The motion received unanimous approval and the meeting was adjourned at 9:20 a.m.



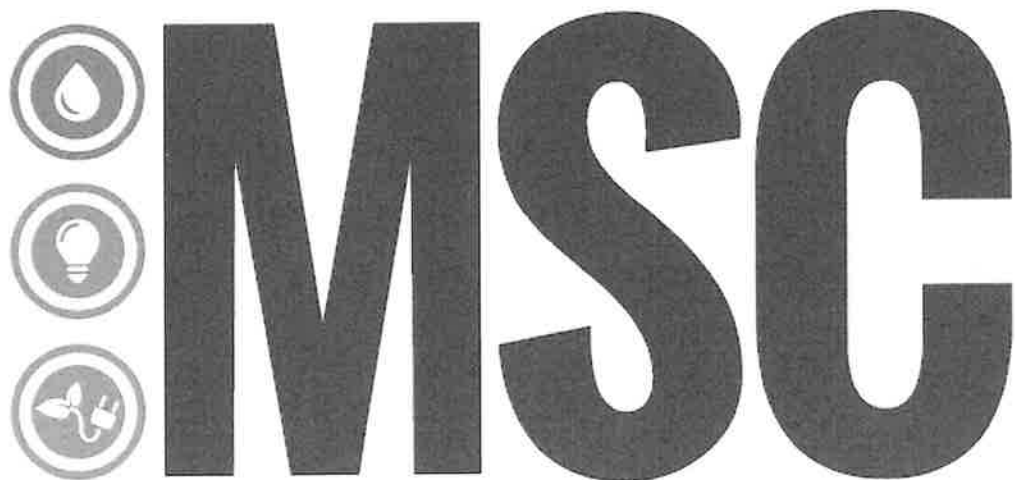
Kathleen R. Weirich, Stenographer

Approved: _____



(Minutes transcribed from notes.)

Comptroller/Treasurer's Report



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

July 27, 2023 Commission Meeting
Prepared By: Ken Natale on July 14, 2023

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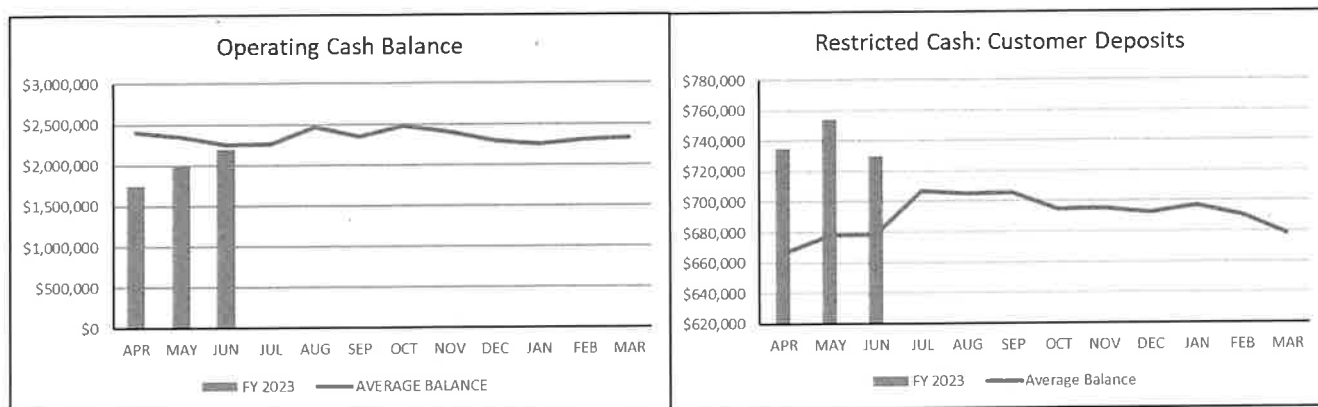
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Cash & Investments

As of June 30, 2023 the cash balances were:

M&T Bank Checking:	\$	975,576
M&T Investment Sweep:		1,221,181
M&T Bank MMA:		729,821
Petty Cash/Change Fund:		898
Total Cash on Hand:	\$	2,927,476



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

Beginning Balance	\$ 1,980,256
Cash from customers	1,045,036
Interest Income	5,201
Bond Proceeds	6,786
Refunds to customers - deposits	(18,162)
Payments to suppliers for goods & services*	(721,669)
Bank service fees	(727)
Payments to employees for services	(99,066)
Net Cash Provided(Used)	217,399
Ending Cash Balance	\$ 2,197,655

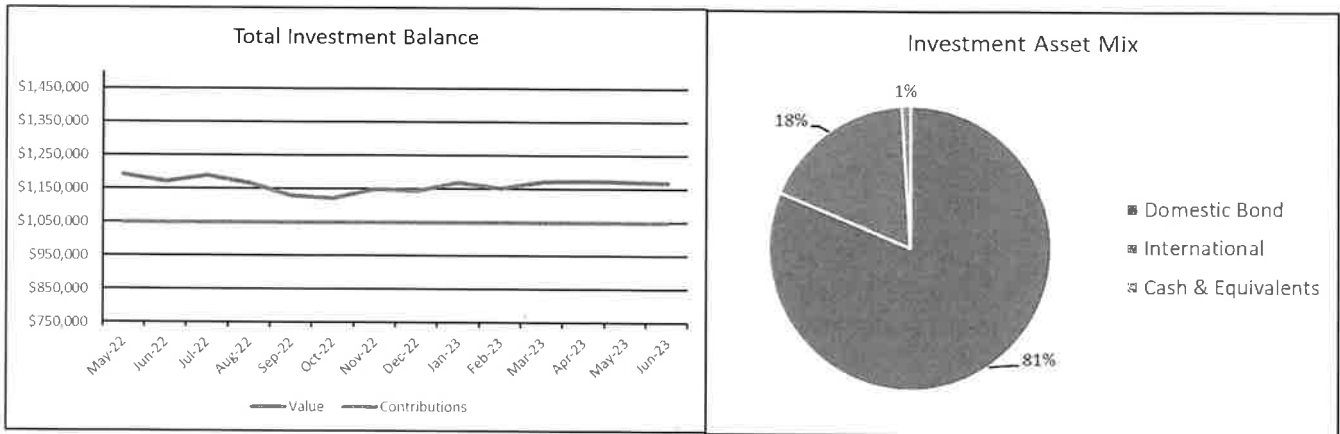
*A detailed check register for the month is available on page 3 of this report.

As of June 30, 2023 the value of the Commission's investment portfolio totaled \$1,168,195 which is a net loss of \$2,831 (2.4%) from the prior month.

The M&T Investment Sweep account is where cash that is not immediately needed for operations is placed to earn interest on the funds. Currently, those funds are invested in a Goldman Sachs Government Money Market Mutual Fund (FGTXX) which currently pays 5.01% interest and has a stable net asset value of \$1.00.

There was 99 days unrestricted cash on hand at June 30 (+6 days from prior month) when including the value of the Commission's investment portfolio which is held in liquid assets (mutual and exchange traded funds).

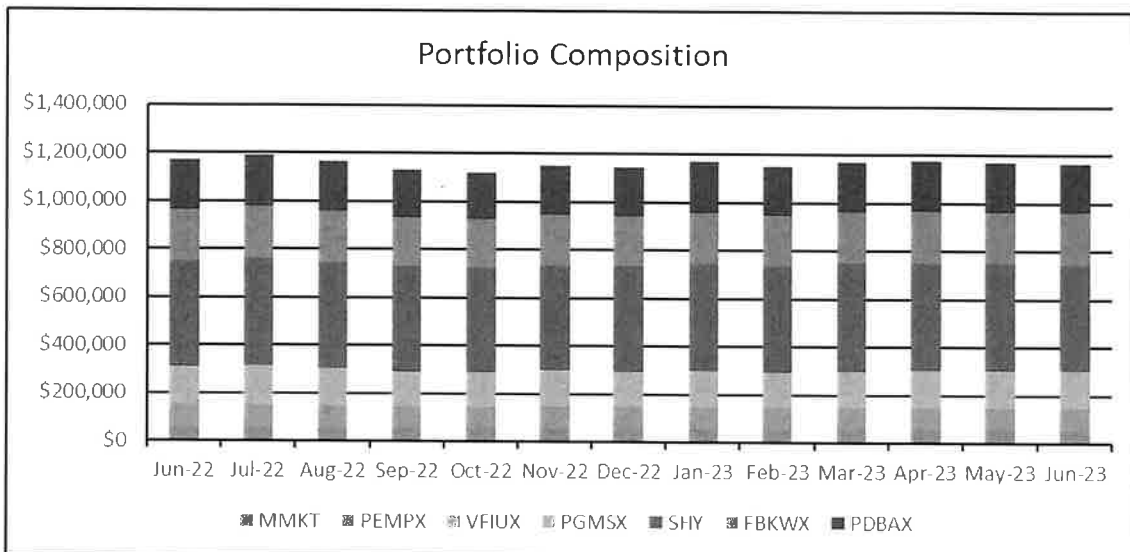
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The “domestic bond” category in the *Investment Asset Mix* chart above, includes US Government instruments and corporate bonds of US based organizations. The “international” category includes debt instruments of foreign governments as well as corporate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

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

Holdings	Symbol	Market Value	Est. Yield
Money Markets			
Insured Cash Accounts		\$ 9,413	0.60%
Mutual Funds			
Fidelity Advisor Total Bond CL Z	FBKWX	214,023	3.97%
PGIM Total Return Bond CL A	PDBAX	206,937	5.28%
PIMCO Emerging Markets Bond I2	PEMPX	50,234	7.75%
T Rowe Price Global Multi Sector Bond I	PGMSX	156,629	3.89%
Vanguard Intermediate Term Treasury	VFIUX	87,608	4.04%
Exchange Traded Funds			
iShares Trust 1-3 Year Treasury Bond EFT	SHY	443,351	1.99%
Total		\$1,168,195	



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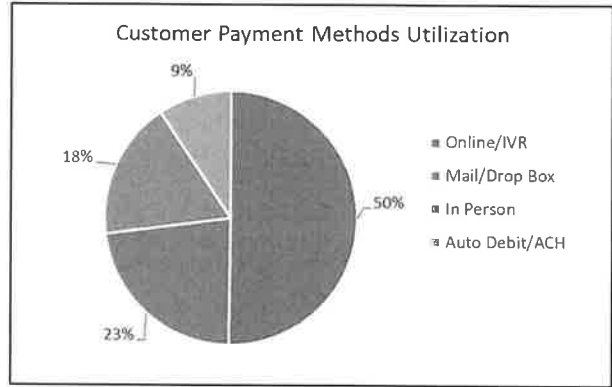
JUNE 2023 CHECK REGISTER

Number	Date	Vendor Name	Amount
200973	06/14/2023	Delmarva Power	\$ 146.88
200974	06/14/2023	Diamond Materials	1,229.44
200975	06/14/2023	Guyer Terri Lynn Green	1,000.00
200976	06/14/2023	Heartline Press	4,718.75
200977	06/14/2023	Pennoni Associates Inc.	4,890.84
200978	06/14/2023	Trans Union LLC	404.10
200979	06/14/2023	TRI Supply & Equipment	225.00
200980	06/14/2023	Tyler Technologies Inc.	36.25
200981	06/14/2023	United Electric Supply Co	388.88
200982	06/14/2023	Utility Engineers PC	4,529.40
200983	06/14/2023	Wesco Receivables Corp.	5,771.72
200995	06/23/2023	American Municipal Power Inc	6,785.43
200996	06/23/2023	Antonio's Lawn Service	2,020.00
200997	06/23/2023	Consult Dynamics Inc DCA Net	20.00
200998	06/23/2023	Council 81	415.50
200999	06/23/2023	Delta Dental of Delaware Inc	1,767.06
201000	06/23/2023	Department of Human Resources Financial Services	35,614.34
201001	06/23/2023	Dover Plumbing Supply Co.	2,874.51
201002	06/23/2023	Kathleen R Weirich	157.50
201003	06/23/2023	Kendall Electric INC	4,478.74
201004	06/23/2023	Pitney Bowes Purchase Power	2,015.00
201005	06/23/2023	Principal Financial Group	2,490.05
DFT0001996	06/09/2023	Maryland Child Support Account	184.62
DFT0001997	06/09/2023	Nationwide Retirement Sol	4,492.47
DFT0001999	06/09/2023	M&T ONE CARD	3,603.52
DFT0002000	06/09/2023	United States Treasury	18,179.33
DFT0002001	06/16/2023	BRINKS CAPITAL	589.00
DFT0002002	06/02/2023	OpenEdge	1,645.65
DFT0002003	06/14/2023	Nationwide Life Ins. Co. of America	22,537.42
DFT0002004	06/19/2023	DEMEC Inc	504,637.32
DFT0002005	06/09/2023	M&T ONE CARD	20,580.57
DFT0002006	06/23/2023	Maryland Child Support Account	184.62
DFT0002007	06/23/2023	Nationwide Retirement Sol	4,536.43
DFT0002010	06/23/2023	United States Treasury	18,590.97
DFT0002011	06/30/2023	COMPTROLLER OF MARYLAND	1,107.80
DFT0002012	06/30/2023	Delaware Div. of Revenue	17,231.00
DFT0002022	06/21/2023	United Electric Supply Co	74.55
DFT0002023	06/21/2023	M&T ONE CARD	21,513.99
TOTAL PAYMENTS			\$ 721,668.65

Customer Service/Billing

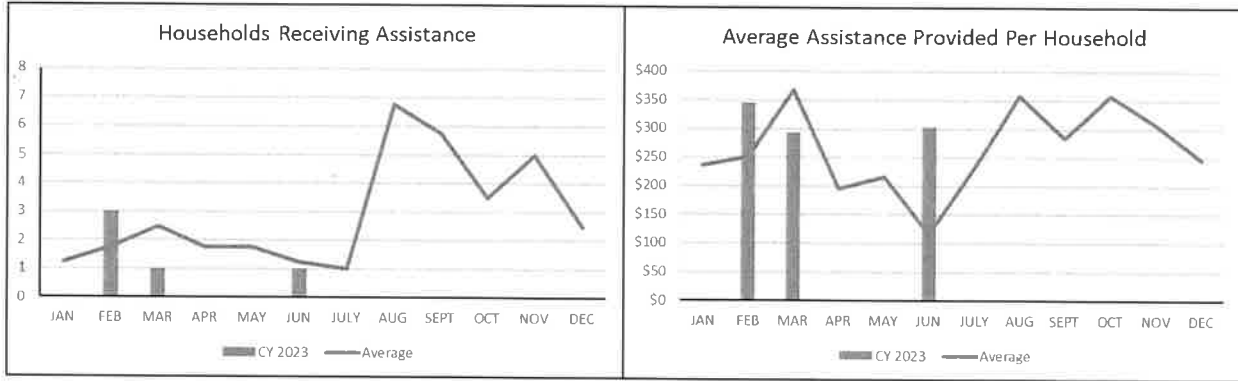
Since the previous meeting, the Customer Service Department processed:

Bills sent	3,227
Delinquent & past due notices	352
Automated phone notifications	281
Payment arrangements	67
Contracts	0
Service cuts – June	73
Accounts sent to collections	4
Electric bad debt write-offs	\$561.25
Applications for service	35



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 June, the fund assisted one customer with approximately \$300. The maximum allowed by the program is \$400. The current balance in the fund is \$5,238.



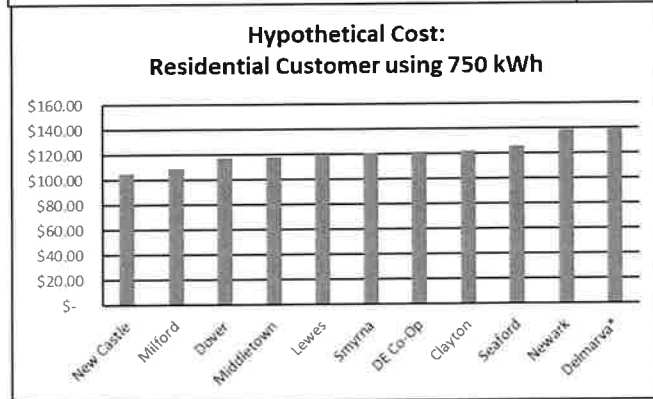
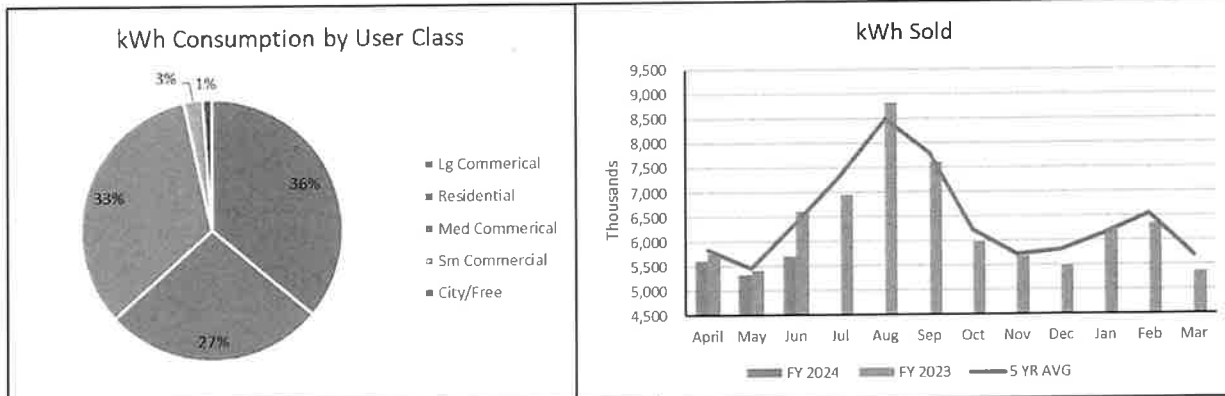
In addition to assistance provided through the New Castle Cares fund, five customers received an average of \$335 from other agencies or nonprofits that provide assistance for utility bills.

Below is a condensed aging report for active customers as of July 14, 2023:

Total	Current	30 Days	60 Days	90 Days	120 Days
\$99,704	\$95,451	\$5,121	\$562	\$437	\$1,867-

Electric Revenues

User charges are on target with the current point in the fiscal year. There was a decrease in the budgetary variance from May of \$32,000. June kWh sales decreased by approximately 13.77% (911,000 kWh) from the same period last year. Consumption was down in large commercial and residential, due mostly to the mild temperatures at the end of May and beginning of June. Consumption is approximately 6.5% lower than the 5-year average due to the mild weather. The power purchase adjustment, enacted in January of 2023 (\$0.0082 per kWh) generated \$135,000 year to date.

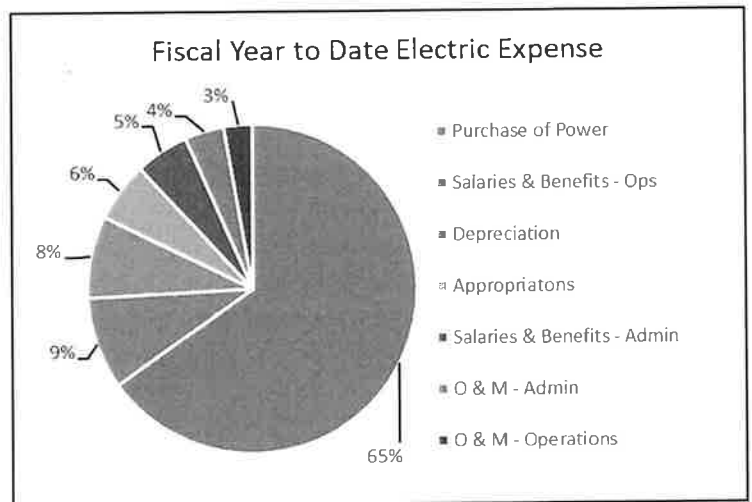


Each month, DEMEC provides a comparison of the cost of residential electric service. The analysis assumes a residential customer who uses 750 kWh per month. MSC's rate is 24.9% lower than Delmarva* and 13.4% lower than the co-op.

*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 favorable variance (\$55,000). \$81,000 is related to decreased power purchase costs due to lower than anticipated consumption. The negative variance in operations' salaries & benefits is related mostly to increases in Compensated Absences as a result of vacation accruals that occurred in June. Other variances are the result of timing differences and are expected to decrease in future months. After accounting for non-operating revenues and expenses, there is a decrease in net position of \$143,000. The Electric Department needed to replace the motor in one of their trucks, this expense was approved by the Commissioners in the prior fiscal year, however, due to supply chain disruptions, the repair was no able to be completed until May of 2023, meaning the expense will fall in the current budget year. This will result in the repairs and maintenance expense line being over budget in future months (approximately \$20,000).



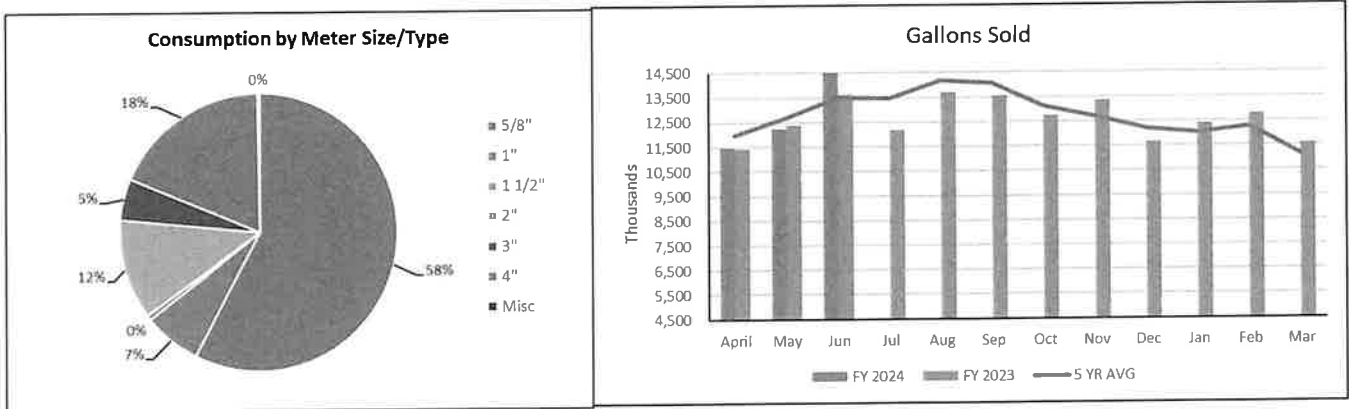
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Municipal Services Commission
Budget to Actual Comparison – Electric
As of June 30, 2023

	YTD Budget	YTD Activity	Variance	Total Budget
Operating Revenues				
User charges	2,132,312	2,129,918	(2,394)	9,624,301
City service charges	12,767	12,390	(377)	52,000
MSC service charges	9,419	11,578	2,159	41,000
Miscellaneous income	9,152	22,215	13,063	61,210
<i>Total Operating Revenues</i>	<u>2,163,650</u>	<u>2,176,101</u>	<u>12,451</u>	<u>9,778,511</u>
Less: Free Service	1,818	1,387	431	8,000
<i>Net Operating Revenues</i>	<u>2,161,832</u>	<u>2,174,714</u>	<u>12,882</u>	<u>9,770,511</u>
Operating Expenses				
Purchase of Power	1,598,000	1,516,604	81,396	6,751,000
<i>Operations</i>				
Salaries and benefits	183,178	210,666	(27,488)	872,468
Insurance	28,780	28,016	764	51,186
Utilities	2,282	2,681	(399)	11,700
Repairs and maintenance	(34,955)	(8,435)	(26,520)	(82,900)
Supplies and materials	10,004	18,483	(8,479)	73,600
Professional fees	18,215	22,952	(4,737)	112,250
Depreciation	178,054	186,046	(7,992)	712,500
<i>Operations total</i>	<u>385,558</u>	<u>460,409</u>	<u>(74,851)</u>	<u>1,750,804</u>
<i>General & administrative</i>				
Salaries and benefits	126,603	121,988	4,615	518,853
Insurance	13,283	10,584	2,699	22,770
Utilities	2,767	2,259	508	11,731
Repairs and maintenance	1,758	2,307	(549)	7,860
Supplies and materials	5,836	8,597	(2,761)	29,500
Professional fees	76,721	51,404	25,317	141,340
Misc	28,316	14,114	14,202	95,328
Depreciation	6,997	2,243	4,754	28,000
<i>Total general & administrative</i>	<u>262,281</u>	<u>213,496</u>	<u>48,785</u>	<u>855,382</u>
<i>Total operating expenses</i>	<u>2,245,839</u>	<u>2,190,509</u>	<u>55,330</u>	<u>9,357,186</u>
Operating income	<u>(84,007)</u>	<u>(15,795)</u>	<u>68,212</u>	<u>413,325</u>
Nonoperating revenue(expense)				
Investment income	18,480	24,526	6,046	80,000
Investment expense	(590)	(576)	14	(2,500)
Unrealized gain(loss) on investment:	-	(10,481)	(10,481)	-
Grant expense	-	(480)	(480)	-
Other Expense	-	385	385	-
Appropriations				
Mayor and Council	(139,944)	(136,562)	3,382	(560,000)
Special	-	(3,525)	(3,525)	-
<i>Total nonoperating revenue(expense)</i>	<u>(122,054)</u>	<u>(126,713)</u>	<u>(4,659)</u>	<u>(482,500)</u>
Change in Net Position	(206,061)	(142,508)	63,553	(69,175)

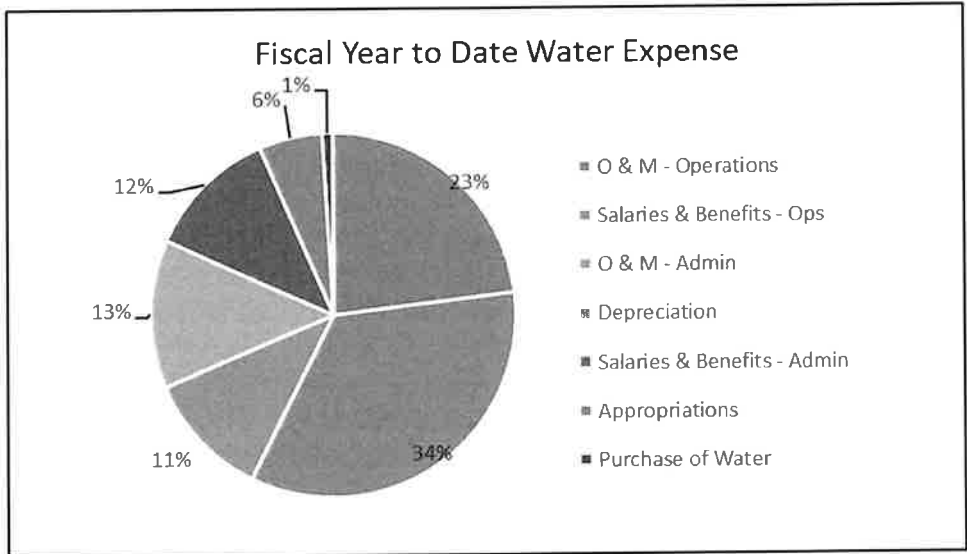
Water Revenues

User charges have a favorable variance of \$37,000 fiscal year to date. Water consumption for the month was up 4.5 million gallons (33%) when compared with the same period last fiscal year. This increase is entirely related to selling water to Artesian in the beginning of June. Fiscal year to date, water sales are 9.55% higher than the five-year average and 11.63% higher than the prior year.



Water Expenses

Water operating expenses have a favorable year to date variance (\$19,000). These variances are the result of timing differences and are expected to decrease as the year progresses. When considering nonoperating revenues and expenses, there is a increase in net position of \$787, which is \$54,000 better than anticipated at this point in the year.



Comptroller/Treasurer's Report – July 27, 2023

Municipal Services Commission
Budget to Actual Comparison – Water
As of June 30, 2023

	YTD Budget	YTD Activity	Variance	Total Budget
Operating Revenues				
User Charges	579,628	619,708	40,080	2,456,543
City Service Charges	9,042	7,142	(1,900)	37,000
MSC Service Charges	1,152	-	(1,152)	3,500
Miscellaneous Income	4,807	4,546	(261)	28,790
<i>Total Operating Revenues</i>	<u>594,629</u>	<u>631,396</u>	<u>36,767</u>	<u>2,525,833</u>
Less: Free Service	989	961	28	4,000
<i>Net Operating Revenues</i>	<u>593,640</u>	<u>630,435</u>	<u>36,795</u>	<u>2,521,833</u>
Operating Expenses				
Purchase of water	6,911	5,726	1,185	26,000
<i>Operations Dept</i>				
Salaries and benefits	215,429	212,793	2,636	920,789
Insurance	30,997	22,922	8,075	56,968
Utilities	6,681	8,017	(1,336)	28,770
Repairs and maintenance	56,192	98,778	(42,586)	172,112
Supplies and materials	24,650	5,863	18,787	131,435
Professional fees	11,629	7,703	3,926	86,502
Depreciation	76,569	80,996	(4,427)	306,400
<i>Total operations</i>	<u>422,147</u>	<u>437,072</u>	<u>(14,925)</u>	<u>1,702,976</u>
<i>General & administrative</i>				
Salaries and benefits	75,396	72,959	2,437	305,605
Insurance	10,868	8,661	2,207	18,630
Utilities	2,328	1,848	480	9,961
Repairs and maintenance	3,053	1,887	1,166	11,610
Supplies and materials	3,657	6,455	(2,798)	20,400
Professional fees	15,780	8,377	7,403	35,884
Miscellaneous	61,201	42,530	18,671	137,094
Depreciation	4,748	1,083	3,665	19,000
<i>Total general & administrative</i>	<u>177,031</u>	<u>143,800</u>	<u>33,231</u>	<u>558,184</u>
<i>Total operating expenses</i>	<u>606,089</u>	<u>586,598</u>	<u>19,491</u>	<u>2,287,160</u>
Operating Income	<u>(12,449)</u>	<u>43,837</u>	<u>56,286</u>	<u>234,673</u>
Nonoperating revenue(expense)				
Investment income	3,439	4,321	882	15,000
Investment expense	(118)	(102)	16	(500)
Unrealized gain(loss) on investment:	-	(1,850)	(1,850)	-
Realized gain(loss) on sale of asset	-	-	-	-
Grant income	-	-	-	-
Grant expense	-	-	-	-
Other Expense	-	(1,951)	(1,951)	-
Appropriations				
Mayor and Council	(34,986)	(34,268)	718	(140,000)
City Services	(9,768)	(9,200)	568	(40,000)
Special	-	-	-	-
Contributed Capital	-	-	-	-
<i>Total nonoperating revenue(expense)</i>	<u>(41,433)</u>	<u>(43,050)</u>	<u>(1,617)</u>	<u>(165,500)</u>
Change in Net Position	(53,882)	787	54,669	69,173

Comptroller/Treasurer's Report – July 27, 2023

**Municipal Services Commission
Statement of Net Position
As of June 30, 2023 and 2022**

	<u>2024</u>	<u>2023</u>
ASSETS:		
Current assets:		
Cash and equivalents	\$ 2,197,655	\$ 2,619,099
Investments	1,168,195	1,170,866
Accounts receivable, net	566,571	740,617
Inventories	845,127	796,551
Prepays	69,864	140,320
Restricted cash	729,821	700,916
Total current assets	<u>5,577,233</u>	<u>6,168,369</u>
Noncurrent assets:		
Capital assets not being depreciated:		
Land	43,796	45,386
Construction in progress	1,109,682	215,284
Capital assets net of accumulated depreciation:		
Buildings	701,263	268,491
Equipment	757,005	748,686
Infrastructure	14,229,277	10,890,848
Total noncurrent assets	<u>16,841,023</u>	<u>12,168,695</u>
Total assets	<u>22,418,256</u>	<u>18,337,064</u>
 DEFERRED OUTFLOWS OF RESOURCES		
Pension	574,627	319,164
Regulatory accounting - substation	-	3,436,566
Total deferred outflows	<u>574,627</u>	<u>3,755,730</u>
 LIABILITIES		
Current liabilities:		
Accounts payable	814,618	838,757
Accrued liabilities	50,698	45,884
Customer Deposits	740,925	784,665
Total current liabilities	<u>1,606,241</u>	<u>1,669,306</u>
Noncurrent liabilities:		
Due within one year	96,050	84,922
Due in more than one year	2,368,112	1,049,039
Total noncurrent liabilities	<u>2,464,162</u>	<u>1,133,961</u>
Total liabilities	<u>4,070,403</u>	<u>2,803,267</u>
 DEFERRED INFLOWS OF RESOURCES		
Pension	250,334	472,843
Total deferred inflows	<u>250,334</u>	<u>472,843</u>
 NET POSITION		
Net investment in capital assets	16,103,183	12,168,695
Unrestricted	2,568,964	6,647,989
Total net position	<u>\$ 18,672,147</u>	<u>\$ 18,816,684</u>

Comptroller/Treasurer's Report – July 27, 2023

Municipal Services Commission
Statement of Revenues, Expenses, and Changes in Net Position
As of June 30, 2023 and 2022

	<u>2024</u>	<u>2023</u>
ASSETS:		
Current assets:		
Cash and equivalents	\$ 2,197,655	\$ 2,619,099
Investments	1,168,195	1,170,866
Accounts receivable, net	566,571	740,617
Inventories	845,127	796,551
Prepays	69,864	140,320
Restricted cash	729,821	700,916
Total current assets	<u>5,577,233</u>	<u>6,168,369</u>
Noncurrent assets:		
Capital assets not being depreciated:		
Land	43,796	45,386
Construction in progress	1,109,682	215,284
Capital assets net of accumulated depreciation:		
Buildings	701,263	268,491
Equipment	757,005	748,686
Infrastructure	14,229,277	10,890,848
Total noncurrent assets	<u>16,841,023</u>	<u>12,168,695</u>
Total assets	<u>22,418,256</u>	<u>18,337,064</u>
 DEFERRED OUTFLOWS OF RESOURCES		
Pension	574,627	319,164
Regulatory accounting - substation	-	3,436,566
Total deferred outflows	<u>574,627</u>	<u>3,755,730</u>
 LIABILITIES		
Current liabilities:		
Accounts payable	814,618	838,757
Accrued liabilities	50,698	45,884
Customer Deposits	740,925	784,665
Total current liabilities	<u>1,606,241</u>	<u>1,669,306</u>
Noncurrent liabilities:		
Due within one year	96,050	84,922
Due in more than one year	2,368,112	1,049,039
Total noncurrent liabilities	<u>2,464,162</u>	<u>1,133,961</u>
Total liabilities	<u>4,070,403</u>	<u>2,803,267</u>
 DEFERRED INFLOWS OF RESOURCES		
Pension	250,334	472,843
Total deferred inflows	<u>250,334</u>	<u>472,843</u>
 NET POSITION		
Net investment in capital assets	16,103,183	12,168,695
Unrestricted	2,568,964	6,647,989
Total net position	<u>\$ 18,672,147</u>	<u>\$ 18,816,684</u>

**Municipal Services Commission
Combining Balance Sheet by Department
As of June 30, 2023 and 2022**

	Water		Electric		Total
	2024	2023	2024	2023	
ASSETS:					
Current assets:					
Cash and equivalents	-	-	2,197,655	2,619,099	2,619,099
Investments	175,229	175,630	992,966	995,236	1,170,866
Accounts receivable, net	129,671	130,295	436,900	610,322	740,617
Inventories	191,270	106,841	653,857	689,710	796,551
Prepays	18,067	47,230	51,797	93,090	140,320
Restricted cash	-	-	729,821	700,916	700,916
Total current assets	514,237	459,996	5,062,996	5,708,373	6,168,369
Noncurrent assets:					
Capital assets not being depreciated:					
Land	43,796	45,386	-	-	45,386
Construction in progress	486,626	69,401	623,056	145,883	215,284
Capital assets net of accumulated depreciation:					
Buildings	319,094	124,495	382,169	143,996	268,491
Equipment	248,617	286,867	508,388	461,819	748,686
Infrastructure	6,896,149	7,020,071	7,333,128	3,870,777	10,890,848
Total noncurrent assets	7,994,282	7,546,220	8,846,741	4,622,475	12,168,695
Total assets	8,508,519	8,006,216	13,909,737	10,330,848	18,337,064
DEFERRED OUTFLOWS OF RESOURCES					
Pension	258,583	143,624	316,044	175,540	319,164
Regulatory accounting - substation	-	-	-	3,436,566	3,436,566
Total deferred outflows	258,583	143,624	316,044	3,612,106	3,755,730

(Continued)

**Municipal Services Commission
Combining Balance Sheet by Department
As of June 30, 2023 and 2022**

	Water		Electric		Total	
	2024	2023	2024	2023	2024	2023
LIABILITIES						
Current liabilities						
Accounts payable	76,411	107,835	738,207	730,922	814,618	838,757
Accrued liabilities	24,463	20,647	26,235	25,237	50,698	45,884
Customer Deposits	(3,133)	48,389	744,058	736,276	740,925	784,665
Due to other funds	644,547	655,338	(644,547)	(655,338)	-	-
Total current liabilities	742,288	832,209	863,952	837,097	1,606,241	1,669,306
Noncurrent liabilities:						
Due within one year	15,592	-	80,458	-	96,050	-
Due in more than one year.	1,173,290	555,332	1,194,822	578,630	2,368,112	1,133,962
Total noncurrent liabilities	1,188,882	555,332	1,275,280	578,630	2,464,162	1,133,962
Total liabilities	1,931,170	1,387,541	2,139,232	1,415,727	4,070,403	2,803,267
DEFERRED INFLOWS OF RESOURCES						
Pension	112,650	212,779	137,684	260,064	250,334	472,843
Total deferred inflows	112,650	212,779	137,684	260,064	250,334	472,843
NET POSITION						
Net investment in capital assets	7,645,525	7,546,220	8,457,658	4,622,475	16,103,183	12,168,695
Unrestricted	(922,243)	(996,700)	3,491,207	7,644,689	2,568,964	6,647,989
Total net position	6,723,282	6,549,520	11,948,865	12,267,164	18,672,147	18,816,684

**Municipal Services Commission
Combining Schedules of Revenues, Expenses, and Changes in Net Position by Department
For the three months ending June 30, 2023 and 2022**

	Water		Electric		Total	
	2024	2023	2024	2023	2024	2023
Operating Revenues:						
Charges for services	\$ 626,850	\$ 568,602	\$ 2,153,886	\$ 2,075,851	\$ 2,780,736	\$ 2,644,453
Miscellaneous	4,546	3,627	22,215	7,941	26,761	11,568
Total operating revenues	631,396	572,229	2,176,101	2,083,792	2,807,497	2,656,021
Less: free service	(961)	(902)	(1,387)	(909)	(2,348)	(1,811)
Net operating revenues	630,435	571,327	2,174,714	2,082,883	2,805,149	2,654,210
Operating Expenses						
Purchase of water and power	5,726	5,991	1,516,604	1,610,827	1,522,330	1,616,818
Salaries and benefits	285,752	281,643	332,653	315,792	618,405	597,435
Repairs and maintenance	100,665	96,284	38,620	27,096	139,285	123,380
Supplies	12,318	18,224	9,181	31,561	21,499	49,785
Utilities	9,864	8,043	4,940	5,628	14,804	13,671
Insurance	31,582	15,042	38,600	18,385	70,182	33,427
Professional fees	13,565	25,266	29,974	15,196	43,539	40,462
Administrative	45,046	18,111	31,648	25,898	76,694	44,009
Depreciation	82,080	81,118	188,289	93,704	270,369	174,822
Total operating expenses	586,598	549,722	2,190,509	2,144,087	2,777,107	2,693,809
Operating income (loss)	43,837	21,605	(15,795)	(61,204)	28,042	(39,599)

(Continued)

**Municipal Services Commission
Combining Schedules of Revenues, Expenses, and Changes in Net Position by Department
For the three months ending June 30, 2023 and 2022**

	Water		Electric		Total
	2024	2023	2024	2023	
Nonoperating revenues (expenses):					
Net investment income	4,219	1,072	23,950	5,807	28,169
Realized gain (loss) on investments	-	-	-	-	-
Unrealized gain(loss) on investments	(1,850)	(8,467)	(10,481)	(47,982)	(12,331)
Gain (loss) on disposal of assets	-	(2,172)	-	(2,650)	(4,822)
Grant income	-	-	-	-	-
Grant Expense	-	-	(480)	-	(480)
Miscellaneous	(1,951)	(1,797)	385	-	(1,797)
Appropriations to Mayor & Council of New Castle					
Ordinary	(34,268)	(34,332)	(136,562)	(133,222)	(170,830)
City Services	(9,200)	(8,926)	-	-	(9,200)
Special	-	(3,731)	(3,525)	(1,534)	(3,525)
Total nonoperating revenues (expenses)	<u>(43,050)</u>	<u>(58,353)</u>	<u>(126,713)</u>	<u>(179,581)</u>	<u>(237,933)</u>
Income before capital contributions	787	(36,748)	(142,508)	(240,784)	(141,721)
Capital Contributions	-	-	-	-	-
Change in net position	787	(36,748)	(142,508)	(240,784)	(141,721)
Net position - beginning	6,722,495	6,586,268	12,091,373	12,507,948	18,813,868
Net position - ending	<u>\$ 6,723,282</u>	<u>\$ 6,549,520</u>	<u>\$11,948,865</u>	<u>\$12,267,164</u>	<u>\$18,672,147</u>
					<u>\$18,816,684</u>

Comptroller/Treasurer's Report – July 27, 2023

**Municipal Services Commission
Capital & Projects Budget to Actual
As of June 30, 2023**

<u>Project</u>	<u>Total Approved Budget</u>	<u>Materials as of 3/31/2024</u>	<u>Remaining Budget as of 3/31/2024</u>	<u>Total Capitalized To Date (1)</u>	<u>Status</u>
Vandyke Village Undergrounding	\$ 886,000.00	\$ 663,417.00	\$ 222,583.00	\$ 1,391,935	In Progress
AMI System - Electric	665,000	475,758	189,242	-	In Progress
Dobbinville Relay Replacement	85,000	37,127	47,873	-	In Progress
Stake Body Truck	90,000	-	90,000	-	PO Issued
WIAC AMP Grant - MSC Asset Management \$100,000 RK&K Engineering (approved 07-01-19)	100,000	90,928	9,072	-	In Progress
AMI System - Water	1,281,000	375,167	905,833	-	In Progress
Toyota Pallet Lift	10,500	11,428	(928)	11,428	Complete
T-8 Replacement ,	150,000	-	150,000	-	In Progress
	\$ 3,267,500.00	\$ 1,653,825.09	\$ 1,613,674.91		

(1) Includes capitalized labor and equipment costs.

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

July 27, 2023

Prepared by: Jay Guyer on July 21, 2023

1. Developer Projects

A. Riverbend Subdivision

1. Freedom Development updated WUM Guyer that they have received no response from Norfolk Southern / Rail Pros in reference to reopening the railroad permits / agreements for the crossings. Freedom Development submitted the escrow money for the water main installation on North Heron Circle and plans to have their contractor start the week of July 24th. Water Operators will be on site performing field inspections to ensure compliance with MSC standards.

B. Sheriffs House Renovation – Market Street

1. WUM Guyer was contacted by the Riley Construction Superintendent in reference to the water services. They need to replace the existing check valve on the domestic service and the fire system has been turned off at the curb due to structural issues along the rear wall of the building. He will reach out when he is ready to have the domestic service re-inspected and the fire service restored.

C. Colonial School District – Wallace Wallin School Water Service Replacement

1. WUM Guyer received water main replacement plans from the engineer and returned comments to the engineer. MSC observed Bear Industries perform a fire flow test that was required by the State Fire Marshal to confirm available flow. Cut sheet submittals were received, reviewed, and returned with comments. Plans and submittals were approved. WUM Guyer submitted the plans to the Office of Drinking Water, Office of Engineering for an Approval to Construct which they agreed to provide. A preconstruction meeting was held July 12th on site. The contractor planned to start installation July 17th. MSC will be reimbursed for inspection services by the School District.

D. Del DOT School Lane Trail – RT273 to RT13

1. WUM Guyer was contacted by Del DOT's consulting engineer Whitman Requardt & Associates, LLP about the School Lane Trail from Frenchtown Road to DuPont Highway. The engineer forwarded completed design plans for the proposed improvements which included correcting grading and drainage along the Lane and paving from Frenchtown Road to our School Lane Water Treatment Facility. WUM Guyer updated the Trustees President on the project, reviewed the plans and returned comments to the engineer. MSC owns/maintains a 12" finished water main and 6" raw water main in the proposed work area. WUM Guyer had a follow up conversation with the engineer as they are preparing responses to my comments.

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Water Department Commission Meeting Report

July 27, 2023

Prepared by: Jay Guyer on July 21, 2023

E. 106 Brylgon Avenue – New Home

1. The Contractor has not performed any water service work for the new home.

F. 104 / 106 East 4th Street – 2 New Homes

1. WUM Guyer met with the Builder on site and discussed MSC's requirements for installing new water services. The Builder advised he has contracted with Cirillo Brothers to perform the water service installation. He will forward the proposal and estimated time to complete the install so an escrow estimate can be provided by MSC.

2. MSC Projects

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

1. MSC, DEMEC, AMP, and Pro Meters have weekly meetings to discuss planning and implementation of the AMI metering system. WUM Guyer and WUS Jaeger have been set up to access the IP Keys MDM Portal to start reviewing MSC meter data. Water ERTS and installation accessories have been received. Installation is scheduled to start on August 1st. WUM Guyer and WUS Jaeger are discussing options for the best approach to completing MSC's installations.

B. Water System Asset Management Program

1. RK&K Prepared and forwarded a draft Asset Management Plan. WUM Guyer and WUS Jaeger have started reviewing the draft adding comments where needed and developing estimated costs for future projects associated with the plan goals.

C. Cross Connection Control Program – Hydro Corp

1. Cross Connection Control (CCC) Program - WUM Guyer and WUS Jaeger met with Hydro Corp representatives and discussed sending 1st notice reminders for 2023 to customers. WUM Guyer or WUM Jaeger will hand deliver notices to non-complaint customers to review our CCC Program, ensure we have correct contact information, and advise them that non-compliance will result in termination of water service.

D. Hewlett, Janvier, and Megginson Avenue Water Main Replacement

1. Bids for the water main project were due June 21st at 1:00pm. 2 Bid packets were received and opened by Pennoni. Both Bids were checked and confirmed to have met the Bid requirements. A special Commission Meeting was held on July 6th where the Commissioners voted to follow Pennoni's recommendation and award the project to the low bidder R. E. Pierson Contracting. WUM Guyer is following up with our Engineer on the next steps to get the project started.

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

July 27, 2023

Prepared by: Jay Guyer on July 21, 2023

3. Operations

A. Outages

1. There was 1 - planned and no unplanned water outages for the month of June 2023. Water outage report is attached.

B. Reporting

1. Calgon Carbon Corporation (CCC) Pilot Study – The Study is ongoing collecting and transmitting daily data to CCC. MSC collects bi-weekly PFAS samples delivering them to the STRIDE Lab for testing, evaluation, and comparison.
2. On March 14th, the US EPA proposed the first national primary drinking water standards for six (6) PFAS compounds as part of their PFAS Strategic Roadmap. The comment period ended on June 12th. WUM Guyer is following the comments.
3. MSC completed our first round of Unregulated Contaminant Monitoring Rule 5 (UCMR 5) sampling on March 8th. Lab results are still pending. The second round of sampling is schedule for September 2023.
4. WUM Guyer was contacted by Artesian Water Company about opening the interconnection to supply their operation. On June 2nd, MSC met with their operator and opened the interconnection supplying their system 300gpm. The interconnection was shut down June 13th supplying Artesian with a total of 4,584,400 gallons.

C. System Repairs and Maintenance

1. Riverbend Subdivision – Flushed on June 7th and July 10th to maintain Chlorine Residual.
2. Monthly Meter Reading – Monthly meter reads were completed on July 12th. Operators followed up on check / missed reads as needed.
3. Carbon Filtration System – WUM Guyer continues working on scheduling an exchange for Vessel 1 with Virgin F400 Carbon. Calgon Carbon Corporation (CCC) received the last sample results from their lab and have prepared a proposal to dispose of the carbon in Vessel 1 and the load stored at their facility. WUM Guyer received notice from our DWSRF Representative that the Bond Bill MOU was updated to include the disposal of the carbon and cover the cost of 40,000lbs of F400 Virgin carbon. WUM Guyer and WUS Jaeger discussed the issue with our engineer from Pennoni who is researching the radioactive issue in our carbon and will update MSC on his findings.

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4. On May 4th, Water samples were collected from MSC's 3 water supply wells and a sample from our Distribution Entry Point (DEP) and sent to Suburban Laboratory for Radiological testing including Radium 226, Radium 228, and Uranium 200.8. Sample results were received/reviewed and were consistent with previous test results showing no exceedances.
5. Fire Hydrant Flushing – Annual Fire Hydrant flushing was started on June 19th and completed on June 27th. 1 hydrant broke during operation and several hydrants required routine maintenance on the caps and oil reservoirs. Water loss total was 765,950 gallons.
6. On July 13th, MSC Water Operators mobilized and replaced the 1972 Corey / Rensselaer hydrant at 14th and Moores Avenue. The outage lasted 2 hours and 15 minutes affecting 25 customers. The hydrant was flow tested and placed in service.
7. MSC Valve Exercising Program – During the annual fire hydrant flushing program, 31 Valves in Washington Park (17 Hydrant and 14 inline) were operated under a flow condition testing their operation and position. 1 inline valve on West 12th Street in Washington Park broke during operation. The information collected from the valve exercising program is being entered into our Arc GIS Pro Mapping data base.
8. On June 28th, Water Operators mobilized and replaced the inline valve in front of 735 West 12th Street. The outage lasted 1 hour – 30 minutes affecting 44 customers.
9. Water Operators rotate working with the Electric Crew on the Van Dyke Village Electric Undergrounding Project as needed assisting with equipment operations, excavation, conduit installation, and restoration.

D. Grants and State Revolving Funds

1. The DWSRF 2023 Project Priority List (PPL) is available and lists the # 5 project as being our PFAS Treatment System Improvements at School Lane Treatment Facility. WUM Guyer and WUS Jaeger reviewed the project and have provided Pennoni with updated information for them to complete the full application for the DWSRF Loan.
2. School Lane Water Treatment Facility Natural Gas Generator – No update from DEMA on the Natural Gas Generator.

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E. Equipment

1. The Lowboy trailer wooden deck was removed and replaced with new oak lumber. The existing deck was replaced 10 plus years ago and weathered sitting outside causing substantial wood rot.
2. No other equipment issues to report for the month of June.

F. Personnel and Training

1. No personnel issues to report at this time.
2. WUM Guyer and WUS Jaeger attended the 4 Day ASSE Backflow Preventer Program Administrator Certification Training at DRWA July 17th through the 20th. Both passed the exam and received their Program Administrator Certification.

G. 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. Water Operations is reviewing the final draft of the updated Safety Manual and will forward comments to the Safety Committee.

3. Local, State, and Federal Agencies

A. WSCC - Water Supply Coordinating Council

1. The June 19th Northern New Castle County Water Providers virtual Check-In Meeting went well. Presentations were made by the Delaware Geological Survey group in reference to Water Conditions compared to the Drought Operating Guidelines and the State of Delaware Climatologist submitted a written report on weather conditions and predicted forecast for precipitation, and University of Delaware Water Resource agency reported on their activities related to water projections for supply and consumption. The Individual Water Utilities reported on Conditions and Activities for their organizations. Overall conditions throughout the State have improved with the recent precipitation however, conditions remain dry due to deficit precipitation over the last 6 / 12 month periods. The group agreed to monitoring conditions and scheduling the next meeting in early August if the area does not receive substantial precipitation in the next two to three weeks. DNREC reported that the reauthorization legislation was completed and submitted to the legislature for consideration. Senate Bill – 190 was introduced on June 20th and passed by the Senate on June 22nd

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2. The next Northern New Castle County Water Providers Check-In Meeting will be scheduled for early August depending upon weather conditions.

B. WRA – Water Resource Agency

1. WUM Guyer started sending weekly pump data to the University of Delaware WRA Staff.

C. DEWARN – Delaware Water/Wastewater Agency Response Network

1. The June 20th meeting went well and was well attended. The chair updated the group on Warn activities and national meeting events. The group discussed new Federal regulations related to PFAS, Lead and Copper Rule revisions, Consumer Confidence Reporting revisions, and the East Basin Road Ground Water Site being added to the Superfund Program National Priorities List. There were no Warn activations for local utilities over the last quarter.
2. The next DEWARN meeting is tentatively scheduled for September.

D. Water Operator Advisory Council

1. The July 13th Meeting went well. Council reviewed 7 Water Operator License Applications, approved the May 4th meeting minutes, reviewed and approved 1 training course From Tidewater Utilities. Council discussed candidates and 2 new applications for Council appointment. The Sub Committee discussed progress reviewing the Operator Certification Regulations and written examination questions.
2. The next Advisory Council meeting is scheduled for September 14th.

E. WIAC - Water Infrastructure Advisory Council

1. The next WIAC meeting is scheduled for September 20, 2023.

End of Report

Attachments: June 2023 Water Works Report
June 2023 Water Outage Tracking Sheet

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Monthly Water Works Report

June 1 - 30, 2023

Prepared By: Jay Guyer on July 21, 2023

Water Production		FT 300	Adjusted Finished		Gallons	
Month	Year	Raw	Total Gallons	Total Gallons	Raw	Finished
June	2022	13,410,400	13,325,699		18,590,300	
June	2023	18,590,300	18,310,613		18,310,613	
	Difference	5,179,900	4,984,914			-279,687
	Percentage Difference	27.9	27.2			1.5

NOTE: MSC 2023 Annual Hydrant Flushing was started on June 19th and completed on June 27th.

Well(s) in Operation	Basin Road	Frenchtown Road	School Lane	Cross Roads
Days Pumped	Reserve Status	XXX	XXX	Resting
		15	29	

Note: MSC sold water to Artesian Water Company starting on June 2nd and stopped on June 13th.

Water Quality	MSC Average	Goal / Target Level	Range
Average Chlorine Residual	1.39 ppm	1.40 ppm	1.0 - 4.0 ppm
Average pH	7.4	7.5	6.5 - 8.5 on a 0 - 14 Scale
Average Fluoride Residual	0.88 ppm	0.80 ppm	0.60 - 1.00 ppm

General Water System Report

Routine Bacteria Sampling
(Office of Drinking Water)

# Collected	10
# Results	10 Absent
	0 Present

Miss Utility Locate Requests
(Water and Electric Locates)

# Received	62
# Completed	62
# of Damages	0

Building Permit Review
(Water Related Conflicts)

# Reviewed	40
# Approved	40
# Not Approved	0

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Monthly Water Outages / Interruptions Report

June 1 - 30, 2023

Prepared By: Jay Guyer on July 21, 2023

Planned Outage / Interruptions

**Approximate
Duration**
Hours / Minutes

**No. of
Customers**

Location

Comments

6/28/2023

1 hour - 30 minutes

735 West 12th Street - Between Linden
Street and 11th Street

45

Removed leaking broken 6" valve -
replaced with spool and 2 couplings.

Unplanned Outage / Interruptions

**Approximate
Duration**
Hours / Minutes

**No. of
Customers**

Location

Comments

No Unplanned Outages or Interruptions for the Month of June 2023.

ELECTRIC DEPARTMENT COMMISSION REPORT

July 27, 2023

Prepared by Artie Granger on July 20, 2023

1. Developer Projects:

A. Riverbend Subdivision:

- I. MSC has had no further conversation about the installation of the electrical feeds.
- II. MSC had one customer that had part power due to a bad connection. MSC Electric department repaired connection.

2. Capital Projects:

a. Substation Relay Replacement

- I. MSC has been working with Utility Engineering to complete a design for the relay replacements for both substations.
 1. MSC has received a draft copy for both substations.
 2. MSC has been working on getting information together from the SCAD integrator to get the costs together for their portion of these projects.

b. Van Dyke Village:

- I. MSC has continued to install conduit and boxes on Casimir Drive. MSC has been completing restoration as we finish conduits for each transformer.

3. Capital Purchases:

- I. Replacement T-12 Bucket truck
 1. MSC has continued to work getting proposals for the replacement bucket truck.
 2. MSC is getting pricing from three different bucket truck manufactures.
- II. AMI
 1. MSC has installed all of the recommended relays and access points.
 2. MSC has installed test meters at various locations.

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3. MSC has begun to install the commercial AMI meters.
4. Pro Meters is scheduled to begin installing the electric AMI meters around the first week in August.

4. Operations:

5. Outages :

- I. There was one outages in the last month. There was a tree branch that took down a span of primary cable on Meggison Ave. MSC had 14 customers out for about 4 hours. MSC restored power in the evening and replaced a pole during the day.

SAIDI (minutes)	SAIFI (number of interruptions)	CAIDI (minutes)	ASAI (percent)
41.425	1.0275	40.316	99.9921%

- II. 06/1/22 – 06/1/23

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.

6. Repairs and Maintenance:

A. Wilmington Road Substation:

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

B. Dobbinsville Substation:

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ELECTRIC DEPARTMENT COMMISSION REPORT

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- i. The electric department has performed the monthly inspections at this location.
- c. MSC Utility Building
- i. MSC will be paving some more of the parking lot around the new pole barn. This is scheduled to be done Friday 7-21