

Municipal Services Commission Monthly Meeting  
January 18, 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, President  
John Wik, 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  
Jillian Jurczyk, Rate Manager, Utility Financial Solutions, LLC  
Mike Johnson, Rate Manager, Utility Financial Solutions, LLC

Mr. Blomquist convened the meeting at 8:01 a.m. Roll call followed and a quorum to conduct business was declared.

Minutes

December 11, 2023 – **A motion to approve the minutes of the November 28, 2023, regular meeting as presented was made by Commissioner Leary, seconded by Commissioner Wik and unanimously passed.**

December 11, 2023 – **A motion to approve the minutes of the November 28, 2023 executive session minutes was made by Commissioner Wik, seconded by Commissioner Leary and unanimously passed.**

Report from Utility Financial Solutions, LLC

Ms. Jillian Jurczyk, Rate Manager, Utility Financial Solutions, LLC (UFS) gave a Financial Projection and Rate Design presentation for MSC for the Fiscal Year 2025.

Ms. Jurczyk first stated that MSC has a fantastic staff that does a great job with the organization's financials and budgeting for the electric and water utilities.

The Financial Projection and Rate Design is used to forecast for FY 2025. The study recommended a .8% revenue adjustment for electric to keep cash balances healthy and to keep operating income positive. Ms. Jurczyk explained the how the rates for each class were determined.

In response to a question from Commissioner Atherton, Mr. Natale explained the number of days cash-on-hand target is currently 90 to 120 days; however, UFS would like MSC to be closer to 120 days. A discussion ensued of the appropriate number of days' cash MSC should have, the risk mitigation technique MSC is currently using, and what the Board is comfortable with. Ms. Jurczyk noted that MSC's water and electric fund cash is combined and that UFS would like the Water Department to support itself and not lean on the Electric Department so much. Mr. Blomquist suggested that for the Cost of Service report UFS work toward 120 days cash-on-hand over a three-year period. Ms. Jurczyk concurred, noting that because MSC combines the Water and Electric departments, 120 days is a good goal. The Commissioners indicated they were comfortable with that.

Municipal Services Commission Monthly Meeting  
January 18, 8:00 a.m.  
216 Chestnut Street New Castle, Delaware

Ms. Jurczyk reviewed and explained the difference between a 6% versus a 10% rate adjustment for water.

In response to a question from Commissioner Atherton, Mr. Natale stated that the monthly financial statements are shown as water and electric combined and separately by utility.

Ms. Jurczyk reviewed the impact of the rate increase on the average customer's water bill for a 6% versus a 10% rate adjustment.

In conclusion, Ms. Jurczyk stated that UFS is recommending a .8% increase for electric and either a 6% or a 10% increase for water.

**A motion was made by Commissioner Atherton to approve the UFS's study as presented showing a .8% rate increase for electric and a 10% rate increase for water effective April 1, 2024.**

Commissioner Wik suggested that the motion be amended to reflect an effective date of February 1, 2024. Commissioner Atherton indicated his agreement and amended his motion to:

**A motion was made by Commissioner Atherton to approve the UFS's study as presented showing a .8% rate increase for electric and a 10% rate increase for water effective February 1, 2024.**

**Commissioner Wik seconded the motion and it was unanimously passed.**

Mr. Natale noted that UFS could do a half-day class on rate design for the Commissioners. The Commissioners stated they would like to have the class, and Mr. Blomquist stated that a class would be scheduled.

Commissioner Wik expressed his concern for the risk to MSC with certain wells that may be impacted by the Basin Road Superfund Site. Mr. Guyer explained situation, noting that MSC currently has three large wells and each well is run on a 60-day rotating cycle. The average age of MSC's wells is approximately 58 years, and the need to dig a new well was discussed in 2015.

Comptroller/Treasurer Report – Mr. Natale reporting

*(See attached report)*

Mr. Natale reported as of December 31, 2023:

- Total cash on hand: \$2.9M
- Investment Portfolio: \$1.2M, which is a gain of \$29,000 (2.5%) from prior month.
- Unrestricted cash on hand: 99 days at December 31, 2023.
- Check Register Disbursements: Mr. Natale pointed out some particular payments that were fairly large:
  - \$43,000 – American Municipal Power, Inc. for water AMI materials
  - \$40,000 – Paragon Insurance Holding, Inc. for auto and property liability yearly premium
  - \$170,000 – City of New Castle quarterly allocation

Municipal Services Commission Monthly Meeting  
January 18, 8:00 a.m.  
216 Chestnut Street New Castle, Delaware

In response to questions from Commissioner Wik, Mr. Natale explained the \$505,568.42 monthly payment to DEMEC, which is variable depending on the load, and the \$9,000 payment to Rummel Klepper and Kahl LLP for the Water Department Asset Management Plan, which is grant reimbursable.

Customer Service/Billing

- There were 28 service cuts in December for non-payment.
- One customer's water bill was underestimated for several months. Their contractor fixed the leak and they will pay the consumption balance back over the next six months.

Electric Department

- User charges are \$168,000 under budget.
- Sales were consistent with the same month from prior year.
- Consumption is down 6.1% from the 5-year average and 4.8% from prior year.
- Expenses have a favorable variance of \$72,000. \$97,000 is related to decreased power purchase costs. There is a negative variance in operations' salaries and benefits that should decrease in time.

Water Department

- User charges have an unfavorable \$7,000 variance year-to-date.
- Consumption was up 358,000 gallons from the same period last year. This is probably due to overestimates on water bills, which should all be resolved this month.
- Operating expenses have a favorable variance of \$84,000 related to timing differences.

MSC Fiscal Year 2025 Requested Budget

Mr. Natale reviewed the Requested Budget by utility for FY 2025 and explained certain line item. Messrs. Natale, Blomquist and Granger responded to questions from the Commissioners regarding specific line items.

**A motion to approve the Requested Budget for Fiscal Year 2025 as presented was made by Commissioner Atherton. The motion was seconded by Commissioner Leary and passed unanimously.**

Electric Department Report – Mr. Granger reporting

*(See attached report)*

Developer Projects:

- River Bend – The project is moving forward. The permit from the railroad has been received and Mr. Granger had a conversation with the manufacturer regarding approving the manholes.

Capital Projects:

- Substation Relay Replacement – Mr. Granger met with the engineers last week. The best options are still being determined. Mr. Blomquist noted that they completed a coordination study for Dobbinsville and had some recommended changes. They will recommend which relays MSC should purchase.
- Van Dyke Village – All post lights have been installed on the next section and work to convert from aerial to underground continues.

Municipal Services Commission Monthly Meeting  
January 18, 8:00 a.m.  
216 Chestnut Street New Castle, Delaware

Capital Purchases:

- AMI – The AMI project is substantially complete. Mr. Granger met with Utility Engineers and learned that they are merging with another engineering firm. Mr. Granger opined that the new firm will be a good fit for MSC. A discussion of the merits of investigating other firms ensued, after which the Commissioners were amenable to remaining with the firm that is merging with Utility Engineers.

Outages:

- There were two outages since the last meeting:
  - On 1/9/24 a branch came down on the 410 circuit behind Port-a-Fino's restaurant causing approximately 439 customers to be without power for approximately 2 hours.
  - On 1/10/24 a branch took down service at 121 Casimir Drive that caused the customer to be without power for approximately one hour. Service was moved from aerial to underground.

Commissioner Wik commended the Department for its quick responses.

In response to a question from Commissioner Leary, Mr. Granger explained the reason Taqueria El Centenario was without power for approximately 5 days was because the service was pulled off the building and the tenant needed to have an electrician to fix it. As soon as it was repaired MSC restored power within an hour.

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

Developer Projects

- Riverbend Subdivision – Mr. Guyer received the executed Norfolk Southern agreements. A meeting will be scheduled with Freedom Development's representative to discuss the project and next phases. Ten new homes are under construction. Freedom Development agreed with the reconciliation and \$4,067.40 of unused escrow funds will be refunded.
- Deemer's Landing and The Helm Apartment Complexes – The property owner continues to install meter settings for individual metering. MSC provided an additional box of 24 meter bases.

MSC Projects

- AMI – The AMI project is almost done. Itron performed the AMI System evaluation on December 27<sup>th</sup> and found everything to be in acceptable parameters. Water Operators continue installing water meters and troubleshooting the 24 meters in the field that are not reading using the tablet with the Field Tools Application.
- Asset Management Program – Messrs. Guyer and Jaeger reviewed and approved the final draft of the Asset Management Plan. Training on updating the plan will be scheduled using the Hewlett and Janvier Water Main Replacement Project as the training project. Mr. Guyer approved final payment to RK&K and the final DWSRF grant reimbursement was forwarded to DNREC for reimbursement.
- Cross Connection Control Program – Hydro Corp's Proposal – Mr. Jaeger and Water Operator Schlecht are working on contacting non-compliant customers.

Municipal Services Commission Monthly Meeting  
January 18, 8:00 a.m.  
216 Chestnut Street New Castle, Delaware

- Hewlett, Janvier, and Megginson Avenue Water Main Replacement – R.E. Pierson (REP) completed the main and water service installations. The subcontractors completed the curb/gutter and sidewalk replacements and roadway paving on all disturbed streets and Wilmington Road. The project final walkthrough was completed and a punchlist of items to be completed was generated. The formal list will be sent to REP for completion, probably in March.
- School Lane Treatment Facility PFAS Treatment System Improvements – Messrs. Guyer and Jaeger will attend the Water Infrastructure Advisory Council Meeting on March 5<sup>th</sup>. DWSRF confirmed the project is approved to receive full principal forgiveness of \$1.13M. Mr. Blomquist stated that MSC will go before City Council for approval of MSC moving forward on the loan.
- Lead Service Line Inventory – EPA Revised Lead and Copper Rule – Mr. Guyer executed the agreement with 120 Water for their assistance with preparing the Lead Service Line Inventory for submission to the Office of Drinking Water by October 16, 2024. Messrs. Guyer and Jaeger are working on gathering data to discuss at the January Kickoff Meeting with 120 Water representatives.

Operations

- Outages – There were two planned and no unplanned water outages for the month of December 2023. The two outages were related to the Hewlett and Janvier Water Main Replacement Project.

Reporting:

- Calgon Carbon Corporation (CCC) Pilot Study – The pilot study is ongoing.
- Drinking Water Standards – Mr. Guyer is following the proposed regulation and had no update.
- PFAS Consortium – A group of utilities interested in the PFAS Consortium to discuss issues and treatments is scheduled to start back up on January 25<sup>th</sup> or 26<sup>th</sup>.
- Unregulated Contaminant Monitoring Rule 5 (UCMR5) – MSC completed the final round of UCMR5 monitoring on September 11<sup>th</sup>. Results were posted to the EPA Central Data Exchange website on December 18<sup>th</sup>. All 29 PFAS compounds and lithium were less than the minimum detection limit.
- East Basin Road Groundwater Superfund Site – Messrs. Guyer and Jaeger attended the January 10<sup>th</sup> quarterly virtual meeting with the US EPA, DNREC, and Artesian Water. The EPA updated the group on their progress to get contracts and agreements for services with the hope that everything will be in place by June 2024. They will start an expanded investigation that could take up to 10 years to complete. The Air National Guard has started to reach out to the community and talk to customers around the Base. This has created some confusion with the customers. A discussion of involving the National Guard relative to funding and whether that would fall under the DOD or the National Guard Bureau ensued. MSC has not received any inquiries from customers.
- House Bill 249 – Messrs. Guyer and Jaeger met with DNREC representatives to discuss the new DNREC Fees proposal in HB 249. If the proposed fees are approved by the legislature, they will not have a financial impact on MSC water operations related to annual permitting, allocation and support until one of several triggers occurs, such as amending/updating our allocation

Municipal Services Commission Monthly Meeting  
January 18, 8:00 a.m.  
216 Chestnut Street New Castle, Delaware

permit that was renewed on March 2, 2020 for 30 years or drilling a well. Mr. Guyer will continue to follow HB 249 through this legislature.

- Delaware Rural Water Association (DRWA) Apprenticeship Program – Mr. Jaeger attended the January 11<sup>th</sup> class with our Civil Engineer from Pennoni Associates. This was the last class for MSC this program year. They will evaluate the program to see how they can reach more new students.
- December Newsletter – The Fall Newsletter with financials was updated and completed. Copies were distributed and were placed at the City Library, City Administrative Building, MSC main office and MSC utility building.
- DNREC Water Use Report 2023 – Messrs. Guyer and Jaeger are working on the Report that was due January 1, 2024.
- DNREC tier II Hazardous chemical Report 2023 – Messrs. Guyer and Jaeger are reviewing and updating the Report, which is due March 1, 2024.
- DRBC Annual Water Audit 2023 – Messrs. Guyer and Jaeger will begin revising and updating the Report, which is due March 31, 2024.

#### System Repairs and Maintenance

- Riverbend Subdivision – Riverbend was flushed on December 5<sup>th</sup> and 19<sup>th</sup> to maintain chlorine residual.
- Cross Roads Well Motor Controller – The motor controller was ordered.
- Water Tank Maintenance Program – The results of the inspection done on November 13<sup>th</sup> have not been received yet. Mr. Guyer will follow up with Southern Corrosion. The reports will be submitted when completed.
- Fire Hydrant Replacement at 34 Jacquette Square – The leaking 73 year-old fire hydrant was replaced on January 4<sup>th</sup>.

#### Grants and State Revolving Funds

- School Lane Water Treatment Facility Natural Gas Generator – Messrs. Guyer and Granger worked with the University of Delaware Grant representative to collect additional information for RFI #2. Mr. Guyer updated the information for RFI #2 and forwarded the response to DEMA/FEMA on December 7<sup>th</sup>.
- Capital and O&M Budgets – Messrs. Guyer and Jaeger updated the Water Operations 5 Year Capital Budget.

#### Equipment

- Water Operators performed routine maintenance on trucks and equipment

#### Personnel and Training

- The OSHA 10 Safety Training scheduled for January 16<sup>th</sup> was cancelled due to weather and rescheduled for January 31<sup>st</sup>. The January 17<sup>th</sup> training was conducted as scheduled.

#### Safety

- Tailgate Talks – Morning Tailgate Talks are conducted daily to discuss tasks and projects.

Municipal Services Commission Monthly Meeting  
January 18, 8:00 a.m.  
216 Chestnut Street New Castle, Delaware

- DEFIT Safety Meetings – The DEFIT Safety Meeting scheduled for January 16th was cancelled.
- Respirator Program – Messrs. Guyer and Jaeger will meet with the PMA Group Risk Control Specialist on January 30<sup>th</sup>.

Local, State and Federal Agencies

- Water Supply Coordinating Council (WSCC) – Water conditions in New Castle County are much improved due to recent rains.
- DEWARN – Delaware Water/Wastewater Agency Response Network – The next DEWARN meeting is scheduled for March 12<sup>th</sup>.
- Water Operator Advisory Council – The next meeting is scheduled for February 1<sup>st</sup> in executive session.
- WIAC – Water Infrastructure Advisory Council – The next WIAC meeting is scheduled for March 5<sup>th</sup>.

Secretary's Report – Mr. Blomquist reporting

DEMEC

- Messrs. Blomquist and Natale attended the January 11<sup>th</sup> DEMEC meeting.
- Demand January – October 2023 was 3.2% lower than the same period in 2022.
- Total income was \$157M which was \$70M less than the same period in 2022.
- Net income was \$11.6M, which was an increase of \$1.2M over the same period in 2022. This was due to capacity and increases in generation.

**A motion to move to executive session was made by Commissioner Leary. Commissioner Wik seconded the motion. The motion was unanimously passed and the meeting moved to executive session at 9:44 a.m.**

The Commission came out of executive session at 9:51 a.m.

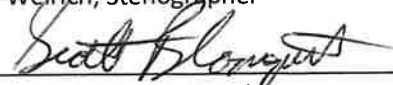
The February Commission meeting was set for Thursday, February 15<sup>th</sup> at 9:00 a.m.

The Commissioner Tour scheduled for January 19<sup>th</sup> was postponed to February 2<sup>nd</sup> due to the snow in the forecast.

**A motion to adjourn was made by Commissioner Wik and seconded by Commissioner Leary. The motion received unanimous approval and the meeting was adjourned at 9:56 a.m.**

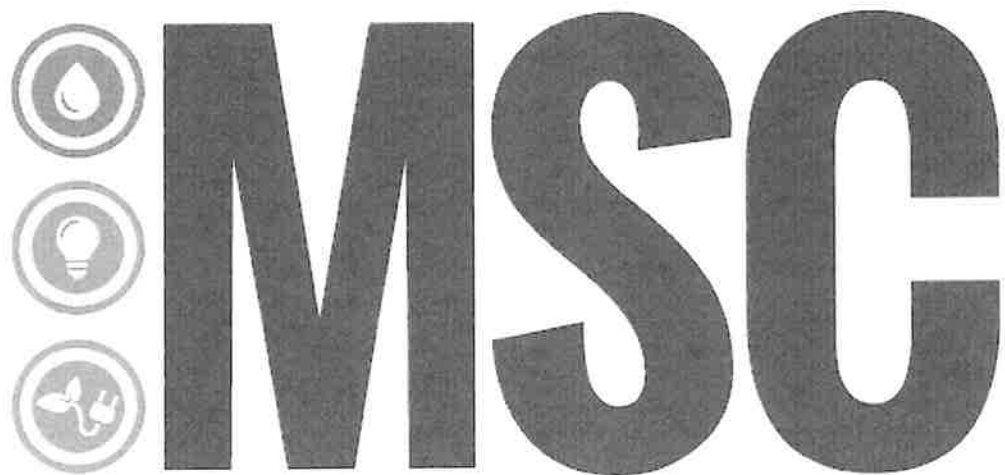


Kathleen R. Weirich, Stenographer

Approved: 

(Minutes transcribed from notes.)

# Comptroller/Treasurer's Report



---

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

---

**January 18, 2024 Commission Meeting**  
Prepared By: Ken Natale, CPFO on January 11, 2024



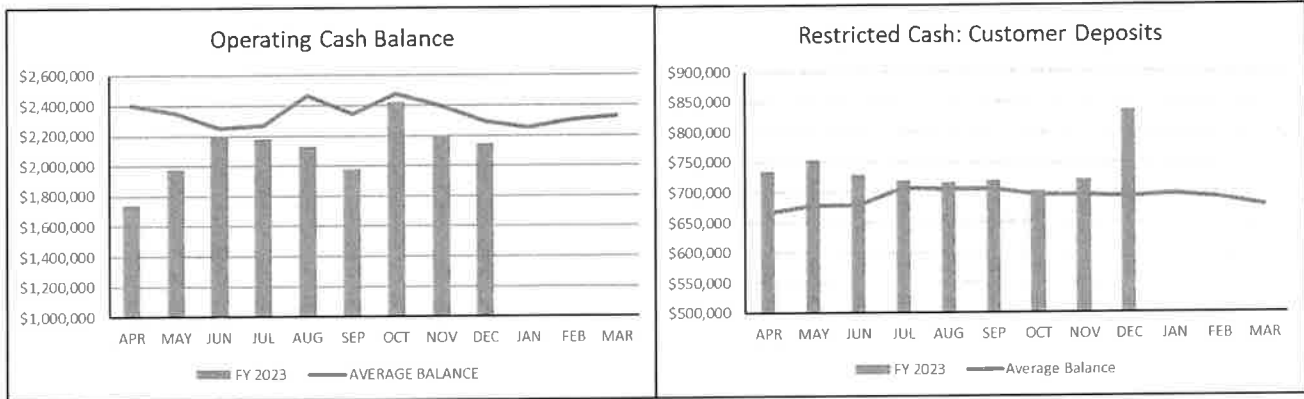
## Contents

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

## Cash & Investments

As of December 31, 2023 the cash balances were:

M&T Bank Checking:	\$	176,048
M&T Investment Sweep:		1,967,784
M&T Bank MMA:		836,503
Petty Cash/Change Fund:		899
<b>Total Cash on Hand:</b>	<b>\$</b>	<b>2,981,234</b>



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

<b>Beginning Balance</b>	<b>\$</b>	<b>2,195,216</b>
Cash from customers		1,105,675
Interest Income		8,515
Bond Proceeds		-
Refunds to customers - deposits	(	49,820)
Payments to suppliers for goods & services*	(	1,014,004)
Bank service fees	(	616)
Payments to employees for services	(	100,235)
<b>Net Cash Provided (Used)</b>	<b>(</b>	<b>50,485)</b>
<b>Ending Cash Balance</b>	<b>\$</b>	<b>2,144,731</b>

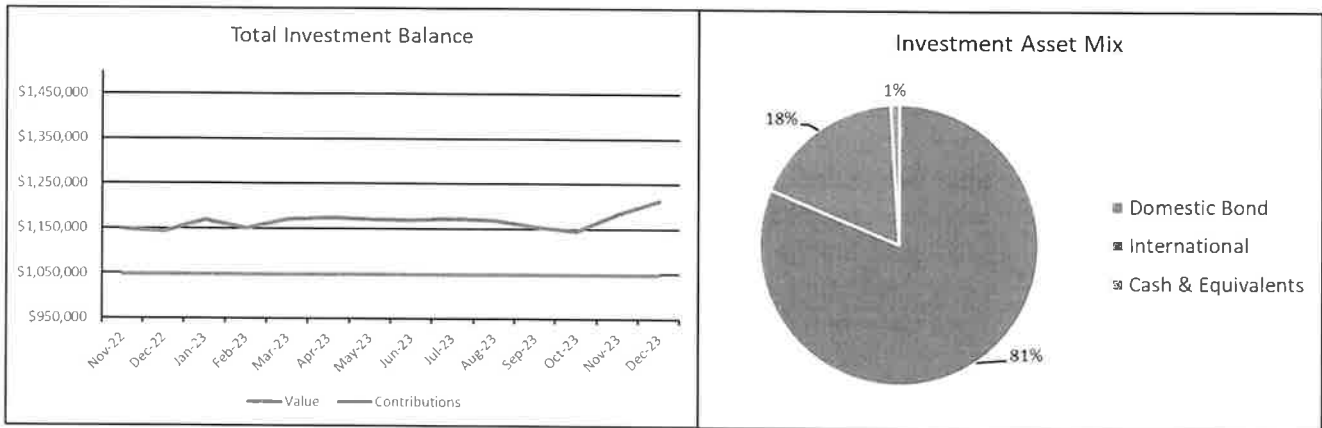
\*A detailed check register for the month is available on page 3 of this report.

As of December 31, 2023 the value of the Commission's investment portfolio totaled \$1,213,871 which is a net gain of \$29,442 (2.5%) 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 5.36% interest and has a stable net asset value of \$1.00.

There was 99 days unrestricted cash on hand at December 31 (no change from prior month) when including the value of the Commission's investment portfolio which is held in liquid assets (mutual and exchange traded funds).

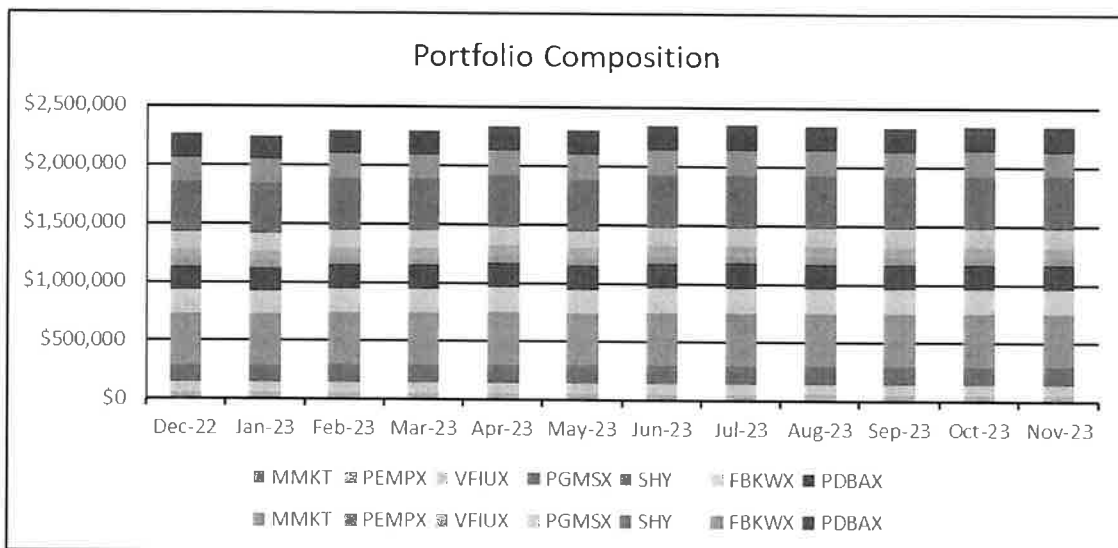
Comptroller/Treasurer's Report – January 18, 2024



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
<b>Money Markets</b>			
Insured Cash Accounts		\$ 8,100	0.80%
<b>Mutual Funds</b>			
Fidelity Advisor Total Bond CL Z	FBKWX	222,615	4.32%
PGIM Total Return Bond CL A	PDBAX	215,918	5.55%
PIMCO Emerging Markets Bond I2	PEMPX	53,973	7.99%
T Rowe Price Global Multi Sector Bond I	PGMSX	167,427	4.60%
Vanguard Intermediate Term Treasury	VFIUX	88,494	3.95%
<b>Exchange Traded Funds</b>			
iShares Trust 1-3 Year Treasury Bond EFT	SHY	457,344	2.79%
<b>Total</b>		<b>\$1,213,871</b>	



Comptroller/Treasurer's Report – January 18, 2024  
**DECEMBER 2023 - CHECK REGISTER**

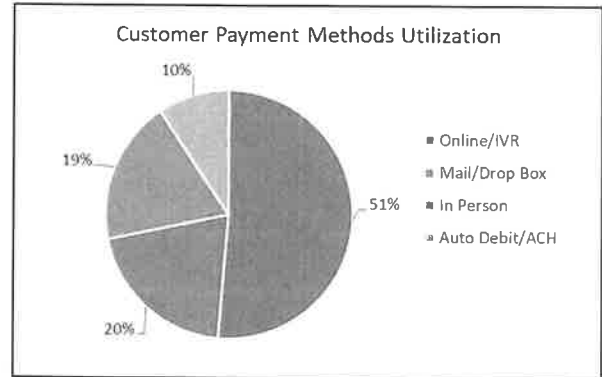
Number	Date	Vendor Name	Amount
EFT200003	12/05/2023	American Municipal Power Inc	43,649.64
201220	12/05/2023	120 WATER AUDIT INC	6,460.00
201221	12/05/2023	Anixter	24,316.00
201222	12/05/2023	Artesian Water Co Inc	2,110.50
201223	12/05/2023	COLONIAL LIFE	781.34
201224	12/05/2023	DEMEC Inc	974.17
201225	12/05/2023	Dover Plumbing Supply Co.	797.04
201226	12/05/2023	Kathleen R Weirich	112.50
201227	12/05/2023	PARAGON INSURANCE HOLDING INC	40,467.00
201228	12/05/2023	Pitney Bowes Purchase Power	2,014.13
201229	12/05/2023	Reliable Equipment &	756.25
201231	12/19/2023	CirilloBro	183.60
201232	12/19/2023	Council 81	415.50
201233	12/19/2023	Delmarva Power	249.45
201234	12/19/2023	Department of Human Resources Financial Services	36,679.72
201235	12/19/2023	Dover Plumbing Supply Co.	1,721.40
201236	12/19/2023	Ferguson Enterprises Inc	1,227.50
201237	12/19/2023	Guyer Terri Lynn Green	1,000.00
201238	12/19/2023	Kathleen R Weirich	180.00
201239	12/19/2023	Kendall Electric INC	630.54
201240	12/19/2023	Kompressed Air of Delaware, INC.	220.20
201241	12/19/2023	McCollom D'Emilio Smith Uebler LLC	2,910.00
201242	12/19/2023	Pennoni Associates Inc.	6,389.26
201243	12/19/2023	Pitney Bowes Purchase Power	5,256.31
201244	12/19/2023	Principal Financial Group	2,490.05
201245	12/19/2023	The Briggs Company	495.00
201246	12/19/2023	Trans Union LLC	362.22
201247	12/19/2023	TRI Supply & Equipment	1,183.44
201248	12/19/2023	Utility Engineers PC	1,100.00
201269	12/28/2023	Antonio's Lawn Service	975.00
201270	12/28/2023	City of New Castle	170,830.08
201271	12/28/2023	Consult Dynamics Inc DCA Net	20.00
201272	12/28/2023	Delta Dental of Delaware Inc	1,817.24
201273	12/28/2023	DEMEC Inc	966.23
201275	12/28/2023	Rummel Klepper and Kahl LLP	9,079.00
DFT0002149	12/08/2023	Maryland Child Support Account	184.62
DFT0002150	12/08/2023	Nationwide Retirement Sol	4,934.24
DFT0002153	12/08/2023	United States Treasury	18,759.40
DFT0002154	12/18/2023	BRINKS CAPITAL	680.30
DFT0002156	12/08/2023	Home Depot Credit Service	286.24
DFT0002157	12/08/2023	M&T ONE CARD	20,218.55
DFT0002158	12/08/2023	United Electric Supply Co	198.00
DFT0002159	12/08/2023	EyeMed	277.59
DFT0002160	12/04/2023	OpenEdge	1,742.25
DFT0002161	12/11/2023	Nationwide Life Ins. Co. of America	22,897.42
DFT0002162	12/21/2023	Maryland Child Support Account	184.62
DFT0002163	12/21/2023	Nationwide Retirement Sol	5,050.08
DFT0002166	12/21/2023	United States Treasury	18,615.29
DFT0002167	12/31/2023	COMPTROLLER OF MARYLAND	1,124.47
DFT0002169	12/21/2023	United States Treasury	139.80
DFT0002170	12/19/2023	DEMEC Inc	505,568.42
DFT0002171	12/20/2023	Heartline Press	4,773.12
DFT0002172	12/28/2023	Delaware Div. of Revenue	17,441.00
DFT0002179	12/22/2023	EAST JORDON IRON WORKS	431.06
DFT0002180	12/22/2023	M&T ONE CARD	21,640.97
DFT0002181	12/22/2023	United Electric Supply Co	36.30
<b>TOTAL PAYMENTS</b>			<b>1,014,004.05</b>

Comptroller/Treasurer’s Report – January 18, 2024

Customer Service/Billing

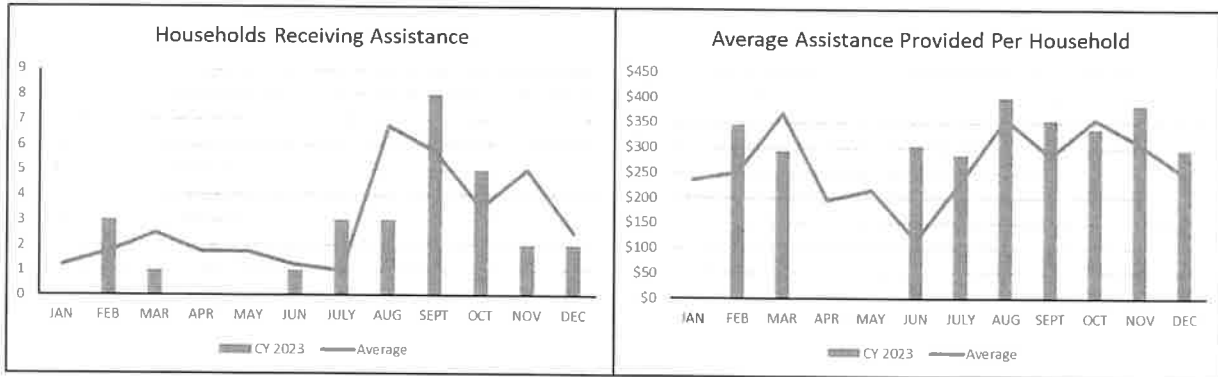
Since the previous meeting, the Customer Service Department processed:

Bills sent	3,222
Delinquent & past due notices	356
Automated phone notifications	241
Payment arrangements	18
Contracts	1
Service cuts for non-payment – Dec	28
Accounts sent to collections	7
Electric bad debt write-offs	\$258
Applications for service	25



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 December, the fund assisted two customers with approximately \$296. The maximum allowed by the program is \$400. The current balance in the fund is \$5,989.



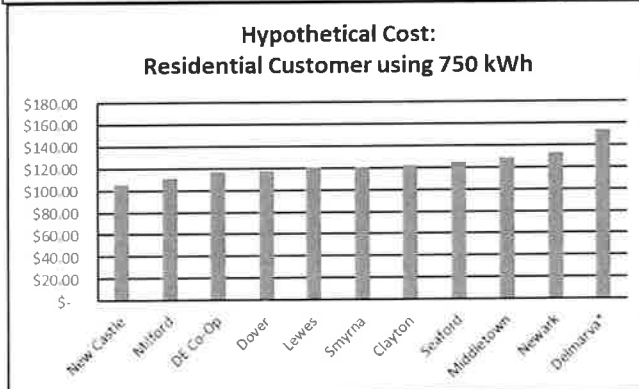
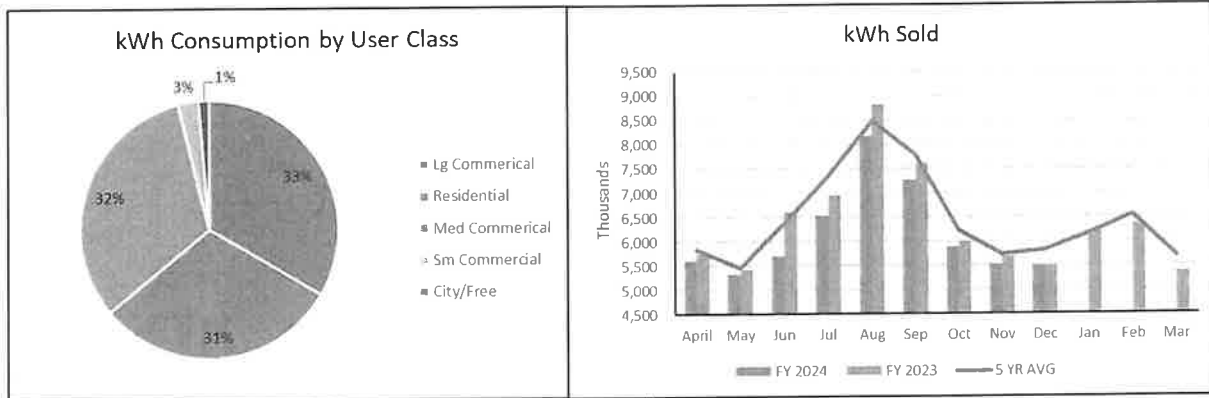
In addition to assistance provided through the New Castle Cares fund, two customers received an average of \$537 from other agencies or nonprofits that provide assistance for utility bills.

Below is a condensed aging report for active customers as of January 10, 2024:

Total	Current	30 Days	60 Days	90 Days	120 Days
\$218,610	\$191,543	\$25,660	\$778	\$473	\$156

## Electric Revenues

User charges are \$168,000 under budget fiscal year to date. December kWh sales were consistent with the same period last year. Consumption is approximately 6.1% lower than the 5-year average and 4.8% 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 (\$72,000). \$97,000 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 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 \$48,000, \$51,000 less than anticipated at this point in the year as a result of the variances discussed above.

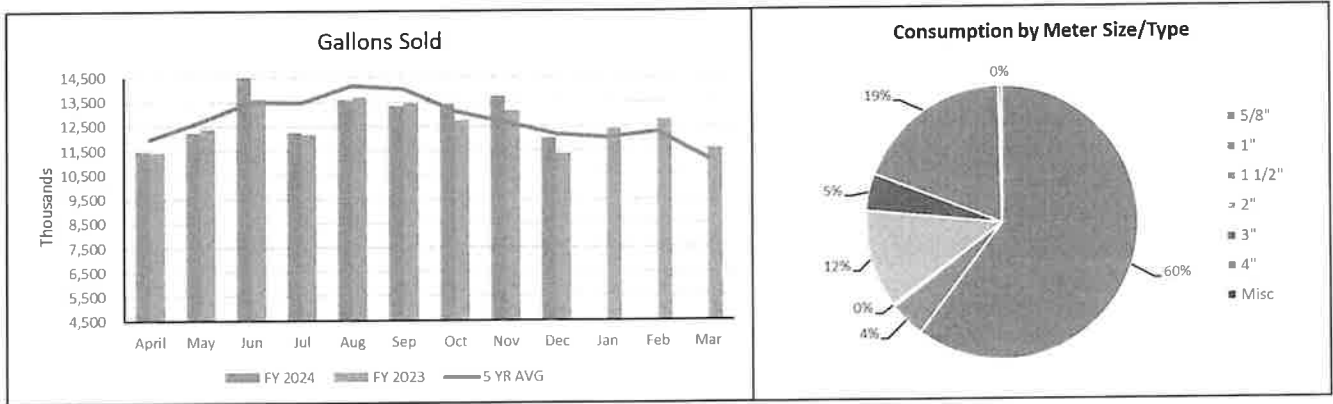
Comptroller/Treasurer's Report – January 18, 2024

**Municipal Services Commission  
Budget to Actual Comparison – Electric  
As of December 31, 2023**

	YTD Budget	YTD Activity	Variance	Total Budget
<b>Operating Revenues</b>				
User charges	7,381,940	7,227,918	(154,022)	9,624,301
City service charges	39,166	34,010	(5,156)	52,000
MSC service charges	27,198	17,577	(9,621)	41,000
Miscellaneous income	49,587	57,448	7,861	61,210
<i>Total Operating Revenues</i>	<u>7,497,891</u>	<u>7,336,953</u>	<u>(160,938)</u>	<u>9,778,511</u>
Less: Free Service	4,270	4,596	(326)	8,000
<i>Net Operating Revenues</i>	<u>7,493,621</u>	<u>7,332,357</u>	<u>(161,264)</u>	<u>9,770,511</u>
<b>Operating Expenses</b>				
Purchase of Power	5,099,000	5,001,690	97,310	6,751,000
<i>Operations</i>				
Salaries and benefits	612,041	657,338	(45,297)	872,468
Insurance	51,186	51,681	(495)	51,186
Utilities	6,789	7,268	(479)	11,700
Repairs and maintenance	(77,189)	(7,586)	(69,603)	(82,900)
Supplies and materials	53,352	65,306	(11,954)	73,600
Professional fees	82,490	40,532	41,958	112,250
Depreciation	534,161	556,140	(21,979)	712,500
<i>Operations total</i>	<u>1,262,830</u>	<u>1,370,679</u>	<u>(107,849)</u>	<u>1,750,804</u>
<i>General &amp; administrative</i>				
Salaries and benefits	392,234	379,767	12,467	518,853
Insurance	22,770	18,963	3,807	22,770
Utilities	8,543	8,113	430	11,731
Repairs and maintenance	5,676	4,243	1,433	7,860
Supplies and materials	22,461	26,223	(3,762)	29,500
Professional fees	126,672	90,631	36,041	141,340
Misc	73,887	55,630	18,257	95,328
Depreciation	20,992	6,787	14,205	28,000
<i>Total general &amp; administrative</i>	<u>673,235</u>	<u>590,357</u>	<u>82,878</u>	<u>855,382</u>
<i>Total operating expenses</i>	<u>7,035,065</u>	<u>6,962,726</u>	<u>72,339</u>	<u>9,357,186</u>
<b>Operating income</b>	<u>458,556</u>	<u>369,631</u>	<u>(88,925)</u>	<u>413,325</u>
<b>Nonoperating revenue(expense)</b>				
Investment income	62,389	86,972	24,583	80,000
Investment expense	(1,850)	(1,720)	130	(2,500)
Unrealized gain(loss) on investment:	-	9,156	9,156	-
Other Expense	-	(346)	(346)	-
Appropriations				
Mayor and Council	(419,832)	(409,009)	10,823	(560,000)
Special	-	(6,225)	(6,225)	-
<i>Total nonoperating revenue(expense)</i>	<u>(359,293)</u>	<u>(321,172)</u>	<u>38,121</u>	<u>(482,500)</u>
<b>Change in Net Position</b>	<b>99,263</b>	<b>48,459</b>	<b>(50,804)</b>	<b>(69,175)</b>

**Water Revenues**

User charges have an unfavorable variance of \$7,000 fiscal year to date. Water consumption for the month was up 358,000 gallons from the same period last year. Consumption was up in smaller (residential meters) and down in larger (commercial) meters. Fiscal year to date, water sales are 2.0% higher than the five-year average and 5.4% higher than the prior year. The unfavorable YTD variance despite the increase in consumption is likely related to bill corrections for water accounts that were over estimated during the AMI conversion process. As of the December billing, customer service believes all bill adjustments for over estimations have been made.



**Water Expenses**

Water operating expenses have a favorable year to date variance (\$84,000). 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 \$313,000, which is \$243,000 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 – January 18, 2024

**Municipal Services Commission**  
**Budget to Actual Comparison – Water**  
**As of December 31, 2023**

	YTD Budget	YTD Activity	Variance	Total Budget
<b>Operating Revenues</b>				
User Charges	1,856,515	1,858,303	1,788	2,456,543
City Service Charges	27,710	21,425	(6,285)	37,000
MSC Service Charges	2,727	-	(2,727)	3,500
Miscellaneous Income	23,187	30,820	7,633	28,790
<i>Total Operating Revenues</i>	<u>1,910,139</u>	<u>1,910,548</u>	<u>409</u>	<u>2,525,833</u>
Less: Free Service	2,958	2,755	203	4,000
<i>Net Operating Revenues</i>	<u>1,907,181</u>	<u>1,907,793</u>	<u>612</u>	<u>2,521,833</u>
<b>Operating Expenses</b>				
Purchase of water	20,180	18,199	1,981	26,000
<i>Operations Dept</i>				
Salaries and benefits	677,631	693,152	(15,521)	920,789
Insurance	56,968	45,573	11,395	56,968
Utilities	20,623	22,643	(2,020)	28,770
Repairs and maintenance	107,934	129,815	(21,881)	172,112
Supplies and materials	95,438	51,553	43,885	131,435
Professional fees	63,641	27,779	35,862	86,502
Depreciation	229,708	259,076	(29,368)	306,400
<i>Total operations</i>	<u>1,251,943</u>	<u>1,229,591</u>	<u>22,352</u>	<u>1,702,976</u>
<i>General &amp; administrative</i>				
Salaries and benefits	231,131	226,628	4,503	305,605
Insurance	18,630	15,515	3,115	18,630
Utilities	7,210	6,637	573	9,961
Repairs and maintenance	8,266	7,956	310	11,610
Supplies and materials	15,501	19,075	(3,574)	20,400
Professional fees	27,247	24,324	2,923	35,884
Miscellaneous	118,697	78,281	40,416	137,094
Depreciation	14,244	3,296	10,948	19,000
<i>Total general &amp; administrative</i>	<u>440,926</u>	<u>381,712</u>	<u>59,214</u>	<u>558,184</u>
<i>Total operating expenses</i>	<u>1,713,049</u>	<u>1,629,502</u>	<u>83,547</u>	<u>2,287,160</u>
<b>Operating Income</b>	<u>194,132</u>	<u>278,291</u>	<u>84,159</u>	<u>234,673</u>
<b>Nonoperating revenue(expense)</b>				
Investment income	11,744	15,283	3,539	15,000
Investment expense	(370)	(304)	66	(500)
Unrealized gain(loss) on investment:	-	1,616	1,616	-
Grant income	-	168,510	168,510	-
Other Expense	-	(8,490)	(8,490)	-
Appropriations				
Mayor and Council	(104,958)	(103,481)	1,477	(140,000)
City Services	(29,932)	(27,434)	2,498	(40,000)
Special	-	(1,445)	(1,445)	-
<i>Total nonoperating revenue(expense)</i>	<u>(123,516)</u>	<u>35,176</u>	<u>158,692</u>	<u>(165,500)</u>
<b>Change in Net Position</b>	<b>70,616</b>	<b>313,467</b>	<b>242,851</b>	<b>69,173</b>

Comptroller/Treasurer's Report – January 18, 2024

**Municipal Services Commission  
Statement of Net Position  
As of December 31, 2023 and 2022**

	<u>2024</u>	<u>2023</u>
<b>ASSETS:</b>		
<b>Current assets:</b>		
Cash and equivalents	\$ 2,144,731	\$ 2,065,248
Investments	1,213,871	1,143,845
Accounts receivable, net	1,347,997	1,298,275
Inventories	934,280	845,100
Prepays	94,083	177,969
Restricted cash	836,503	792,824
Total current assets	<u>6,571,465</u>	<u>6,323,261</u>
<b>Noncurrent assets:</b>		
Capital assets not being depreciated:		
Land	43,796	45,386
Construction in progress	2,747,774	1,225,575
Capital assets net of accumulated depreciation:		
Buildings	684,865	255,772
Equipment	658,449	790,139
Infrastructure	13,964,064	14,434,080
Total noncurrent assets	<u>18,098,948</u>	<u>16,750,952</u>
<b>Total assets</b>	<u>24,670,413</u>	<u>23,074,213</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Pension	574,626	319,164
Regulatory accounting - substation	-	-
<b>Total deferred outflows</b>	<u>574,626</u>	<u>319,164</u>
<b>LIABILITIES</b>		
<b>Current liabilities:</b>		
Accounts payable	1,077,555	1,138,568
Accrued liabilities	99,674	48,978
Customer Deposits	913,424	937,649
Total current liabilities	<u>2,090,653</u>	<u>2,125,195</u>
<b>Noncurrent liabilities:</b>		
Due within one year	96,050	84,922
Due in more than one year	3,632,161	1,710,777
Total noncurrent liabilities	<u>3,728,211</u>	<u>1,795,699</u>
<b>Total liabilities</b>	<u>5,818,864</u>	<u>3,920,894</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Pension	250,334	472,843
<b>Total deferred inflows</b>	<u>250,334</u>	<u>472,843</u>
<b>NET POSITION</b>		
Net investment in capital assets	15,547,190	16,750,952
Unrestricted	3,628,651	2,248,690
<b>Total net position</b>	<u>\$ 19,175,841</u>	<u>\$ 18,999,642</u>

Comptroller/Treasurer's Report – January 18, 2024

**Municipal Services Commission**  
**Statement of Revenues, Expenses, and Changes in Net Position**  
**As of December 31, 2023 and 2022**

	2024	2023
Operating Revenues:		
Water sales	\$ 1,879,729	\$ 1,765,725
Power sales	7,279,506	6,934,506
Miscellaneous	88,270	59,624
Total operating revenues	9,247,505	8,759,855
Less: free service	(7,352)	(7,284)
Net operating revenues	9,240,153	8,752,571
Purchase of water and power	5,019,889	5,156,122
Operating Expenses		
Salaries and benefits	1,956,885	1,784,472
Repairs and maintenance	226,086	244,784
Supplies	125,495	121,187
Utilities	44,660	45,982
Insurance	131,732	127,714
Professional fees	107,046	94,476
Administrative	155,137	146,329
Depreciation	825,301	524,079
Total operating expenses	3,572,342	3,089,023
Operating income (loss)	647,922	507,426
Nonoperating revenues (expenses):		
Net investment income	100,230	36,555
Unrealized gain(loss) on investments	10,772	(102,654)
Gain (loss) on disposal of assets	-	(9,518)
Grant income	168,510	20,098
Grant Expense	(9,079)	(20,578)
Miscellaneous	(8,787)	10,716
Appropriations to Mayor & Council of New Castle		
Ordinary	(512,491)	(499,379)
City Services	(27,434)	(26,839)
Special	(7,670)	(10,401)
Total nonoperating revenues (expenses)	(285,949)	(602,000)
Income before capital contributions	361,973	(94,574)
Change in net position	361,973	(94,574)
Net position - beginning	18,813,868	19,094,216
Net position - ending	\$ 19,175,841	\$ 18,999,642

**Municipal Services Commission  
Combining Balance Sheet by Department  
As of December 31, 2023 and 2022**

	Water		Electric		Total	
	2024	2023	2024	2023	2024	2023
<b>ASSETS:</b>						
Current assets:						
Cash and equivalents	-	-	2,144,731	2,065,248	2,144,731	2,065,248
Investments	182,081	171,577	1,031,790	972,268	1,213,871	1,143,845
Accounts receivable, net	735,853	185,454	612,144	1,112,821	1,347,997	1,298,275
Inventories	260,871	186,408	673,409	658,692	934,280	845,100
Prepays	28,966	64,789	65,117	113,180	94,083	177,969
Restricted cash	-	-	836,503	792,824	836,503	792,824
Total current assets	1,207,771	608,228	5,363,694	5,715,033	6,571,465	6,323,261
<b>Noncurrent assets:</b>						
Capital assets not being depreciated:						
Land	43,796	45,386	-	-	43,796	45,386
Construction in progress	1,777,052	626,475	970,722	599,100	2,747,774	1,225,575
Capital assets net of accumulated depreciation:						
Buildings	311,641	118,697	373,224	137,075	684,865	255,772
Equipment	212,386	245,291	446,063	544,848	658,449	790,139
Infrastructure	6,933,333	7,018,536	7,030,731	7,415,544	13,964,064	14,434,080
Total noncurrent assets	9,278,208	8,054,385	8,820,740	8,696,567	18,098,948	16,750,952
Total assets	10,485,979	8,662,613	14,184,434	14,411,600	24,670,413	23,074,213
<b>DEFERRED OUTFLOWS OF RESOURCES</b>						
Pension	258,582	143,624	316,044	175,540	574,626	319,164
Regulatory accounting - substation	-	-	-	-	-	-
Total deferred outflows	258,582	143,624	316,044	175,540	574,626	319,164

(Continued)

**Municipal Services Commission  
Combining Balance Sheet by Department  
As of December 31, 2023 and 2022**

	Water		Electric		Total	
	2024	2023	2024	2023	2024	2023
<b>LIABILITIES</b>						
Current liabilities						
Accounts payable	548,576	433,065	528,979	705,503	1,077,555	1,138,568
Accrued liabilities	72,692	22,040	26,982	26,938	99,674	48,978
Customer Deposits	6,397	58,166	907,027	879,483	913,424	937,649
Due to other funds	628,284	813,427	(628,284)	(813,427)	-	-
Total current liabilities	1,255,949	1,326,698	834,704	798,496	2,090,653	2,125,195
Noncurrent liabilities:						
Due within one year	15,592	-	80,458	-	96,050	-
Due in more than one year.	2,324,407	563,520	1,307,754	1,232,178	3,632,161	1,795,698
Total noncurrent liabilities	2,339,999	563,520	1,388,212	1,232,178	3,728,211	1,795,698
Total liabilities	3,595,948	1,890,218	2,222,916	2,030,674	5,818,864	3,920,893
<b>DEFERRED INFLOWS OF RESOURCES</b>						
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
<b>NET POSITION</b>						
Net investment in capital assets	7,228,001	8,054,385	8,319,189	8,696,567	15,547,190	16,750,952
Unrestricted	(192,038)	(1,351,145)	3,820,689	3,599,835	3,628,651	2,248,690
Total net position	7,035,963	6,703,240	12,139,878	12,296,402	19,175,841	18,999,642

**Municipal Services Commission  
Combining Schedules of Revenues, Expenses, and Changes in Net Position by Department  
For the nine months ending December 31, 2023 and 2022**

	Water		Electric		Total	
	2024	2023	2024	2023	2024	2023
<b>Operating Revenues:</b>						
Charges for services	\$ 1,879,729	\$ 1,765,725	\$ 7,279,506	\$ 6,934,506	\$ 9,159,235	\$ 8,700,231
Miscellaneous	30,821	21,584	57,449	38,040	88,270	59,624
Total operating revenues	1,910,550	1,787,309	7,336,955	6,972,546	9,247,505	8,759,855
Less: free service	(2,756)	(2,835)	(4,596)	(4,449)	(7,352)	(7,284)
Net operating revenues	1,907,794	1,784,474	7,332,359	6,968,097	9,240,153	8,752,571
<b>Operating Expenses</b>						
Purchase of water and power	18,199	17,718	5,001,690	5,138,404	5,019,889	5,156,122
Salaries and benefits	919,780	842,856	1,037,105	941,616	1,956,885	1,784,472
Repairs and maintenance	140,117	147,384	85,969	97,400	226,086	244,784
Supplies	69,691	66,646	55,804	54,541	125,495	121,187
Utilities	29,280	26,856	15,380	19,126	44,660	45,982
Insurance	61,088	60,366	70,644	67,348	131,732	127,714
Professional fees	47,171	46,454	59,875	48,022	107,046	94,476
Administrative	81,806	70,344	73,331	75,985	155,137	146,329
Depreciation	262,373	241,429	562,928	282,650	825,301	524,079
Total operating expenses	1,629,505	1,520,053	6,962,726	6,725,092	8,592,231	8,245,145
Operating income (loss)	278,289	264,421	369,633	243,005	647,922	507,426

(Continued)

**Municipal Services Commission  
Combining Schedules of Revenues, Expenses, and Changes in Net Position by Department  
For the nine months ending December 31, 2023 and 2022**

	Water		Electric		Total
	2024	2023	2024	2023	
Nonoperating revenues (expenses):					
Net investment income	14,979	5,174	85,251	31,381	100,230
Realized gain (loss) on investments	-	-	-	-	-
Unrealized gain(loss) on investments	1,616	(15,398)	9,156	(87,256)	10,772
Gain (loss) on disposal of assets	-	(2,172)	-	(7,346)	-
Grant income	168,510	20,098	-	-	168,510
Grant Expense	(9,079)	(20,098)	-	(480)	(9,079)
Miscellaneous	(8,487)	(2,950)	(300)	13,666	(8,787)
Appropriations to Mayor & Council of New Castle					
Ordinary	(103,481)	(99,713)	(409,010)	(399,666)	(512,491)
City Services	(27,434)	(26,839)	-	-	(27,434)
Special	(1,445)	(5,551)	(6,225)	(4,850)	(7,670)
Total nonoperating revenues (expenses)	35,179	(147,449)	(321,128)	(454,551)	(285,949)
Income before capital contributions	313,468	116,972	48,505	(211,546)	361,973
Change in net position	313,468	116,972	48,505	(211,546)	361,973
Net position - beginning	6,722,495	6,586,268	12,091,373	12,507,948	18,813,868
Net position - ending	<u>\$ 7,035,963</u>	<u>\$ 6,703,240</u>	<u>\$12,139,878</u>	<u>\$12,296,402</u>	<u>\$19,175,841</u>
					<u>\$18,999,642</u>

Comptroller/Treasurer's Report – January 18, 2024

**Municipal Services Commission  
Capital & Projects Budget to Actual  
As of December 31, 2023**

Project	Total Approved Budget	Materials as of 3/31/2024	Remaining Budget as of 3/31/2024	Total Capitalized To Date (1)	Status
Vandyke Village Undergrounding	\$ 886,000.00	\$ 690,744.00	\$ 195,256.00	\$ 1,391,935	In Progress
AMI System - Electric	665,000	623,749	41,251	-	In Progress
Dobbinsville Relay Replacement	85,000	44,877	40,123	-	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	100,000	-	-	In Progress
AMI System - Water	1,281,000	1,076,704	204,296	-	In Progress
Toyota Pallet Lift	10,500	11,428	(928)	11,428	Complete
T-8 Replacement	150,000	63,371	86,629	-	In Progress
	\$ 3,267,500.00	\$ 2,702,512.29	\$ 564,987.71		

(1) Includes capitalized labor and equipment costs.

**Special Appropriations**

City & Trustee Projects	Donated Labor & Equipment	Billable Material	Invoiced Date	Paid Date
City of New Castle - Repairs & Maintenance	\$ 7,670.00	\$ -	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

January 18, 2024

Prepared by: Jay Guyer on January 11, 2024

### 1. Developer Projects

#### A. Riverbend Subdivision

1. WUM Guyer received the executed Norfolk Southern Railroad Crossing Agreements from Rail Pros. A meeting with Freedom Development's Representative will be scheduled to discuss the project and next phases of the water and electric infrastructure installation. The permitted new homes (10) are under construction. WUM Guyer worked with Accountant Malloy to reconcile the water infrastructure completed to date for the project. Freedom Development's Representative agreed with the reconciliation and \$4,067.40 of unused escrow funds will be refunded.

#### B. 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. MSC provided an additional box of 24 meter bases to the plumber for him to continue installation. Individual unit 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, and AMP have weekly meetings to discuss the conversion and issues being encountered with the AMI metering system. Itron performed the AMI System evaluation and optimization on December 27<sup>th</sup> and found everything to be in acceptable parameters. MSC Water Operators continue installing water meters that remain unchanged and troubleshooting the 24 meters in the field that are not reading using the tablet with the Field Tools Application.

#### B. Water System Asset Management Program

1. RK & K Engineering submitted a final draft of the Asset Management Plan on December 8<sup>th</sup>. WUM Guyer and WUS Jaeger reviewed and accepted the final draft. Training on updating the plan will be scheduled with RK & K using the recently completed Hewlett and Janvier Water Main Replacement Project as the training project. WUM Guyer approved final payment to RK & K and the final DWSRF Grant reimbursement was forwarded to DNREC for reimbursement.

#### C. Cross Connection Control Program – Hydro Corp

1. Cross Connection Control (CCC) Program – WUM Jaeger and Water Operator Schlecht are working on contacting non-compliant customers to confirm contact information and advise them of the device testing requirements. Operator Schlecht is working with

# 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

January 18, 2024

Prepared by: Jay Guyer on January 11, 2024

Hydro Corp on getting database information updated and assisting Testers with getting their data entered.

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

1. R.E. Pierson Construction Company (REP) completed the main and water service installations. REP completed water main connections for the Wilmington Road and Hewlett Avenue and Wilmington Road and Janvier Avenue. Their sub-contractors completed the curb/gutter and sidewalk replacements and roadway paving on all disturbed streets and Wilmington Road. MSC Water Operator Granger continues performing full time inspection and coordination with our Engineer Pennoni Associates to ensure compliance with MSC standards. WUM Guyer and Pennoni Associates are reviewing/approving Pay Request 3, one Change Order for the Project, and will submit DWSRF Reimbursement request 3 and CO #1 to the Office of Engineering for reimbursement. On December 20<sup>th</sup> MSC, Pennoni, and REP completed a Project Final Walkthrough generating a punchlist of items to be completed. The formal list will be forwarded to REP for completion. Overall, this project went very well and MSC is pleased with REP's performance.

### **E. School Lane Water Treatment Facility PFAS Treatment System Improvements**

1. WUM Guyer and WUS Jaeger will plan to attend the March 5<sup>th</sup> Water Infrastructure Advisory Council Meeting in case there are any questions related to the Full Application being presented for final approval. DWSRF did confirm the project is approved to receive full principal forgiveness of \$1,135,920.00. MSC will reach out to City Council to present the project and request a resolution approving MSC to receive the loan.

### **F. Lead Service Line Inventory - EPA Revised Lead and Copper Rule -**

1. WUM Guyer executed the agreement with 120 Water for their assistance with preparing our Lead Service Line Inventory for submission to the Office of Drinking Water by the October 16, 2024 deadline. WUM Guyer and WUS Jaeger are working on gathering our service line information from all resources available to discuss at our January Kickoff Meeting with 120 Water Representatives.

## **3. Operations**

### **A. Outages**

1. There were 2 planned and no unplanned water outages for the month of December 2023. The 2 outages were related to the Hewlett and Janvier Water Main Replacement Project. See attached outage report for details.

# 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

January 18, 2024

Prepared by: Jay Guyer on January 11, 2024

### 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 14<sup>th</sup>, 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 11<sup>th</sup>. Results were posted to the EPA Central Data Exchange web site on December 18<sup>th</sup>, all 29 PFAS compounds and lithium were less than the minimum detection limit.
4. US EPA East Basin Road Groundwater Superfund Site – WUM Guyer and WUS Jaeger attended the January 10<sup>th</sup> quarterly virtual meeting with the US EPA, DNREC, and Artesian Water. EPA discussed progress on their contracts and agreements for services, their virtual and in person community meetings, and activities with the Penn Acres Civic Association. They should have their contracts and agreements for services in place by June 2024. EPA also advised that the Delaware Air National Guard has been reaching out to the community in reference to the Superfund Site. Artesian has been communicating to the Penn Acres Civic Association about the Wilmington Manor Treatment Facility upgrades and addressing their questions and concerns. MSC has not received any questions or inquiries from our customers in reference to the Superfund Site. The next virtual meeting is scheduled for April 10<sup>th</sup>.
5. House Bill 249 Proposed - WUM Guyer and WUS Jaeger met with DNREC Water Supply Section representatives to discuss the new DNREC Fees proposed in HB 249. If the proposed fees are approved by the legislature, they will not have a financial impact on MSC Water Operations related to annual Permitting, Allocation, and Support until one of several triggers occurs such as amending/updating our Allocation Permit that was renewed on March 2, 2020 for 30 years or drilling a new well. WUM Guyer will continue to follow HB 249 through the legislature.
6. Delaware Rural Water Association (DRWA) Apprenticeship Program with Colonial School District's William Penn High School - WUS Jaeger attended the January 11<sup>th</sup> class with our Civil Engineer from Pennoni Associates who made an engineering presentation to the students. This is the last class for MSC this program year.

# 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

January 18, 2024

Prepared by: Jay Guyer on January 11, 2024

7. December 2023 Newsletter – The Fall Newsletter with Financials was updated, completed and delivered to the printer for copying and mailing. Copies of the Newsletter were placed at the City Library, City Administrative Building, MSC Main Office, and MSC Utility Building for the public.
8. DNREC Water Use Report 2023 – WUM Guyer and WUS Jaeger are reviewing/updating the DNREC Annual Water Use Report for 2023 for submission prior to the January 1, 2024 due date.
9. DNREC Tier II Hazardous Chemical Report 2023 – WUM Guyer and WUS Jaeger are reviewing and updating the DNREC Tier II Hazardous Chemical Report for 2023 which is due by March 1, 2024.
10. DRBC Annual Water Audit 2023 – WUM Guyer and WUS Jaeger will start revising and updating the DRBC Annual Water Audit Report for 2023. The report is due March 31, 2024.

### C. System Repairs and Maintenance

1. Riverbend Subdivision – Flushed on December 5<sup>th</sup> and 19<sup>th</sup> to maintain Chlorine residual.
2. Cross Roads Well Motor Controller – CR Well Variable Frequency Drive motor failed on November 2<sup>nd</sup> during well change over. The pump and motor remain out of service and the new drive has been ordered from United Electric.
3. Water Tank Maintenance Program - Southern Corrosion (SC) performed the annual inspection of Ships Landing and Gray Street Water Tanks on November 13<sup>th</sup>. WUM Guyer followed up with SC on the Inspection Reports which will be submitted when completed.
4. Fire Hydrant replacement at 34 Jacquette Square - Water Operators mobilized on January 3<sup>rd</sup> excavating around the leaking 73 year old fire hydrant and replaced it on January 4<sup>th</sup>. The site was backfilled and cleaned up. Final roadway and curb restoration will be completed in the spring.

### D. Grants - State Revolving Funds - Budgets

1. School Lane Water Treatment Facility Natural Gas Generator – WUM Guyer worked with EUM Granger and our University of Delaware Grant Representative on collecting additional information for Request for Information #2. WUM Guyer updated the information for RFI #2 and forwarded the response to DEMA / FEMA on December 7<sup>th</sup>.

# 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

January 18, 2024

Prepared by: Jay Guyer on January 11, 2024

2. Capital and O & M Budgets – WUM Guyer and WUS Jaeger updated the Water Operations 5 Year Capital Budget referencing the Draft Asset Management Plan. The FYE 2025 Operation and Maintenance Budget were drafted and revised per conversations with GM Blomquist and Comptroller Natale.

### E. Equipment

1. No equipment issues to report for the month of December.
2. Water Operators are performing routine maintenance on facilities, water trucks and equipment.

### F. Personnel and Training

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

### 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. The next DEFIT Safety Meeting is scheduled for January 16<sup>th</sup> at the Milford Public Works Yard.
3. WUM Guyer and WUS Jaeger followed up with our PMA Group Risk Control Specialist for assistance with developing our basic Respirator Program. He is working with his office to draft a plan for MSC.

## 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.
2. The Delaware Geological Survey (DGS) and State Climatologist send weekly Water Conditions updates and weather predictions for Northern New Castle County. Due to the recent rains, Water Conditions are very wet.

### B. WRA – Water Resource Agency

1. WUM Guyer stopped sending weekly pumping demand data to the University of Delaware Water Resource Agency Staff on October 30<sup>th</sup> until Spring 2024.

# **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**

**January 18, 2024**

**Prepared by: Jay Guyer on January 11, 2024**

### **C. DEWARN – Delaware Water/Wastewater Agency Response Network**

1. The next DEWARN meeting is scheduled for March 12<sup>th</sup>.

### **D. Water Operator Advisory Council**

1. The next Advisory Council meeting is scheduled for February 1<sup>st</sup> in executive session.

### **E. WIAC - Water Infrastructure Advisory Council**

1. The next WIAC meeting is scheduled for March 5<sup>th</sup>.

**End of Report**

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

www.newcastlemsc.com  
 Office: 302 323-2330 Utility Building: 302-323-2333 Fax: 302-323-2337

**Monthly Water Works Report**  
**December 1 - 31, 2023**  
 Prepared By: Jay Guyer on January 11, 2024

Water Production	FT 300		Gallons
	Raw	Adjusted Finished	
Month	Total Gallons	Total Gallons	
December 2022	14,051,200	13,887,107	Raw 11,187,600
December 2023	11,187,600	11,042,493	Finished 11,042,493
Difference	-2,863,600	-2,844,614	Difference -145,107
Percentage Difference	-25.6	-25.8	Percentage Difference 1.3

Well(s) in Operation	Basin Road	Frenchtown Road	School Lane	Cross Roads
Days Pumped	Reserve Status	XXX	XXX	OOS - VFD
		6	25	

Water Quality	MSC Average	Goal / Target Level	Range
Average Chlorine Residual	1.57 ppm	1.40 ppm	1.0 - 4.0 ppm
Average pH	7.1	7.5	6.5 - 8.5 on a 0 - 14 Scale
Average Fluoride Residual	0.80 ppm	0.80 ppm	0.60 - 1.00 ppm

General Water System Report	Collected	Absent	Present
Routine Bacteria Sampling (Office of Drinking Water)	# Collected Results	10	10
Miss Utility Locate Requests (Water and Electric Locates)	# Received	0	0
	# Completed	38	38
	# of Damages	0	0

Building Permit Review (Water Related Conflicts)	Reviewed	Approved	Not Approved
	# Reviewed	23	23
	# Approved	23	0
	# Not Approved	0	0

**MUNICIPAL SERVICES COMMISSION**

CITY OF NEW CASTLE, DELAWARE 19720-0208

P.O. BOX 208

www.newcastlemsc.com

Office: 302 323-2330

Utility Building: 302-323-2333

Fax: 302-323-2337

**Monthly Water Outages / Interruptions Report**

**December 1 - 31, 2023**

**Prepared By: Jay Guyer on January 11, 2024**

**Planned Outage / Interruptions**

**Approximate  
Duration**

**Date      Hours / Minutes**

**No. of  
Customers**

**Location**

**Comments**

12/6/2023	6 Hours - 45 Minutes	Wilmington Road and Hewlett Avenue	7	Outage to connect the new Hewlett Avenue water main into the existing water main on Wilmington Road.
12/7/2023	4 Hours - 30 Minutes	Wilmington Road and Janvier Avenue	18	Outage to connect the new Janvier Avenue water main into the existing water main on Wilmington Road.

**Unplanned Outage / Interruptions**

**Approximate  
Duration**

**Date      Hours / Minutes**

**No. of  
Customers**

**Location**

**Comments**

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



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

<http://newcastlemsc.delaware.gov/>

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

**ELECTRIC DEPARTMENT COMMISSION REPORT**

**January 18, 2024**

**Prepared by Artie Granger on January 10, 2024**

1. **Developer Projects:**

A. **Riverbend Subdivision:**

- I. Freedom Development has had their contractor begin installing primary and secondary wiring for the next houses.
- II. MSC has received the permit from the Railroad. MSC will begin further conversations with the developer to get the connections from Center Point Industrial Park installed.

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. This has been substantially completed. MSC is planning on ordering materials the first part of FYE 25

b. **Van Dyke Village:**

- I. MSC has installed the wiring and transformers. MSC has been working on preparing for the conversion from aerial to underground.
- II. MSC has installed and turned on all of the post lights for this phase.

3. **Capital Purchases:**

- I. AMI
  1. This project is substantially complete.

4. **Operations:**

- I. MSC has been working on getting all of the equipment serviced as needed.
- II. MSC will be meeting with our engineering firm. This is to discuss currently projects as well as the possible merger with another engineering firm.

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

<http://newcastlemsc.delaware.gov/>

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

**ELECTRIC DEPARTMENT COMMISSION REPORT**

**January 18, 2024**

**Prepared by Artie Granger on January 10, 2024**

5. **Outages :**

- I. MSC has had two outages since our last commission report.
- II. The first outage was on 1/9/24. This was caused by a branch coming down on the 410 circuit behind Port-a-Fino's restaurant. This caused around 439 customers to lose power for just under 2 hours.
- III. The second outage was on 1/10/24. This was caused by a branch taking down the service at 121 Casmir Drive. To repair this, MSC put this customer on the new underground service. This customer lost power for about 1 hour.

<b>SAIDI (minutes)</b>	<b>SAIFI (number of interruptions)</b>	<b>CAIDI (minutes)</b>	<b>ASAI (percent)</b>
42.853	0.542	79.098	99.9918%

IV. 12/1/22 – 12/1/23

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.

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

<http://newcastlemsc.delaware.gov/>

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

**ELECTRIC DEPARTMENT COMMISSION REPORT**

**January 18, 2024**

**Prepared by Artie Granger on January 10, 2024**

**6. Repairs and Maintenance:**

**A. Wilmington Road Substation:**

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

**B. Dobbinsville Substation:**

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

**C. System**

- I. The electric department will be doing routine tree trimming
- II. The electric department will be working on replacing a few poles that have been identified for replacement.