

Municipal Services Commission Monthly Meeting
October 26, 2023, 8:00 a.m.
216 Chestnut Street New Castle, Delaware

The meeting was called to order at 8:03 a.m. with Mr. Scott Blomquist, Secretary, presiding.

Present: David Atherton Commissioner
Mayor Valarie W. Leary, Commissioner
Scott L. Blomquist, Secretary

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

Mr. Blomquist convened the meeting at 8:06 a.m. Roll call followed and a quorum to conduct business was declared.

Mr. Blomquist introduced Commissioner Atherton and welcomed him as the new MSC Commissioner.

Minutes

Approval of the minutes from the September 28, 2023, meeting was deferred to the November meeting.

Comptroller/Treasurer Report – Mr. Natale reporting

(See attached report)

Mr. Natale reported as of September 30, 2023:

- Total cash on hand: \$2.7M
- Investment Portfolio: \$1.1M, which down \$15,000 from prior month. The portfolio is invested in intermediate bond funds. In response to a question from Commissioner Atherton, Mr. Natale explained that the bonds are valued at the current market value.
- M&T Sweep Account: \$1.3M – This account is paying 5.3% interest and has a stable net asset value of \$1.00.
- Unrestricted cash on hand: 95 days at September 30, 2023, which is down 5 days from prior month.
- Check Register Disbursements: Mr. Natale pointed out some particular payments that were fairly large:
 - \$168,000 – Calgon Carbon Corporation for the carbon swap at School Lane that was paid by a State grant through the Bond Bill.
 - \$170,000 – City of New Castle for the quarterly allocation.
 - \$ 10,000 – New Castle Cares Fund to assist customers. Messrs. Blomquist and Natale gave an explanation of the program.
 - M&T One Card transactions are for purchases made on MSC's purchasing card. A rebate check of approximately \$9,000 for MSC's first year in the program was received.

Customer Service/Billing

- There were 48 service cuts for non-payment in September, which was up slightly.
- Eight customers received approximately \$357 each from the New Castle Cares Fund (NCCF). Nine customers received an additional average of \$277 from other non-profits and State agencies.

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Electric Department

- User charges are \$201,000 under budget fiscal year to date.
- kWh sales were down 4.5% (343,000 kWh) from the same period last year across all classifications.
- Consumption is down approximately 6.2% from the 5-year average YTD due to mild weather over the summer. Mr. Natale explained the typical peak times.
- Operating expenses have a favorable variance \$38,000. \$137,000 is related to decreased power purchase costs due to lower than anticipated consumption.
- There is a negative variance in salaries & benefits related mostly to increases in compensated absences due to vacation accruals and less salaries expense being capitalized for the Van Dyke undergrounding project than anticipated.

Water Department

- User charges have a favorable year-to-date variance of \$17,000.
- Consumption was down 107,000 gallons from the same period last year. Consumption was down in Smaller (residential) meters by 167,000 gallons while consumption was up in larger (commercial) meters by 60,000 gallons.
- Sales are 1.5% higher than the five-year average YTD due to the sale of water to Artesian Water, and 5.5% higher than the prior year.
- Operating expenses are favorable YTD \$42,000 related to timing differences.
- Negative variances in salaries & benefits and repairs & maintenance are related to less expenses being capitalized on the Van Dyke undergrounding project than anticipated.

Mr. Natale reported that the IT Consultant has recommended that the MSC's server be replaced due to Microsoft ending support on the system at December 31, 2023. Mr. Natale will bring a proposal to the Commissioners at the next Board meeting. In response to a question from Commissioner Leary, Mr. Natale further explained the reason for having the system replaced. In response to a question from Commissioner Atherton, Mr. Natale stated that the system is not backed-up to the cloud and that Apple would not work with the MSC programs. After discussion, it was agreed that Mr. Natale will have the IT Consultant prepare a quote for cloud back-up.

Mr. Natale explained the budgeting method currently being used, and proposed that MSC use a cash, or modified accrual basis, which is how the City budgets. A discussion of the mechanics of the process ensued.

A motion was made by Commissioner Leary that MSC move to the modified accrual basis for operating budget policy. The motion was seconded by Commissioner Atherton and unanimously passed.

In response to a question from Commissioner Atherton, Mr. Natale further explained the budgetary expense, noting that MSC does not have any carry-over.

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Mr. Blomquist explained the HUB International recommendations for the Pension Plan based on their presentation at the September Board meeting.

A motion was made by Commissioner Leary to approve the Pension Investment recommendations from HUB International. The motion was seconded by Commissioner Atherton and unanimously carried.

Electric Department Report – Mr. Granger reporting

(See attached report)

Developer Projects:

- River Bend – The contractor will begin installing the next portion of the infrastructure on Heron Circle. After review, MSC will submit the proposal to the developer for escrow.
- Graver Industries– MSC installed the transformer for Graver Industries.
- Argo Refiners – Mr. Granger opined that if their projections are correct Agro Refiners could become one of MSC's largest customers.
- The Flats at Riveredge – MSC has had preliminary discussions with the electrical engineer.

Mr. Blomquist noted that if the customers at Riveredge Industrial Park meet their projections, there might be a capacity issue that will require some further planned infrastructure.

Capital Projects:

- Substation Relay Replacement – MSC is still working on the relay replacements. The plan is to replace Dobbinsville next year and Wilmington Road the following year.
- Van Dyke Village – Digging is complete for this year. Patches are being done now. Mr. Blomquist updated the Commissioners on the customer who complained that MSC damaged her driveway, noting that at her request MSC is staying off her property.

Capital Purchases:

- T-12 Bucket Truck – Mr. Granger issued a PO for the replacement of the T-12 Bucket Truck.
- AMI – MSC continues to work with Pro Meters.

Outages:

- There were no planned or unplanned outages in September:

Repairs and Maintenance:

- Wilmington Road Substation / Dobbinsville Substation – Monthly inspections are being made. The breaker operation times were tested and they are working correctly. Mr. Granger is moving forward to get the Relay Coordination Study done.

Commissioner Atherton noted he received a complaint from Zolli's on Delaware Street that the street in front of their restaurant is dark. Mr. Blomquist explained the process when complaints/issues are received from residents, noting that the matter is reported to the Police Department, who determines if the matter is a security/safety issue. Thereafter, the Police Department will make a recommendation to MSC. Further discussion ensued, during which Mr. Granger opined that more disputes will be lodged as MSC changes lights from HPS to LED.

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Water Department Report – Mr. Guyer reporting

(See attached report)

Developer Projects

- Riverbend Subdivision – The Norfolk Southern applications for the water/electric loops have been refiled and reopened by Norfolk Southern. Freedom Development is in the process of getting funds together to submit for both applications. MSC received the documents yesterday. Christiana Excavation completed the 8" water main installation on North Heron Circle. MSC's inspector was on-site observing the work to ensure everything was in compliance with MSC standards.
- Sheriffs House Renovation – Domestic service remains off. The fire service was turned on and was tested and certified. The domestic service will be turned on in about one week.
- 104/106 East 4th Street – Bacteria samples were collected and tested with results being absent. Mr. Guyer will reconcile the project.
- Flats at Riveredge / Riveredge Park – Mr. Guyer had several conversations with the engineer and discussed scheduling the flow test for the project.
- Charter School of New Castle / 160 Lukens Drive, Riveredge Park – Two modular classroom structures are being installed requiring domestic and fire services. MSC's inspectors observed the work and took bacterial samples that returned absent. MSC is not aware of any plans to make the structures permanent.
- The Battery Apartment Complex / 427 West 7th Street – Preliminary water supply plans for the complex were received. Preliminary comments were returned to the engineer.
- Deemers Landing and The Helm Apartment Complexes – The developer continues to install meter settings and preparing them for individual metering.

MSC Projects

- AMI – MSC continues to have weekly meetings to discuss problems, issues and concerns. Messrs. Guyer and Jaeger continue to review meter data. Pro Meter has completed approximately 45% of water meter installation and MSC has completed 325 meter installations. Electric is approximately 95% completed. Non-compliant customers were sent letters giving them 15 days to schedule or be cut. Mr. Guyer has discussed this with Messrs. Blomquist and Natale.
- Asset Management Program – MSC will review the final copy of the Plan upon receipt, and will get final training. Mr. Guyer will reconcile the project and assist with satisfying any final grant requirements.
- Cross Connection Control Program – Hydro Corp's Proposal – Hydro Corp. sent second notices to customers and is keeping MSC informed of no-responses so 3rd notices can be sent. Mr. Blomquist noted that this is State law. During discussion it was noted that many MSC programs are being used as the model throughout the State. Mr. Blomquist noted that two years ago MSC contracted managing the program out.
- Hewlett, Janvier, and Meggison Avenue Water Main Replacement – A Notice to Proceed date of October 16th was agreed upon at the September 29th pre-construction meeting with R. E. Pierson, and formal paperwork was completed. This project is being covered under an SRF Program with complete principle forgiveness of \$1.4M. Mr. Guyer stated that the R. E. Pierson

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crew is very proficient and professional. A full-time inspector is on-site and coordinating with Pennoni.

- School Lane Treatment Facility PFAS Treatment System Improvements – After the recent issues with radioactive carbon and disposal, it was agreed that the best approach is to go to a complete resin system, which will save costs and give MSC a longer change-out time of resins. A discussion of the process ensued. The SRF application was revised and Mr. Guyer was notified that the application is moving forward in the process. The project will receive full principle forgiveness of \$1.135M. Mr. Blomquist noted that MSC will bring the application to City Council for approval. Mr. Blomquist will arrange a tour of the facility for the Commissioners.

Operations

- Outages – There was one planned and no unplanned outages for the month of September.
- Calgon Carbon Corporation (CCC) Pilot Study Test – The study is ongoing. Data continues to be collected and analyzed.
- Drinking Water Standards – The EPA proposed the national primary drinking water standards for six PFAS compounds on March 14, 2023. Mr. Guyer continues to follow the proposed regulation. Over 122,000 comments are being reviewed and they have committed to having a regulation before the end of the year.
- Unregulated Contaminant Monitoring Rule 5 (UCMR5) – MSC completed the second round of UCMR5 sampling on September 11th. Results have not yet been posted.
- East Basin Road Groundwater Superfund Site – Sixteen areas within the site have been identified as possible sources of contamination. No testing or monitoring will be done until the details are finalized at the next quarterly meeting on January 10, 2024.
- Delaware Rural Water Association (DRWA) Apprenticeship Program – MSC is participating in the program again this year. Mr. Jaeger as confirmed the schedule with other water utilities in the area. Students will be doing tours, and Pennoni Associates and Keystone Engineering will be doing presentations. The course is a curriculum class and the students will receive credit for the program.
- Penn Farm Day – Messrs. Jaeger and Granger participated in Penn Farm Day on October 12th. 103 8th grade students from Colonial School District attended to become familiar with farming and the water treatment facility.
- Mid Atlantic Source Water Protection Forum – Mr. Guyer was invited to make a presentation at the USPEA Region III Mid Atlantic Source Water Protection Forum on November 15th. Messrs. Jaeger and Guyer are preparing a 30-minute presentation titled “Managing PFAS Contamination – A Small Water Utility Perspective”.

System Repairs and Maintenance

- Riverbend Subdivision – Riverbend was flushed on September 6th and 14th to maintain chlorine residual.
- Monthly Meter Reads – Monthly meter reads were done on October 12th. Operators followed up on check / missed reads as needed.
- Carbon Filtration System – CCC engineer Adam Redding completed compiling the information related to the testing performed on the radioactive carbon and provided a letter justifying the

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change to an all resin filter media for MSC PFAS treatment process. The letter was included in the revised DWSRF full application submitted on October 5th.

- Van Dyke Village – Water operators rotate working with the Electric crew as needed on the Van Dyke Village Electric Undergrounding Project.

Grants and State Revolving Funds

- School Lane Water Treatment Facility Natural Gas Generator – Mr. Guyer returned MSC's response to DEMA's RFI for the natural gas generator at School Lane on September 9th. FEMA put an Immediate Needs Funding (INF) in place and the project will continue to be reviewed and added to the funding list when FEMA lifts the INF.
- Capital and O&M Budgets – Messrs. Guyer and Jaeger started working on the 5-year Capital Budget and the FYE 2025 Budget Year. The Water Operation and Maintenance Budget is also being drafted.

Personnel and Training

- All staff at the Utility Building were registered to attend OSHA 10 Safety Training on January 16th and 17th hosted by DEFIT at the Police Station.

Safety

- Tailgate Talks – Morning Tailgate Talks are conducted daily to discuss jobs/tasks each day with potential hazards and control measures.
- DEFIT Safety Meetings – Mr. Jaeger and Water Operator Spiess attended the October 17th DEFIT Safety Meeting in Milford.
- Safety Manual – Messrs. Guyer and Jaeger met with a Risk Control Specialist from PMA Group to discuss options for developing a formal Respirator policy and program for the revised Safety Manual.

Local, State and Federal Agencies

- Water Supply Coordinating Council (WSCC) – The Northern Water Providers Check-in Meeting is pending weather conditions. Delaware Geological Survey continues sending weekly data updates. Water conditions are dry and weather conditions are expected to continue according to the State Climatologist. A meeting will probably be scheduled before the end of the year to discuss everyone's situation.
- WRA / Water Resource Agency – Data is being sent to the University of Delaware weekly.
- Water Operator Advisory Council – The October 5th meeting went well. An issue with operator licensing and certifications was discussed during Executive Session. The next Advisory Council meeting is scheduled for November 2nd.

Commissioner Leary noted that they will be digging up the street to lift the curb in front of 166 East 2nd Street and suggested that Mr. Blomquist reach out to Mr. Bergstrom for more information. She also noted that water is pooling on the sidewalks as a result of how the street was paved.

Secretary's Report – Mr. Blomquist reporting

- Mr. Blomquist attended the Line Worker Training Center ribbon cutting ceremony along with Commissioner Leary, Supervisor McHugh and Lineman Lindberg on October 3rd. One of the

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photos that Ms. McHugh submitted was chosen for an artist's rendering and MSC will receive a copy of the painting.

- Messrs. Blomquist and Natale attended the October 12th DEMEC meeting.
 - Demand January thru July is down 4.2% over the same period 2022 due to mild weather.
 - Unrestricted cash: \$28.7M which is below the \$30M target.
 - Total Income: \$108M, which was 29%, or 44.9M, lower than the same period 2022 mostly due to decreases in PJM and generation markets.
- Mr. Blomquist will add voting for a President of the Board to the November Agenda.
- Mr. Blomquist is working with the attorney on the Electric and Water Infrastructure Agreement that will allow developers to do a Performance Bond instead of escrowing funds with the MSC.
- Mr. Blomquist participated in FOIA training on October 25th.
- Mr. Blomquist gave the Commissioners background on the Indian River Power Plant, noting that DEMEC is working on being able to shut down the Indian River Power Plant.

A motion to move to executive session was made by Commissioner Leary. The motion was seconded by Commissioner Atherton and the meeting moved to Executive Session at 9:44 a.m.

The Commission came out of executive session at 10:45 a.m.

A motion was made by Commissioner Leary to approve using Marin, Barrett, and Murphy for PFAS litigation as discussed in executive session. The motion was seconded by Commissioner Atherton and unanimously passed.

A motion was made by Commissioner Leary to go into executive session at 10:46 a.m. The motion was seconded by Commissioner Atherton and unanimously passed.

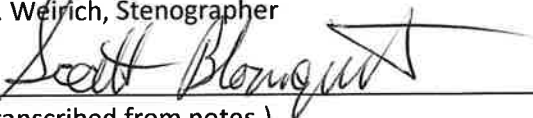
The Commission came out of executive session at 11:05 a.m.

Next Regular Meeting

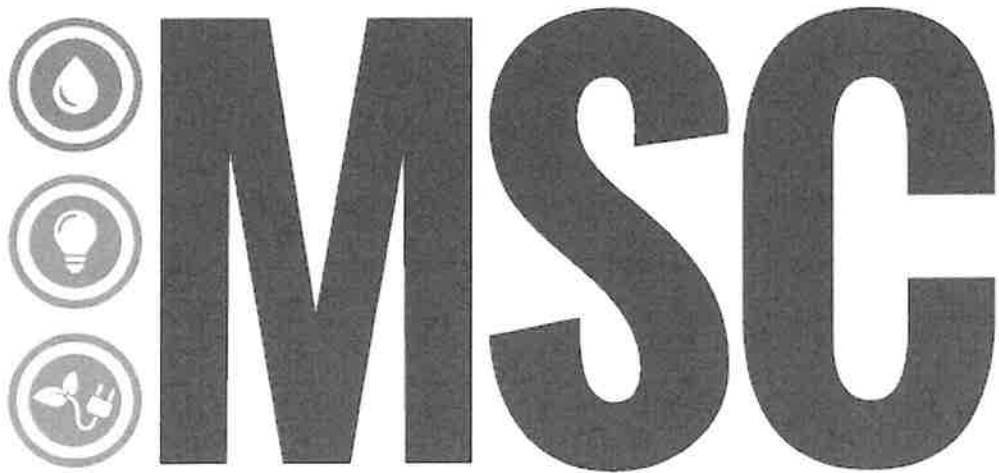
The date for the next meeting was set for Tuesday, November 28th at 8:00 a.m.

A motion to adjourn was made by Commissioner Atherton and seconded by Commissioner Leary. The motion received unanimous approval and the meeting was adjourned at 11:06 a.m.


Kathleen R. Weirich, Stenographer

Approved: 
(Minutes transcribed from notes.)

Comptroller/Treasurer's Report



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

October 26, 2023 Commission Meeting
Prepared By: Ken Natale, CPFO on October 16, 2023

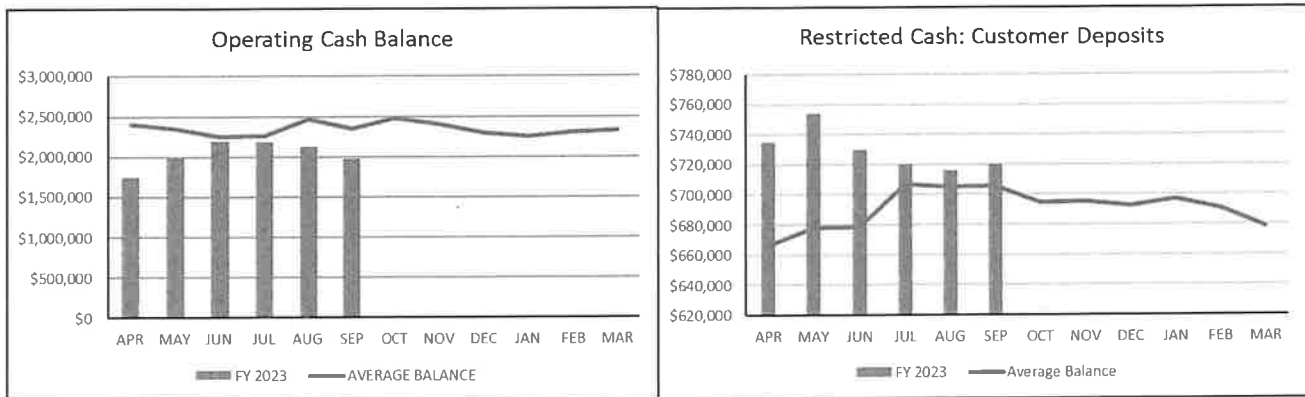
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Cash & Investments

As of September 30, 2023 the cash balances were:

M&T Bank Checking:	\$	635,772
M&T Investment Sweep:		1,341,804
M&T Bank MMA:		719,688
Petty Cash/Change Fund:		900
Total Cash on Hand:	\$	2,698,164



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

Beginning Balance	\$	2,126,888
Cash from customers		1,289,583
Interest Income		6,804
Bond Proceeds		-
Refunds to customers - deposits	(1,309)
Payments to suppliers for goods & services*	(1,292,443)
Bank service fees	(756)
Payments to employees for services	(150,292)
Net Cash Provided (Used)	(148,413)
Ending Cash Balance	\$	1,978,475

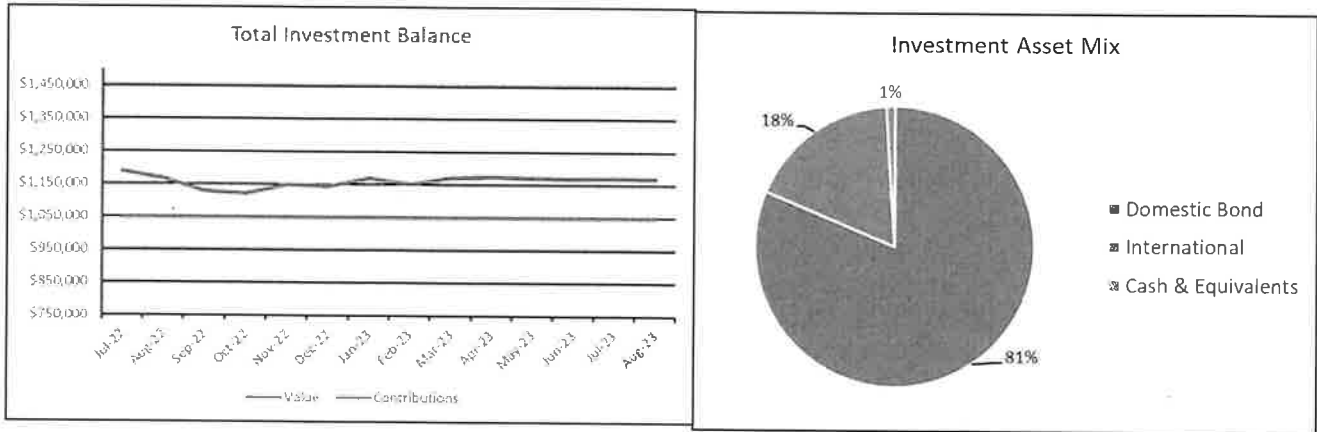
*A detailed check register for the month is available on page 3 of this report.

As of September 30, 2023 the value of the Commission's investment portfolio totaled \$1,154,269 which is a net loss of \$15,517 (1.3%) 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 5.31% interest and has a stable net asset value of \$1.00.

There was 95 days unrestricted cash on hand at September 30 (-5 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).

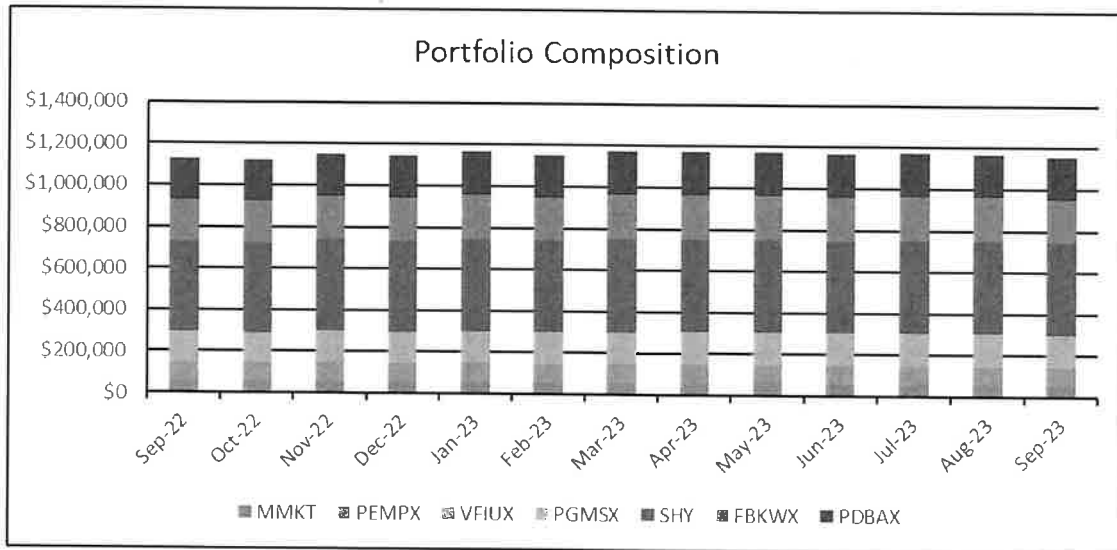
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The “domestic bond” category in the *Investment Asset Mix* chart above, includes US Government instruments and corporate bonds of US based organizations. The “international” category includes debt instruments of foreign governments as well as corporate 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		\$ 8,753	0.80%
Mutual Funds			
Fidelity Advisor Total Bond CL Z	FBKWX	208,085	4.40%
PGIM Total Return Bond CL A	PDBAX	201,540	5.69%
PIMCO Emerging Markets Bond I2	PEMPX	48,979	8.30%
T Rowe Price Global Multi Sector Bond I	PGMSX	155,793	4.47
Vanguard Intermediate Term Treasury	VFIUX	84,951	4.56%
Exchange Traded Funds			
iShares Trust 1-3 Year Treasury Bond EFT	SHY	446,168	2.47%
Total		\$1,154,269	



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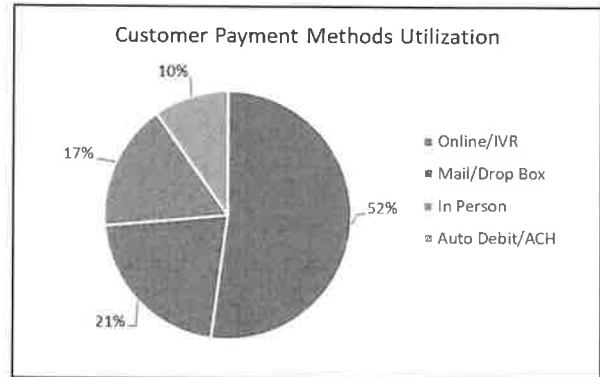
SEPTEMBER 2023 CHECK REGISTER

Number	Date	Vendor Name	Amount
201091	09/11/2023	Berrodin Parts Warehouse	\$ 287.14
201092	09/11/2023	Calgon Carbon Corporation	168,510.00
201093	09/11/2023	Delmarva Power	120.21
201094	09/11/2023	Keystone Engineering Group Inc	1,358.13
201095	09/11/2023	Pennoni Associates Inc.	2,796.25
201096	09/11/2023	Pitney Bowes Purchase Power	2,015.00
201097	09/11/2023	Rummel Klepper and Kahl LLP	554.16
201098	09/11/2023	Trans Union LLC	330.81
201099	09/21/2023	Council 81	415.50
201100	09/21/2023	Delaware Rural Water	75.00
201101	09/21/2023	Granger, Arthur	320.00
201102	09/21/2023	WILLIAM LINDBERG	320.00
201103	09/29/2023	Anixter	23,247.01
201104	09/29/2023	Antonio's Lawn Service	1,695.00
201105	09/29/2023	Artesian Water Co Inc	1,878.97
201106	09/29/2023	City of New Castle	170,830.08
201107	09/29/2023	COLONIAL LIFE	1,172.01
201108	09/29/2023	Consult Dynamics Inc DCA Net	20.00
201109	09/29/2023	Delta Dental of Delaware Inc	1,767.06
201110	09/29/2023	Department of Human Resources Financial Services	35,614.34
201111	09/29/2023	Grainger	265.88
201112	09/29/2023	Hooper Inc	1,472.96
201113	09/29/2023	Kathleen R Weirich	322.50
201114	09/29/2023	Keystone Engineering Group Inc	1,825.15
201115	09/29/2023	McCollow D'Emilio Smith Uebler LLC	1,522.50
201116	09/29/2023	New Castle Cares Fund	10,000.00
201117	09/29/2023	Pitney Bowes Purchase Power	2,081.56
201118	09/29/2023	POWERPLAN	559.40
201119	09/29/2023	Principal Financial Group	2,490.05
DFT0002068	09/01/2023	Maryland Child Support Account	184.62
DFT0002069	09/01/2023	Nationwide Retirement Sol	4,865.38
DFT0002071	09/01/2023	M&T ONE CARD	3,589.21
DFT0002072	09/01/2023	United States Treasury	18,255.71
DFT0002078	09/08/2023	Nationwide Life Ins. Co. of America	22,897.42
DFT0002079	09/15/2023	Maryland Child Support Account	184.62
DFT0002080	09/15/2023	Nationwide Retirement Sol	5,005.57
DFT0002083	09/15/2023	United States Treasury	18,716.16
DFT0002084	09/18/2023	BRINKS CAPITAL	647.90
DFT0002085	09/01/2023	Coyne Chemical Co	979.25
DFT0002086	09/01/2023	M&T ONE CARD	13,542.48
DFT0002087	09/05/2023	OpenEdge	1,645.10
DFT0002088	09/18/2023	DEMEC Inc	689,000.59
DFT0002090	09/18/2023	DEMEC Inc	1,892.60
DFT0002091	09/15/2023	Martin Marietta Materials Inc	1,161.25
DFT0002092	09/15/2023	M&T ONE CARD	19,631.19
DFT0002093	09/29/2023	Maryland Child Support Account	184.62
DFT0002094	09/29/2023	Nationwide Retirement Sol	4,892.98
DFT0002097	09/29/2023	United States Treasury	19,073.87
DFT0002098	09/29/2023	COMPTROLLER OF MARYLAND	1,602.16
DFT0002099	09/29/2023	Delaware Div. of Revenue	21,461.00
DFT0002100	09/29/2023	M&T ONE CARD	9,120.57
DFT0002101	09/29/2023	United Electric Supply Co	42.00
TOTAL PAYMENTS			\$ 1,292,442.92

Customer Service/Billing

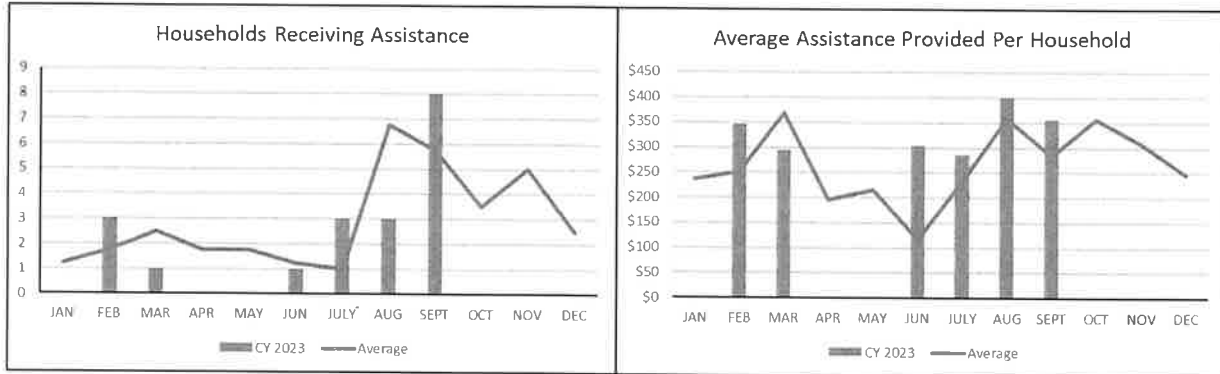
Since the previous meeting, the Customer Service Department processed:

Bills sent	3,223
Delinquent & past due notices	388
Automated phone notifications	239
Payment arrangements	24
Contracts	0
Service cuts – September	48
Accounts sent to collections	5
Electric bad debt write-offs	\$0.00
Applications for service	27



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 September, the fund assisted eight customers with approximately \$357. The maximum allowed by the program is \$400. The current balance in the fund is \$9,313.



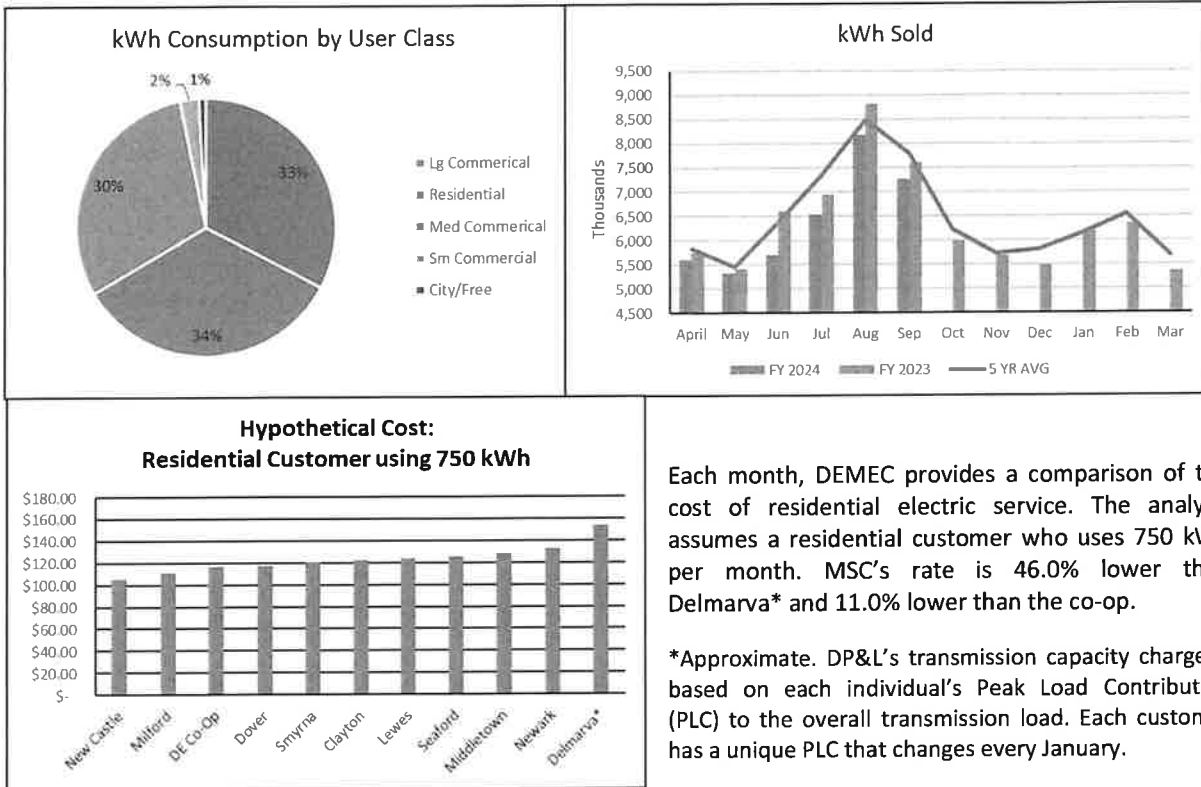
In addition to assistance provided through the New Castle Cares fund, nine customers received an average of \$277 from other agencies or nonprofits that provide assistance for utility bills.

Below is a condensed aging report for active customers as of October 16, 2023:

Total	Current	30 Days	60 Days	90 Days	120 Days
\$166,039	\$153,903	\$8,502	\$1,588	\$1,137	\$909

Electric Revenues

User charges are \$201,000 under budget fiscal year to date. Sept kWh sales decreased by approximately 4.5% (343,000 kWh) from the same period last year. Consumption was down across all classifications. Residential consumption was down 288,000 kWh and 351,000 kWh in commercial classifications. Consumption is approximately 6.6% lower than the 5-year average and 6.2% lower than the prior year to date due to the mild weather compared to historical averages. This decrease in consumption is consistent with decreased consumption across DEMEC members as a whole.



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 46.0% lower than Delmarva* and 11.0% 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 (\$38,000). \$137,000 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 as well as less expense being capitalized for the VanDyke undergrounding project than anticipated YTD. Other variances are the result of timing differences and are expected to decrease in future months.

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 not 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). The remaining negative variance in repairs and maintenance is related to less expenses being capitalized for using MSC's own equipment on the VanDyke project than anticipated YTD.

After accounting for non-operating revenues and expenses, there is an increase in net position of \$25,000, \$174,000 less than anticipated at this point in the year as a result of the variances discussed above.

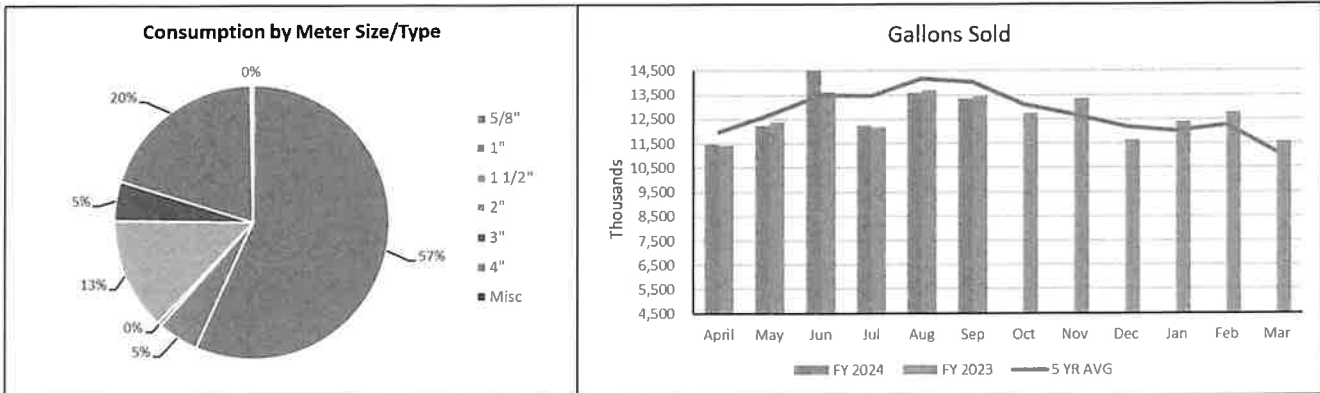
Comptroller/Treasurer's Report – October 26, 2023

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

	YTD Budget	YTD Activity	Variance	Total Budget
Operating Revenues				
User charges	5,245,283	5,044,179	(201,104)	9,624,301
City service charges	27,105	25,437	(1,668)	52,000
MSC service charges	18,383	17,335	(1,048)	41,000
Miscellaneous income	36,325	38,840	2,515	61,210
<i>Total Operating Revenues</i>	<u>5,327,096</u>	<u>5,125,791</u>	<u>(201,305)</u>	<u>9,778,511</u>
Less: Free Service	3,189	2,710	479	8,000
<i>Net Operating Revenues</i>	<u>5,323,907</u>	<u>5,123,081</u>	<u>(200,826)</u>	<u>9,770,511</u>
Operating Expenses				
Purchase of Power	3,623,000	3,485,728	137,272	6,751,000
<i>Operations</i>				
Salaries and benefits	394,155	454,199	(60,044)	872,468
Insurance	28,780	34,870	(6,090)	51,186
Utilities	4,020	4,259	(238)	11,700
Repairs and maintenance	(64,942)	17,613	(82,555)	(82,900)
Supplies and materials	27,966	49,797	(21,831)	73,600
Professional fees	42,254	35,047	7,207	112,250
Depreciation	356,108	371,339	(15,231)	712,500
<i>Operations total</i>	<u>788,341</u>	<u>967,124</u>	<u>(178,782)</u>	<u>1,750,804</u>
<i>General & administrative</i>				
Salaries and benefits	252,686	236,846	15,840	518,853
Insurance	13,283	11,333	1,950	22,770
Utilities	5,738	5,582	156	11,731
Repairs and maintenance	5,009	3,431	1,578	7,860
Supplies and materials	13,767	16,648	(2,881)	29,500
Professional fees	114,494	64,991	49,503	141,340
Misc	49,439	45,785	3,654	95,328
Depreciation	13,994	4,487	9,507	28,000
<i>Total general & administrative</i>	<u>468,410</u>	<u>389,103</u>	<u>79,307</u>	<u>855,382</u>
<i>Total operating expenses</i>	<u>4,879,751</u>	<u>4,841,955</u>	<u>37,797</u>	<u>9,357,186</u>
Operating income	<u>444,156</u>	<u>281,126</u>	<u>(163,029)</u>	<u>413,325</u>
Nonoperating revenue(expense)				
Investment income	36,572	52,887	16,315	80,000
Investment expense	(1,215)	(1,151)	64	(2,500)
Unrealized gain(loss) on investment:	-	(31,108)	(31,108)	-
Grant expense	-	-	-	-
Other Expense	-	(101)	(101)	-
Appropriations				
Mayor and Council	(279,888)	(272,653)	7,235	(560,000)
Special	-	(3,665)	(3,665)	-
<i>Total nonoperating revenue(expense)</i>	<u>(244,531)</u>	<u>(255,791)</u>	<u>(11,260)</u>	<u>(482,500)</u>
Change in Net Position	199,625	25,335	(174,289)	(69,175)

Water Revenues

User charges have a favorable variance of \$17,000 fiscal year to date. Water consumption for the month was down 107,000 gallons from the same period last year. Consumption was down in smaller (residential meters) by 167,000 gallons while consumption was up in larger (commercial) meters by 60,000 gallons. Fiscal year to date, water sales are 1.5% higher than the five-year average and 5.5% higher than the prior year. The favorable variance is entirely related to selling water to Artesian in the beginning of June (4.5 million gallons).



Water Expenses

Water operating expenses have a favorable year to date variance (\$42,000). These variances are the result of timing differences and are expected to decrease as the year progresses. The negative variances in salaries and benefits and repairs and maintenance are related to less expenses being capitalized that anticipated year to date for water operators and equipment being used on the VanDyke electric undergrounding project.

When considering nonoperating revenues and expenses, there is an increase in net position of \$76,000, which is \$159,000 better than anticipated at this point in the year. \$169,000 of that variance is related to grant from the State of Delaware for replacement spent carbon at the School Lane Treatment Facility. The new filter media has been capitalized in line with the Commission's policy as the new carbon has an estimated useful life in excess of a year.

Comptroller/Treasurer's Report – October 26, 2023

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

	YTD Budget	YTD Activity	Variance	Total Budget
Operating Revenues				
User Charges	1,229,771	1,246,335	16,564	2,456,543
City Service Charges	18,090	14,284	(3,806)	37,000
MSC Service Charges	1,954	-	(1,954)	3,500
Miscellaneous Income	10,755	21,504	10,749	28,790
<i>Total Operating Revenues</i>	<u>1,260,570</u>	<u>1,282,123</u>	<u>21,553</u>	<u>2,525,833</u>
Less: Free Service	1,973	1,902	71	4,000
<i>Net Operating Revenues</i>	<u>1,258,597</u>	<u>1,280,221</u>	<u>21,624</u>	<u>2,521,833</u>
Operating Expenses				
Purchase of water	14,073	11,452	2,621	26,000
<i>Operations Dept</i>				
Salaries and benefits	435,559	455,366	(19,807)	920,789
Insurance	30,997	31,818	(821)	56,968
Utilities	14,032	15,531	(1,499)	28,770
Repairs and maintenance	77,163	115,639	(38,476)	172,112
Supplies and materials	57,237	40,901	16,336	131,435
Professional fees	47,618	19,064	28,554	86,502
Depreciation	153,139	160,694	(7,555)	306,400
<i>Total operations</i>	<u>815,745</u>	<u>839,013</u>	<u>(23,268)</u>	<u>1,702,976</u>
<i>General & administrative</i>				
Salaries and benefits	149,723	141,191	8,532	305,605
Insurance	10,868	9,273	1,595	18,630
Utilities	4,839	4,566	273	9,961
Repairs and maintenance	7,336	2,807	4,529	11,610
Supplies and materials	9,302	12,136	(2,834)	20,400
Professional fees	22,810	15,723	7,087	35,884
Miscellaneous	95,306	58,984	36,322	137,094
Depreciation	9,496	2,167	7,329	19,000
<i>Total general & administrative</i>	<u>309,680</u>	<u>246,847</u>	<u>62,833</u>	<u>558,184</u>
<i>Total operating expenses</i>	<u>1,139,498</u>	<u>1,097,312</u>	<u>42,186</u>	<u>2,287,160</u>
Operating Income	<u>119,099</u>	<u>182,909</u>	<u>63,810</u>	<u>234,673</u>
Nonoperating revenue(expense)				
Investment income	6,798	9,292	2,494	15,000
Investment expense	(243)	(203)	40	(500)
Unrealized gain(loss) on investment:	-	(5,490)	(5,490)	-
Grant income	-	168,510	168,510	-
Other Expense	-	(7,149)	(7,149)	-
Appropriations				
Mayor and Council	(69,972)	(69,007)	965	(140,000)
City Services	(19,540)	(18,577)	963	(40,000)
Special	-	(1,445)	(1,445)	-
<i>Total nonoperating revenue(expense)</i>	<u>(82,957)</u>	<u>75,931</u>	<u>158,888</u>	<u>(165,500)</u>
Change in Net Position	36,142	258,840	222,698	69,173

Comptroller/Treasurer's Report – October 26, 2023

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

	<u>2024</u>	<u>2023</u>
ASSETS:		
Current assets:		
Cash and equivalents	\$ 1,978,476	\$ 2,372,194
Investments	1,154,269	1,128,971
Accounts receivable, net	1,072,358	1,643,894
Inventories	821,190	791,799
Prepaids	84,501	141,427
Restricted cash	719,688	826,024
Total current assets	<u>5,830,482</u>	<u>6,904,309</u>
Noncurrent assets:		
Capital assets not being depreciated:		
Land	43,796	45,386
Construction in progress	1,539,821	621,093
Capital assets net of accumulated depreciation:		
Buildings	693,045	262,131
Equipment	704,652	771,691
Infrastructure	14,185,359	10,866,921
Total noncurrent assets	<u>17,166,673</u>	<u>12,567,222</u>
Total assets	<u>22,997,155</u>	<u>19,471,531</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	597,918	1,558,014
Accrued liabilities	24,706	23,534
Customer Deposits	852,013	958,132
Total current liabilities	<u>1,474,637</u>	<u>2,539,681</u>
Noncurrent liabilities:		
Due within one year	96,050	84,922
Due in more than one year	2,652,718	1,054,831
Total noncurrent liabilities	<u>2,748,768</u>	<u>1,139,753</u>
Total liabilities	<u>4,223,405</u>	<u>3,679,434</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	16,173,795	12,567,222
Unrestricted	2,924,248	6,507,763
Total net position	<u>\$ 19,098,043</u>	<u>\$ 19,074,985</u>

Comptroller/Treasurer's Report – October 26, 2023

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

	2024	2023
Operating Revenues:		
Water sales	\$ 1,260,619	\$ 1,177,172
Power sales	5,086,951	4,917,318
Miscellaneous	60,344	33,462
Total operating revenues	6,407,914	6,127,952
Less: free service	(4,612)	(3,696)
Net operating revenues	6,403,302	6,124,256
Purchase of water and power	3,497,180	3,652,404
Operating Expenses		
Salaries and benefits	1,287,602	1,155,494
Repairs and maintenance	202,061	192,460
Supplies	94,452	73,879
Utilities	29,939	30,725
Insurance	87,294	68,907
Professional fees	79,697	62,856
Administrative	122,355	100,447
Depreciation	538,687	350,210
Total operating expenses	2,442,087	2,034,978
Operating income (loss)	464,035	436,874
Nonoperating revenues (expenses):		
Net investment income	60,825	13,930
Realized gain (loss) on investments	-	-
Unrealized gain(loss) on investments	(36,598)	(104,145)
Gain (loss) on disposal of assets	-	(4,826)
Grant income	168,510	12,410
Grant Expense	-	(12,890)
Miscellaneous	(7,250)	(2,574)
Appropriations to Mayor & Council of New Castle		
Ordinary	(341,660)	(332,919)
City Services	(18,577)	(17,902)
Special	(5,110)	(7,190)
Total nonoperating revenues (expenses)	(179,860)	(456,106)
Income before capital contributions	284,175	(19,232)
Capital Contributions	-	-
Change in net position	284,175	(19,232)
Net position - beginning	18,813,868	19,094,216
Net position - ending	\$ 19,098,043	\$ 19,074,985

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

	Water		Electric		Total	
	2024	2023	2024	2023	2024	2023
ASSETS:						
Current assets:						
Cash and equivalents	-	-	1,978,476	2,372,194	1,978,476	2,372,194
Investments	173,140	169,346	981,129	959,625	1,154,269	1,128,971
Accounts receivable, net	455,061	203,271	617,297	1,440,623	1,072,358	1,643,894
Inventories	156,755	121,375	664,435	670,424	821,190	791,799
Prepays	24,654	46,904	59,847	94,523	84,501	141,427
Restricted cash	-	-	719,688	826,024	719,688	826,024
Total current assets	809,610	540,896	5,020,872	6,363,413	5,830,482	6,904,309
Noncurrent assets:						
Capital assets not being depreciated:						
Land	43,796	45,386	-	-	43,796	45,386
Construction in progress	849,116	208,397	690,705	412,696	1,539,821	621,093
Capital assets net of accumulated depreciation:						
Buildings	315,359	121,596	377,686	140,535	693,045	262,131
Equipment	229,118	300,678	475,534	471,013	704,652	771,691
Infrastructure	7,003,676	7,053,693	7,181,683	3,813,228	14,185,359	10,866,921
Total noncurrent assets	8,441,065	7,729,750	8,725,608	4,837,472	17,166,673	12,567,222
Total assets	9,250,675	8,270,646	13,746,480	11,200,885	22,997,155	19,471,531
DEFERRED OUTFLOWS OF RESOURCES						
Pension	258,583	143,624	316,044	175,540	574,627	319,164
Regulatory accounting - substation	-	-	-	3,436,566	-	3,436,566
Total deferred outflows	258,583	143,624	316,044	3,612,106	574,627	3,755,730

(Continued)

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

	Water		Electric		Total
	2024	2023	2024	2023	
LIABILITIES					
Current liabilities					
Accounts payable	10,707	119,130	587,211	1,438,884	1,558,014
Accrued liabilities	11,120	10,590	13,586	12,944	23,534
Customer Deposits	118,292	53,789	733,721	904,343	958,132
Due to other funds	790,518	810,545	(790,518)	(810,545)	-
Total current liabilities	930,638	994,055	543,999	1,545,626	2,539,681
Noncurrent liabilities:					
Due within one year	15,592	-	80,458	-	96,050
Due in more than one year.	1,469,043	555,332	1,183,675	584,421	2,652,718
Total noncurrent liabilities	1,484,635	555,332	1,264,133	584,421	1,139,753
Total liabilities	2,415,273	1,549,387	1,808,132	2,130,047	3,679,434
DEFERRED INFLOWS OF RESOURCES					
Pension	112,650	212,779	137,684	260,064	472,843
Total deferred inflows	112,650	212,779	137,684	260,064	472,843
NET POSITION					
Net investment in capital assets	7,819,494	7,729,750	8,354,301	4,837,472	16,173,795
Unrestricted	(838,159)	(1,077,646)	3,762,407	7,585,408	2,924,248
Total net position	6,981,335	6,652,104	12,116,708	12,422,880	19,098,043

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

	Water		Electric		Total	
	2024	2023	2024	2023	2024	2023
Operating Revenues:						
Charges for services	\$ 1,260,619	\$ 1,177,172	\$ 5,086,951	\$ 4,917,318	\$ 6,347,570	\$ 6,094,490
Miscellaneous	21,504	9,710	38,840	23,752	60,344	33,462
Total operating revenues	1,282,123	1,186,882	5,125,791	4,941,070	6,407,914	6,127,952
Less: free service	(1,902)	(1,917)	(2,710)	(1,779)	(4,612)	(3,696)
Net operating revenues	1,280,221	1,184,965	5,123,081	4,939,291	6,403,302	6,124,256
Operating Expenses						
Purchase of water and power	11,452	11,823	3,485,728	3,640,581	3,497,180	3,652,404
Salaries and benefits	596,557	552,624	691,045	602,870	1,287,602	1,155,494
Repairs and maintenance	120,691	118,391	81,370	74,069	202,061	192,460
Supplies	52,138	38,447	42,314	35,432	94,452	73,879
Utilities	20,098	18,373	9,841	12,352	29,939	30,725
Insurance	41,091	31,008	46,203	37,899	87,294	68,907
Professional fees	30,705	36,642	48,992	26,214	79,697	62,856
Administrative	61,719	41,737	60,636	58,710	122,355	100,447
Depreciation	162,861	162,524	375,826	187,686	538,687	350,210
Total operating expenses	1,097,312	1,011,569	4,841,955	4,675,813	5,939,267	5,687,382
Operating income (loss)	182,909	173,396	281,126	263,478	464,035	436,874

(Continued)

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

	Water		Electric		Total	
	2024	2023	2024	2023	2024	2023
Nonoperating revenues (expenses):						
Net investment income	9,089	2,190	51,736	11,740	60,825	13,930
Realized gain (loss) on investments	-	-	-	-	-	-
Unrealized gain(loss) on investments	(5,490)	(15,622)	(31,108)	(88,523)	(36,598)	(104,145)
Gain (loss) on disposal of assets	-	(2,172)	-	(2,654)	-	(4,826)
Grant income	168,510	12,410	-	-	168,510	12,410
Grant Expense	-	(12,410)	-	(480)	-	(12,890)
Miscellaneous	(7,149)	(2,308)	(101)	(266)	(7,250)	(2,574)
Appropriations to Mayor & Council of New Castle						
Ordinary	(69,007)	(66,475)	(272,653)	(266,444)	(341,660)	(332,919)
City Services	(18,577)	(17,902)	-	-	(18,577)	(17,902)
Special	(1,445)	(5,271)	(3,665)	(1,919)	(5,110)	(7,190)
Total nonoperating revenues (expenses)	<u>75,931</u>	<u>(107,560)</u>	<u>(255,791)</u>	<u>(348,546)</u>	<u>(179,860)</u>	<u>(456,106)</u>
Income before capital contributions	258,840	65,836	25,335	(85,068)	284,175	(19,232)
Change in net position	258,840	65,836	25,335	(85,068)	284,175	(19,232)
Net position - beginning	6,722,495	6,586,268	12,091,373	12,507,948	18,813,868	19,094,216
Net position - ending	<u>\$ 6,981,335</u>	<u>\$ 6,652,104</u>	<u>\$12,116,708</u>	<u>\$12,422,880</u>	<u>\$19,098,043</u>	<u>\$19,074,985</u>

Comptroller/Treasurer's Report – October 26, 2023

**Municipal Services Commission
Capital & Projects Budget to Actual
As of September 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	\$ 654,635.00	\$ 231,365.00	\$ 1,391,935	In Progress
AMI System - Electric	665,000	475,728	189,272	-	In Progress
Dobbinsville Relay Replacement	85,000	37,127	47,873	-	In Progress
Stake Body Truck	90,000	91,640	(1,640)	91,640	Complete
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	727,751	553,249	-	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	\$ 2,089,237.40	\$ 1,178,262.60		

(1) Includes capitalized labor and equipment costs.

Special Appropriations

<u>City & Trustee Projects</u>	<u>Donated Labor & Equipment</u>	<u>Billable Material</u>	<u>Invoiced Date</u>	<u>Paid Date</u>
City of New Castle - Repairs & Maintenance	\$ 5,110.00	\$ -	n/a	n/a

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

October 26, 2023

Prepared by: Jay Guyer on October 19, 2023

1. Developer Projects

A. Riverbend Subdivision

1. Freedom Development's Engineer, Civil Engineering Associates submitted the Railroad Crossing Permit Applications to Norfolk Southern for the water and electric loops with Centerpoint Boulevard. Per their engineer, no action is required by MSC and no further communication has been received. Christiana Excavating completed the 8" water main installation with MSC's inspector on-site observing the work to ensure compliance with MSC standards. MSC collected duplicate samples for bacteria testing with negative results. WUM Guyer is working to reconcile the project for Phase 1 of the installation.

B. Sheriffs House Renovation – Market Street

1. The domestic service remains off, the fire service has been turned on at the request of the contractor. The fire service backflow preventer has been tested and certified. When domestic service is restored, the new backflow preventer will be tested and certified. WUM Guyer will reconcile the project when complete.

C. 106 Brylgon Avenue – New Home

1. The home is complete, the Builder will call when he is ready for a bacteria test.

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

1. The homes are completed, bacteria samples collected with results being absent. WUM Guyer will reconcile the project.

E. Flats at Riveredge – Riveredge Park

1. MSC had a planning meeting on September 6th with representatives from CDA Engineering and Parkway Gravel to review preliminary plans for the proposed 451 unit residential subdivision in Riveredge Park. WUM Guyer had several conversations with the engineer in reference to water main layout and discussed scheduling a flow test for the project. The engineer is finalizing draft plans to forward for preliminary comment.

F. Charter School of New Castle – 160 Lukens Drive, Riveredge Park

1. The Charter School of New Castle is installing 2 modular classroom structures. MSC was onsite inspecting the installation of the new domestic and fire services from the existing mains to the risers for the individual trailers. The installation was performed by EDIS Construction in accordance with MSC standards and 3 bacteria samples collected.

MUNICIPAL SERVICES COMMISSION

CITY OF NEW CASTLE, DELAWARE 19720-0208

P.O. BOX 208

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

Water Department Commission Meeting Report

October 26, 2023

Prepared by: Jay Guyer on October 19, 2023

G. The Battery Apartment Complex – 427 West 7th Street

1. Preliminary water supply plans for the 152 unit apartment complex were received for input on water system layout. The plans were reviewed and preliminary comments returned to the engineer. No further comments from the engineer have been received.

H. Deemers Landing and Helm Apartment Complexes

1. The property owner's plumber continues installing meter settings for each apartment unit preparing them for individual metering. Individual meters will be installed over the next year and when ready, the master meter will be stopped and the new meters activated.

2. MSC Projects

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

1. MSC, DEMEC, AMP, and Pro Meters have weekly meetings to discuss the conversion progress and issues being encountered with implementation of the AMI metering system. WUM Guyer and WUS Jaeger use the IP Keys MDM Portal and Pro Meters Portal to review MSC meter data. Pro Meter Technicians continues installing water meters with approximately 45% completed. MSC Water Operators continue installing the water meters / modules in pits / vaults completing 325 installations. WUM Guyer and WUS Jaeger has started receiving orientation / training on the IP Keys Portal Software. WUS Jaeger is working through issues with the tablet and Field Tools Application so we can use it to read and troubleshoot new meters in the field. A list of customers that have not responded to Pro Meters request to access the property to perform the water change out was provided to MSC. Customer Service drafted letters to these 620 customers giving 15 days to schedule appointments or service will be cut.

B. Water System Asset Management Program

1. RK & K Engineering advised a final copy of the Asset Management Plan will be provided on October 19th. WUM Guyer and WUS Jaeger will review the final plan and coordinate with RK & K the necessary training to keep the document and mapping updated and final project closeout. WUM Guyer will reconcile the project and assist with satisfying any final grant requirements.

C. Cross Connection Control Program – Hydro Corp

1. Cross Connection Control (CCC) Program – HydroCorp mailed out the second notices to MSC customers with testable devices due for certification. WUM Guyer and WUM Jaeger are working to contact non-compliant customers to confirm contact information.

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Water Department Commission Meeting Report

October 26, 2023

Prepared by: Jay Guyer on October 19, 2023

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

1. The preconstruction meeting with R.E. Pierson Construction Company (REP) was held on September 29th. Project requirements were reviewed and a Notice to Proceed (NTP) date of October 16th was agreed upon. The formal NTP was completed by MSC and REP. REP has been forwarding part and material submittals for review/approval and a formal project schedule was provided and agreed upon. MSC drafted and delivered letters to the customers affected by the project on October 11th. REP mobilized to the site on October 16th starting the water main installation. MSC Water Operator Granger will be performing full time inspection in coordination with our Engineer Pennoni Associates to ensure compliance with MSC standards.

E. School Lane Water Treatment Facility PFAS Treatment System Improvements

1. WUM Guyer and WUS Jaeger met with Pennoni Associates (PA) to discuss changing the project scope of the SRF funded PFAS Treatment System Improvements. PA revised the project scope throughout the DWSRF Full Application and provided a draft for our review. MSC comments were incorporated into the draft and final DWSRF Full Application submitted by PA on October 5th. DNREC notified MSC the Application was Administratively Reviewed for completeness and will be in contact with the next steps of the process. DWSRF did confirm the project is approved to receive full principle forgiveness of \$1,135,920.00.

3. Operations

A. Outages

1. There was 1 planned and no unplanned water outages for the month of September 2023. See attached outage report for details.

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. WUM Guyer is following the proposed regulation and has no update.
3. MSC completed our second round of Unregulated Contaminant Monitoring Rule 5 (UCMR 5) sampling on September 11th. Results being posted to the EPA Central Data Exchange web site are pending.

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4. US EPA East Basin Road Groundwater Superfund Site – WUM Guyer received several communications from EPA and DNREC in reference to the next steps for the remedial site evaluations. 16 areas within the site boundaries have been identified as possible sources of contamination. Details for contract support services are still being finalized. The next quarterly meeting will be virtual and is scheduled for January 10th.
5. Delaware Rural Water Association (DRWA) Apprenticeship Program with Colonial School District's William Penn High School - WUS Jaeger confirmed scheduling for tours of MSC Water Facilities, the Veolia Water Treatment Plant in Stanton, and presentations by our engineering consultants from Pennoni Associates and Keystone Engineering. Class started on September 11th and will run through January 24, 2024. WUS Jaeger will host the first field trip to MSC's Cross Roads Well and School Lane Water Treatment Facility scheduled for October 26th.
6. On October 12, Penn Farm Day – WUS Jaeger and Water Operator Granger participated in the Annual Penn Farm Day providing tours of the School Lane Water treatment Facility to over 100 8th grade students from Colonial School District. Toby Hagerott host this as part of the horticulture Program at William Penn High School.
7. WUM Guyer was invited to make presentation PFAS Contamination at the US EPA Region III Mid Atlantic Source Water Protection Forum on November 15th. WUM Guyer and WUS Jaeger are preparing a 30 minute Powerpoint presentation titled Managing PFAS Contamination – A small Water Utility Perspective.

C. System Repairs and Maintenance

1. Riverbend Subdivision – Flushed on September 6th and 20th to maintain Chlorine Residual.
2. Monthly Meter Reading – Monthly meter reads were completed on October 12th. Operators followed up on check / missed reads as needed.
3. Carbon Filtration System – Calgon Carbon Corporation (CCC) engineer Adam Redding completed compiling the information related to the testing performed on the radioactive carbon during the August 30th carbon exchange in Vessel 1. He provided a letter justifying the change to an all resin filter media for MSC PFAS treatment process. The letter was included in our revised DWSRF full application submitted on October 5th.
4. Water Operators rotate working with the Electric Crew on the Van Dyke Village Electric Undergrounding Project as needed assisting with equipment operation, excavation, conduit installation, and restoration.

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D. Grants - State Revolving Funds - Budgets

1. School Lane Water Treatment Facility Natural Gas Generator – WUM Guyer returned MSC's response to DEMA's RFI for the natural gas generator on September 19th. There is no update on FEMA's timing for lifting the Immediate Needs Funding (INF) restrictions that was implanted due to the increasing number of natural disasters they were responding to providing support. The project will continue to be reviewed and added to the funding list when FEMA lifts the INF.
2. Capital and O & M Budgets – WUM Guyer and WUS Jaeger started updating Waters 5 year Capital Budget focusing on a Draft of the FYE 2025 Budget Year. The Water Operation and Maintenance Budget is also being drafted.

E. Equipment

1. No equipment issues to report for the month of August.

F. Personnel and Training

1. No personnel issues to report.
2. All Utility Building Staff are registered to attend OSHA 10 Safety Training on January 16th and 17th.

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. WUM Jaeger and Water Operator Spiess attended the October 17th DEFIT Safety Meeting held at Milford Public Works.
3. WUM Guyer and WUS Jaeger met with a Risk Control Specialist from PMA Group to discuss options for developing a formal Respirator policy and program for the revised Safety Manual.

3. Local, State, and Federal Agencies

A. WSCC - Water Supply Coordinating Council

1. The next Northern New Castle County Water Providers Check-In Meeting is pending weather conditions. The Delaware Geological Survey (DGS) and Delaware State Climatologist are tracking and sending weekly Water Condition updates to the Northern New Castle County water purveyors.

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B. WRA – Water Resource Agency

1. WUM Guyer sends weekly pumping demand data to the University of Delaware WRA Staff.

C. DEWARN – Delaware Water/Wastewater Agency Response Network

1. The next DEWARN meeting is scheduled for December.

D. Water Operator Advisory Council

1. The October 5th Meeting went well. The Sub Committee discussed progress reviewing the Operator Certification Regulations and written examination questions. Several personnel issues were discussed in executive session.
2. The next Advisory Council meeting is scheduled for November 2nd. 5th.

E. WIAC - Water Infrastructure Advisory Council

1. The next WIAC meeting is scheduled for December 13, 2023.

End of Report

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Monthly Water Works Report

September 1 - 30, 2023

Prepared By: Jay Guyer on October 19, 2023

Water Production		FT 300		Gallons	
Month	Year	Raw	Adjusted	Raw	Finished
September	2022	12,581,800	12,410,481	13,141,800	13,006,752
September	2023	13,141,800	13,006,752	13,006,752	-135,048
Difference		560,000	596,271	Finished	Difference
Percentage Difference		4.3	4.6	Percentage Difference	
				1.0	

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

Water Quality	MSC Average	Goal / Target Level	Range
Average Chlorine Residual	1.56 ppm	1.40 ppm	1.0 - 4.0 ppm
Average pH	7.3	7.5~	6.5 - 8.5 on a 0 - 14 Scale
Average Fluoride Residual	0.92 ppm	0.80 ppm	0.60 - 1.00 ppm

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

# Collected	Results
10	10 Absent
	0 Present

Miss Utility Locate Requests
 (Water and Electric Locates)

# Received	# Completed	# of Damages
65	65	0

Building Permit Review
 (Water Related Conflicts)

# Reviewed	# Approved	# Not Approved
22	22	0

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Monthly Water Outages / Interruptions Report
September 1 - 30, 2023

Prepared By: Jay Guyer on October 19, 2023

Planned Outage / Interruptions

Approximate

Duration

Hours / Minutes

Location

No. of Customers

Comments

9/26/2023 1 hour / 30 minutes

160 Lukens Drive, Riveredge Park

1

Outage to cut in new service tee for 2 classroom trailers. All work was performed on the private side of the water service after the meter and was inspected bacteria tested by MSC.

Unplanned Outage / Interruptions

Approximate

Duration

Hours / Minutes

Location

No. of Customers

Comments

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

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ELECTRIC DEPARTMENT COMMISSION REPORT

October 26, 2023

Prepared by Artie Granger on October 19, 2023

1. Developer Projects:

A. Riverbend Subdivision:

- I. MSC has had contact with Freedom Developments contractor who will be installing the developers portion of the infrastructure for the next section of Heron Circle. MSC will review his proposal and add inspection times and submit to the developer for escrow.

B. Graver Industries

- I. MSC has installed the transformer for this customer. MSC will energize the transformer when ready.

C. Agro Refiners

- I. Cables have been pulled and tested and will be ready to energize when the customer is.

D. The Flats at Riveredge

- I. MSC has had initial contact with the developer and electrical engineer regarding a new development in the Riveredge Industrial Park. This development proposes approximately 400 new units or various occupancy.

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.
 3. MSC Electric department has budgetary numbers together for the Dobbinsville substation together to submit to the capital budget.

ELECTRIC DEPARTMENT COMMISSION REPORT

October 26, 2023

Prepared by Artie Granger on October 19, 2023

b. Van Dyke Village:

- i. MSC has completed installation of the conduits for this year. MSC will be restoring driveway and road patches before pulling wire later this year.

3. Capital Purchases:

- i. Replacement T-12 Bucket truck

MSC has issues a PO for the replacement of T-12

- ii. AMI

1. Pro Meters has installed most of the electric meters. MSC has continued to work on installing the commercial meters as well as assisting Pro Meters with installations.

4. Operations:

5. Outages :

- i. MSC has had no outages since our last commission report.

SAIDI (minutes)	SAIFI (number of interruptions)	CAIDI (minutes)	ASAI (percent)
42.923	0.545	78.728	99.9918%

- ii. 09/1/22 – 09/1/23

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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ELECTRIC DEPARTMENT COMMISSION REPORT

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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.
- II. MSC got the breaker operation times tested. At this time they are operating properly.

B. Dobbinsville Substation:

- I. The electric department has performed the monthly inspections at this location.
- II. MSC Electric department feels that a Relay Coordination study needs to be completed. MSC is moving forward to getting the Relay Coordination study done.
- III. MSC got the breaker operation times tested. At this time they are operating properly.