

Municipal Services Commission Monthly Meeting
February 15, 9:00 a.m.
216 Chestnut Street New Castle, Delaware

The meeting was called to order at 9:00 a.m. with Mr. Scott Blomquist, Secretary, presiding.

Present: David Atherton, Commissioner, President
John Wik, Commissioner
Scott L. Blomquist, Secretary

Absent: Mayor Valarie W. Leary, Commissioner

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

Also Present: Scott Lynch, DEMEC Vice President, Asset Development

Mr. Blomquist convened the meeting at 9:00 a.m. Roll call followed and a quorum to conduct business was declared.

Minutes

January 18, 2024 – **A motion to approve the minutes of the January 18, 2024, regular meeting as amended was made by Commissioner Wik, seconded by Commissioner Atherton and unanimously passed.**

January 18, 2024 – **A motion to approve the minutes of the January 18, 2024, executive session minutes was made by Commissioner Atherton, seconded by Commissioner Wik and unanimously passed.**

DEMEC Presentation – GRIP Grant Funding Opportunities

Mr. Scott Lynch, DEMEC Vice President, Asset Development, gave a presentation of the GRIP Grant Funding Opportunities. The federal government is offering two opportunities for funding: Grid Modernization and DEMEC/AMP AMI Solution Program.

Grid Modernization:

Mr. Lynch explained the eligibility for funding and responded to questions from the Commissioners and staff. A discussion of projects ensued. Highlights of the program:

- A list of projects was submitted to AMP for consideration with grant savings of 50% up to \$3M.
- Based on the total project cost, the potential grant savings for the Substation projects (Dobbinville and Wilmington Road) is \$575,000.00.
- DEMEC submitted the Concept Paper on January 4, 2024. If accepted, DEMEC would be eligible to apply for funding.
- If interested, MSC must submit a Letter of Commitment by March 25, 2024.
- DEMEC would submit the Letter of Commitment and any required documentation by April 1, 2024.
- The timeline was reviewed, and a GRIP approved project can begin initial contracting/purchasing in the fall of 2025.

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DEMEC / AMP AMI Solution Program:

Mr. Lynch reviewed the program details and explained the project benefits and attributes and responded to question from Commissioners and staff. Highlights of the program:

- The Itron Grid Edge Optimizer enhancement would provide: greater transparency and identification of EV and solar installations; better understanding how EV charging stations are charging and what potential impacts could be for both EV and solar; and provide real-time monitoring to the transformer loading and usage.
- Mr. Lynch explained enhanced capabilities that were added this year.
- DEMEC submitted the Concept Paper by the January 12th deadline.
- If interested, MSC must submit a Letter of Commitment.
- Final approvals and project details are required by May 6th and the Grant Application is due May 22, 2024.
- The timeline was reviewed, and AMI deployment would be completed in Summer 2026,

A discussion of the merits of both programs ensued. Mr. Lynch committed to providing additional information on the AMI Solution based on questions from staff. Messrs. Lynch, Blomquist and Natale responded to questions from Commissioners.

Resolution 2024-1 – A Resolution to approve a loan from the Delaware Drinking Water State Revolving Fund for the New Castle MSC School Lane Treatment Facility PFAS Treatment System Improvements.

Mr. Blomquist explained that the loan is to change from carbon to resin. MSC was approved for \$1,135,920 with 100% debt forgiveness. Interest on the loan would be paid through the project. The project should be completed in a few months.

A motion to approve Resolution 2024-1 was made by Commissioner Wik, seconded by Commissioner Atherton and unanimously passed.

Comptroller/Treasurer Report – Mr. Natale reporting
(See attached report)

Mr. Natale reported as of January 31, 2024:

- Total cash on hand: \$3.3M
- Investment Portfolio: \$1.2M.
- Unrestricted cash on hand: 108 days at January 31, 2024, which is up 9 days from prior month.
- Check Register Disbursements: Mr. Natale pointed out some particular payments that were fairly large:
 - \$354,000 – American Municipal Power, Inc. for the water portion of the AMI project that will be reimbursed by bond proceeds.
 - \$171,000 – R. E. Pierson Construction for the Hewlett & Janvier main replacement that will be reimbursed by a bond.

Customer Service/Billing

- There were 22 service cuts in January for non-payment.

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- Three customers received an average of \$381 from the New Castle Cares Fund.
- Seven customers received \$189 each in additional assistance from the State or other non-profits.

Electric Department

- User charges are \$104,000 under budget.
- Sales are 3.5% lower than the same period from prior year.
- Consumption is approximately 5.8% lower than the 5-year average and 4.7% lower than prior year due to mild weather.
- MSC remains the lowest provider in the State.
- Expenses have a favorable variance of \$54,000 YTD. \$65,000 is related to decreased power purchase costs due to a decrease in demand.
- There is a decrease in net position of \$37,000; \$36,000 less than anticipated at this point in the year due to the disposal of obsolete inventory.

Water Department

- User charges have an unfavorable \$9,000 variance year-to-date.
- Consumption was down 457,000 gallons from the same period last year.
- Sales are on par with the 5-year average and 3.0% higher than prior year.
- Operating expenses have a favorable variance of \$83,000 related to timing differences.

In response to a question from Commissioner Wik, Mr. Blomquist explained the decline in electric usage is mostly due to energy efficiencies made in the industry and milder temperatures. Mr. Guyer explained the decline in water usage is mostly due to improved efficiencies in fixtures and colder weather. Other contributing factors include apartment complexes converting to individual water meters and the business model used by Nixon Laundering of opening additional facilities as older facilities become saturated.

Following up on a query from Commissioner Leary, Mr. Natale stated that he will purchase tablets with a built-in wireless connection for each of the Commissioners.

Electric Department Report – Mr. Granger reporting

(See attached report)

Developer Projects:

- River Bend – Freedom Development's contractor will be installing primary and secondary wiring for the next houses. MSC met with the developer and contractor to discuss scheduling the next phase of the project. MSC also discussed the connection from Center Point to the project.
- The Battery – MSC met with the electrical engineer on site to discuss their needs. A discussion of the site ensued.
- The Flats at River Edge – Mr. Granger spoke with the electrical engineer and informed him that the lead time for a transformer is currently 77 weeks.

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Capital Projects:

- Substation Relay Replacement – MSC is waiting for Utility Engineers to complete specs for the replacement relays.
- Van Dyke Village – Wire has been pulled for all conduit installed this year.

Operations:

- Rt. 9 Lighting Project – The area from Moore's Lane to Arbutus will be finished up today. Mr. Granger will provide data to update the light spreadsheet.

Water Department Report – Mr. Guyer reporting

(See attached report)

Developer Projects

- Riverbend Subdivision – Mr. Guyer met with the developer to work through details for the next phase of the project. Mr. Guyer is drafting minutes of the meeting. Two of the 10 homes under construction are nearing completion.
- Deemer's Landing and The Helm Apartment Complexes – Installation of settings and check valves for individual units continues.
- Minor Subdivision on Arbutus Avenue – Mr. Guyer met with the developer on site. Nos. 11 and 13 are being cleared and will be subdivided for five duplex units. Mr. Guyer is working through the details of how to supply them with water.

MSC Projects

- AMI – The AMI project is moving along well. MSC is working on a solution for 24 meters.
- Cross Connection Control Program – Hydro Corp's Proposal – MSC continues working on this with customers. A copy of the program was submitted to the State Office of Drinking Water per regulations, and acknowledgement of receipt with compliments for the program, and for being well written and executed was received. Suggestions made will be incorporated and information will be added to the website.
- Hewlett, Janvier, and Megginson Avenue Water Main Replacement – The project is currently idle. The developer has worked on some of the items on the punch list. They agreed to final retainage of 5% for the project and made final payment to the contractor. They will return in early spring to complete items on the punch list. MSC submitted a reimbursement for the 3rd payment. The project went very well.
- School Lane Treatment Facility PFAS Treatment System Improvements – A letter confirming the financial portion of the project has been done. They made a recommendation to approve to the sub-committee for the Water Infrastructure Advisory Council. That will go to the full meeting. Messrs. Blomquist and Guyer will draft a presentation to City Council to approve MSC taking the loan. Mr. Blomquist reached out to Council President Souder and the City Solicitor, and they have drafted a Resolution.
- Lead Service Line Inventory – EPA Revised Lead and Copper Rule – MSC is still making progress and is waiting for the final recommendations from the EPA on how it will work. Mr. Guyer explained the process MSC will follow and material that will be submitted to the EPA. A list of all services and the survey made for the AMI project was supplied. Mr. Blomquist stated that they are not aware of any lead service in the system. During discussion it was noted that the process

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is very time consuming, and if lead is found, MSC is responsible for the cost to replace it. Grants were also discussed.

Operations

- Outages – There were no planned and one unplanned outages in January. Staff mobilized to repair a water main break at 6th and Harmony Street.

Reporting:

- Calgon Carbon Corporation (CCC) Pilot Study – The pilot study is ongoing. Adam Reading will make arrangements to come down to discuss any questions Mr. Guyer has.
- PFAS Strategic Roadmap – Mr. Guyer attended a webinar that reviewed the Roadmap. The EPA is expected to finalize their standards for the six compounds they are considering for regulation in the first quarter.
- Unregulated Contaminant Monitoring Rule 5 (UCMR5) – All results look good. The EPA is compiling all data and will use that to assist in the final regulation for the compounds.
- East Basin Road Groundwater Superfund Site – Artesian said they had a good meeting with Penn Acres Civic Association. The next virtual meeting is scheduled of April 10th. Mr. Guyer suggested that the Commissioners attend that meeting.
- DNREC Water Use Report 2023 – Messrs. Guyer and Jaeger completed updating the DNREC Annual Water Use Report for 2023 and submitted it on January 25th. Confirmation of receipt was received.
- DNREC Tier II Hazardous Chemical Report 2023 – Messrs. Guyer and Jaeger are working on the report which will be submitted prior to March 1st.
- DRBC Annual Water Audit 2023 – Messrs. Guyer and Jaeger are still working on the report that is due March 31st.

System Repairs and Maintenance

- Riverbend Subdivision – Riverbend was flushed on January 2nd and 18th to maintain chlorine residual.
- Cross Roads Well Motor Controller – The DFD was received and installation is being coordinated between United Electric's technician and the SCADA integrator.
- Water Tank Maintenance Program – MSC received inspection reports and there were no corrective actions noted for either tank. Both tanks were reported to be in excellent condition.
- 6th & Harmony Street Water Main Break – Staff mobilized, evacuated and repaired the 6" cast iron water main circumferential crack of January 23rd. The State was notified of the break. They were OK with the cold patch until final restoration can be completed in the spring.
- Fire Hydrant Replacement at 41 Holcomb Lane – The leaking 69 year-old fire hydrant was replaced on February 7th.

Grants and State Revolving Funds

- School Lane Water Treatment Facility Natural Gas Generator – An email was received stating that the first step has been cleared and it is moving on to the next step. Mr. Guyer will respond to questions.

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Equipment

- There were no equipment issues to report for the month of January.
- The Truck 8 Chassis was delivered to Intercon Truck equipment for crane body installation and completion.
- Mr. Guyer will be placing the order for the new Truck 4.

Personnel and Training

- There were no personnel issues to report.
- All staff attended a Rigging and Signaling Training Course on January 23rd and 24th at Uilitrain in Elkton, MD.
- All staff completed the second class for OSHA 10 Safety Training on January 31st.
- All water staff is scheduled to attend the 2024 Delaware Rural Water Association Annual Technical Conference and Exhibition in Harrington on February 28th and 29th.

Safety

- Tailgate Talks – Morning Tailgate Talks are conducted daily to discuss tasks and projects.
- DEFIT Safety Meetings – The DEFIT meeting is February 20th.
- Respirator Program – A draft of the Respirator Program is done. Once PMA signs off on it, they will work on getting it implemented for MSC.

Local, State and Federal Agencies

- Water Supply Coordinating Council (WSCC) – Everything looks good.
- DEWARN – Delaware Water/Wastewater Agency Response Network – The next DEWARN meeting is scheduled for February 20th. New officers will be installed.
- Water Operator Advisory Council – The next meeting is scheduled for March 7th.
- WIAC – Water Infrastructure Advisory Council – The next WIAC meeting is scheduled for March 5th.

Managers were thanked and excused from the meeting.

In response to a question from Commissioner Atherton, Mr. Blomquist stated that if the Commissioners feel that MSC should move forward with the GRIP Grants he will draft a Resolution for the March meeting.

Secretary's Report – Mr. Blomquist reporting

DEMEC

- Messrs. Blomquist and Natale attended the February 8th DEMEC meeting.
- Demand January – November 2023 was 3% lower than the same period in 2022.
- Total income was \$169.6M which was \$75.2M (31%) less than the same period in 2022.
- Net income was \$12.5M, which was an increase of \$477,000 over the same period in 2022.
- The Board approved signing contracts with members whose contracts with Efficiency Smart were up. Our goal was exceeded by the most over the last three years (135%). That translated to approximately \$700,000 in savings for our customers.

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Mr. Blomquist recommended that MSC should move forward with the GRIP Grant program. He will draft a Resolution and present it to the Commissioners at the March meeting.

A motion to move to executive session was made by Commissioner Wik. Commissioner Atherton seconded the motion. The motion was unanimously passed and the meeting moved to executive session at 10:37 a.m.

The Commission came out of executive session at 9:47 a.m.

A motion was made by Commissioner Wik and seconded by Commissioner Atherton to accept the Union 3606 proposal for union negotiations as discussed in executive session.

The March Commission meeting was set for Thursday, March 21st at 9:00 a.m.

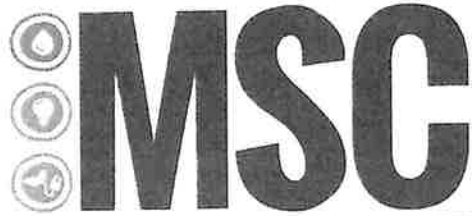
A motion to adjourn was made by Commissioner Atherton and seconded by Commissioner Wik. The motion received unanimous approval and the meeting was adjourned at 10:49 a.m.



Kathleen R. Weirich, Stenographer

Approved: _____

(Minutes transcribed from notes.)



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

RESOLUTION 2024-1

**RESOLUTION TO APPROVE A LOAN FROM THE DELAWARE DRINKING
WATER STATE REVOLVING FUND FOR THE NEW CASTLE MSC SCHOOL
LANE TREATMENT FACILITY PFAS TREATMENT SYSTEM
IMPROVEMENTS**

WHEREAS, the Municipal Services Commission (MSC) of the City of New Castle is the Electric and Water Utility for the City of New Castle; and

WHEREAS, the Municipal Services Commission has applied and been approved for a loan in the amount of \$1,135,920.00 for the School Lane Treatment Facility PFAS Treatment System Improvements.

WHEREAS, this loan has been approved by the Delaware Drinking Water State Revolving Fund, Division of Public Health with 100% debt forgiveness.

NOW THEREFORE, BE IT RESOLVED THAT;

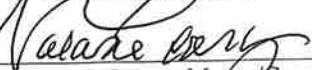
The Commissioners of the MSC hereby, Approve Management to complete the loan process and proceed with the School Lane Treatment Facility PFAS Treatment System Improvements.

BE IT FURTHER RESOLVED, that this resolution be spread upon the minutes of the Commission in testimony thereof.

**Authenticated as Adopted This
15th Day of February, 2024**




David Atherton, Commission President



Valarie Leary, Mayor/Commissioner



John Wik, Commissioner



Scott Blomquist, Secretary

Municipal Services Commission
Resolution 2024-1

A Resolution to Approve a Loan from the Delaware Drinking Water Revolving Fund for the School Lane Treatment Facility PFAS Treatment System Improvements.

Comptroller/Treasurer's Report



February 15, 2024 Commission Meeting
Prepared By: Ken Natale, CPFO on February 6, 2024

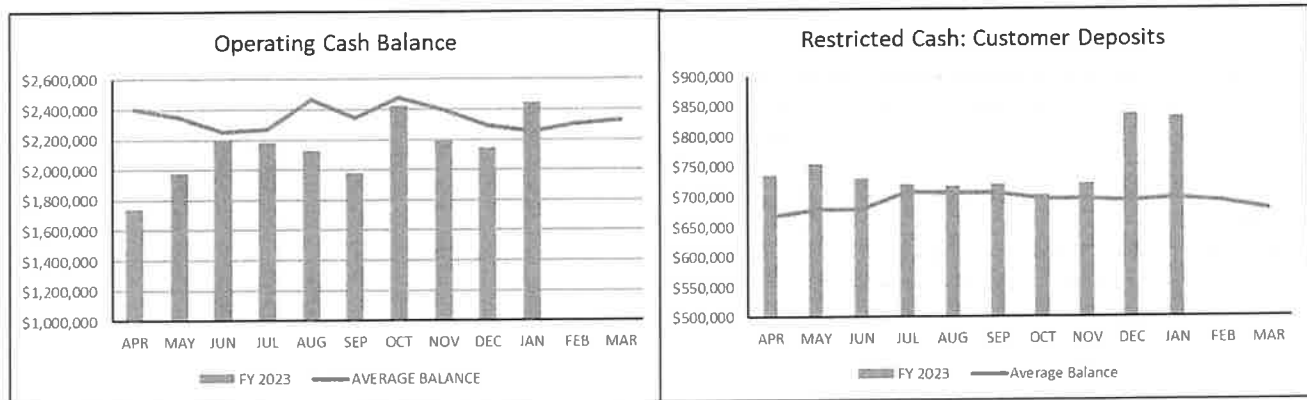
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Cash & Investments

As of January 31, 2024 the cash balances were:

M&T Bank Checking:	\$	773,064
M&T Investment Sweep:		1,675,343
M&T Bank Restricted		832,736
Petty Cash/Change Fund:		900
Total Cash on Hand:	\$	3,282,043



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

Beginning Balance	\$	2,144,731
Cash from customers		1,127,478
Interest Income		7,560
Bond Proceeds		561,120
Refunds to customers - deposits	(6,425)
Payments to suppliers for goods & services*	(1,284,772)
Bank service fees	(572)
Payments to employees for services	(99,813)
Net Cash Provided (Used)		<u>304,576</u>
Ending Cash Balance	\$	<u>2,449,307</u>

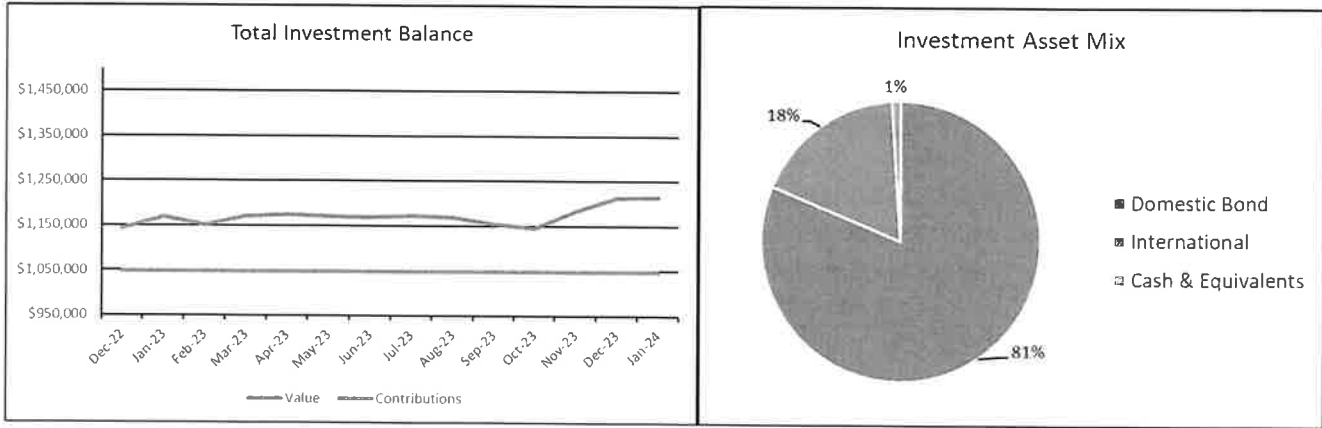
*A detailed check register for the month is available on page 3 of this report.

As of January 31, 2024 the value of the Commission's investment portfolio totaled \$1,214,600 which is a net gain of \$729 (0%) 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 5.32% interest and has a stable net asset value of \$1.00.

There was 108 days unrestricted cash on hand at January 31 (+9 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).

Comptroller/Treasurer's Report – February 15, 2024

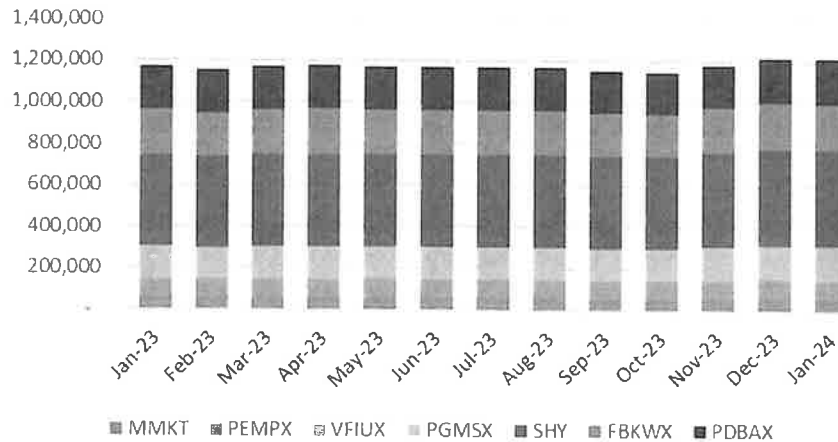


The “domestic bond” category in the *Investment Asset Mix* chart above, includes US Government instruments and corporate bonds of US based organizations. The “international” category includes debt instruments of foreign governments as well as corporate bonds issued by foreign corporations.

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

Holdings	Symbol	Market Value	Est. Yield
Money Markets			
Insured Cash Accounts		\$ 7,398	0.80%
Mutual Funds			
Fidelity Advisor Total Bond CL Z	FBKWX	222,727	4.10%
PGIM Total Return Bond CL A	PDBAX	216,189	4.19%
PIMCO Emerging Markets Bond I2	PEMPX	53,584	5.61%
T Rowe Price Global Multi Sector Bond I	PGMSX	167,502	4.65%
Vanguard Intermediate Term Treasury	VFIUX	88,406	3.93%
Exchange Traded Funds			
iShares Trust 1-3 Year Treasury Bond EFT	SHY	458,794	2.88%
Total		\$1,214,600	

Portfolio Composition



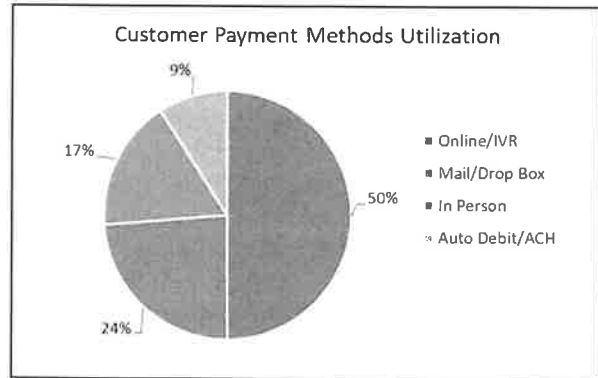
JANUARY 2024 - CHECK REGISTER

Number	Date	Vendor	Amount
200004	01/02/2024	American Municipal Power Inc	\$ 354,681.33
201276	01/02/2024	Artesian Water Co Inc	2,274.18
201277	01/02/2024	COLONIAL LIFE	781.34
201278	01/02/2024	Kendall Electric INC	43.38
201279	01/02/2024	RICHARD E PIERSON CONSTRUCTION CO INC	171,580.50
201280	01/24/2024	Council 81	437.50
201281	01/24/2024	Hydro Corp Inc	495.00
201282	01/24/2024	Kathleen R Weirich	255.00
201283	01/24/2024	KDI Inc.	273.28
201284	01/24/2024	Kendall Electric INC	3,082.50
201285	01/24/2024	Keystone Engineering Group Inc	3,487.50
201286	01/24/2024	McCullom D'Emilio Smith Uebler LLC	965.00
201287	01/24/2024	Pennoni Associates Inc.	6,380.14
201288	01/24/2024	Trans Union LLC	341.28
201289	01/24/2024	Tyler Technologies Inc.	8,986.10
201290	01/24/2024	United Electric Supply Co	96.00
201304	01/25/2024	Delta Dental of Delaware Inc	1,817.24
201305	01/25/2024	Department of Human Resources Financial Services	36,679.72
201306	01/25/2024	Principal Financial Group	2,601.78
DFT0002173	01/02/2024	Nationwide Life Ins. Co. of America	22,897.42
DFT0002174	01/05/2024	Maryland Child Support Account	184.62
DFT0002175	01/05/2024	Nationwide Retirement Sol	4,875.26
DFT0002178	01/05/2024	United States Treasury	17,950.90
DFT0002182	01/19/2024	DEMEC Inc	534,206.73
DFT0002183	01/05/2024	SFS Tools and Safety LLC	1,450.90
DFT0002184	01/05/2024	M&T ONE CARD	13,714.68
DFT0002185	01/16/2024	BRINKS CAPITAL	680.30
DFT0002186	01/19/2024	DEMEC Inc	3,199.81
DFT0002187	01/02/2024	OpenEdge	1,673.25
DFT0002188	01/19/2024	Maryland Child Support Account	184.62
DFT0002189	01/19/2024	Nationwide Retirement Sol	4,981.62
DFT0002192	01/19/2024	United States Treasury	18,439.68
DFT0002193	01/22/2024	COMPTROLLER OF MARYLAND	1,103.70
DFT0002194	01/22/2024	Amazon.com	426.00
DFT0002195	01/22/2024	Ferguson Enterprises Inc	2,050.00
DFT0002196	01/22/2024	M&T ONE CARD	19,087.28
DFT0002197	02/02/2024	Maryland Child Support Account	184.62
DFT0002198	02/02/2024	Nationwide Retirement Sol	4,968.70
DFT0002201	02/02/2024	United States Treasury	18,780.37
DFT0002202	01/31/2024	Delaware Div. of Revenue	18,473.00
TOTAL PAYMENTS			\$ 1,284,772.23

Customer Service/Billing

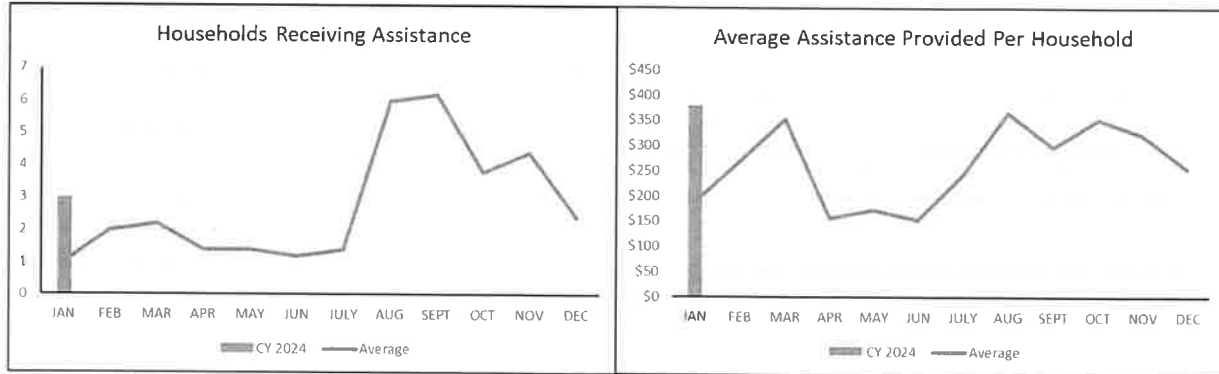
Since the previous meeting, the Customer Service Department processed:

Bills sent	3,234
Delinquent & past due notices	359
Automated phone notifications	244
Payment arrangements	13
Contracts	1
Service cuts for non-payment – Dec	22
Accounts sent to collections	5
Electric bad debt write-offs	\$0.00
Applications for service	22



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 January, the fund assisted three customers with approximately \$381. The maximum allowed by the program is \$400. The current balance in the fund is \$4,771.



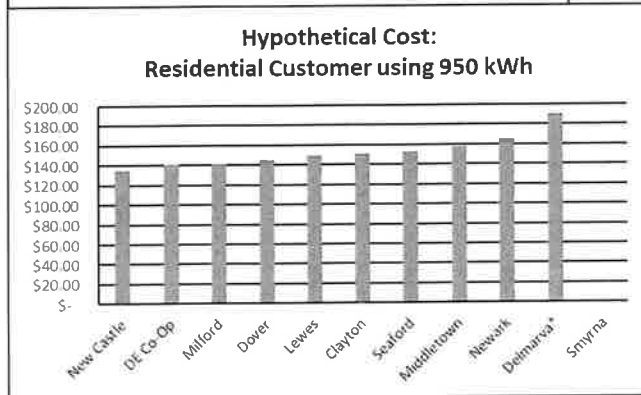
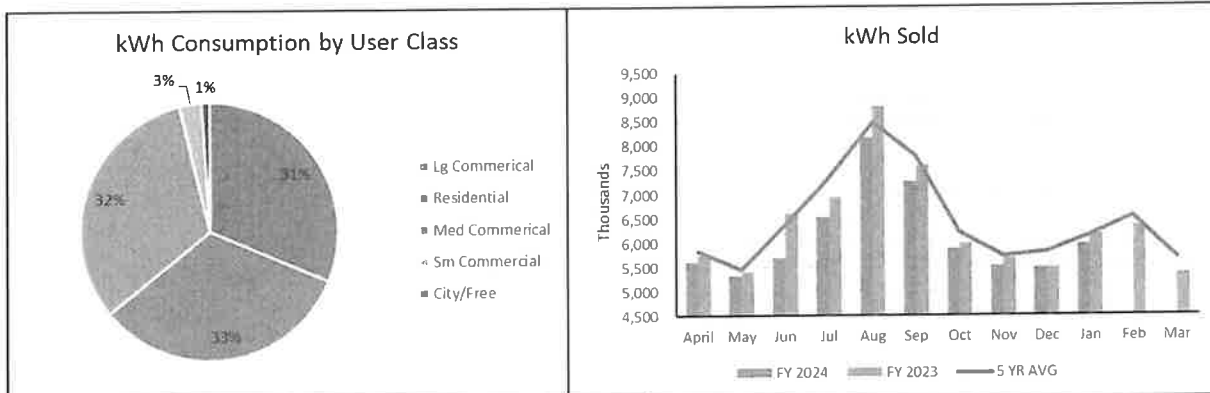
In addition to assistance provided through the New Castle Cares fund, seven customers received an average of \$189 from other agencies or nonprofits that provide assistance for utility bills.

Below is a condensed aging report for active customers as of February 6, 2024:

Total	Current	30 Days	60 Days	90 Days	120 Days
\$308,125	\$272,173	\$33,233	\$1,105	\$826	\$788

Electric Revenues

User charges are \$104,000 under budget fiscal year to date. January kWh sales were 3.5% lower than the same period last year. Consumption is approximately 5.8% lower than the 5-year average and 4.7% 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 950 kWh per month (change from prior months). MSC's rate is 28.7% lower than Delmarva* and 3.8% 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 (\$54,000). \$65,000 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. The variance in repairs & maintenance is also related to capitalized equipment costs for Van Dyke being lower 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 decrease in net position of \$37,000, \$36,000 less than anticipated at this point in the year as a result of obsolete inventory and other "loss on disposals" of fixed assets.

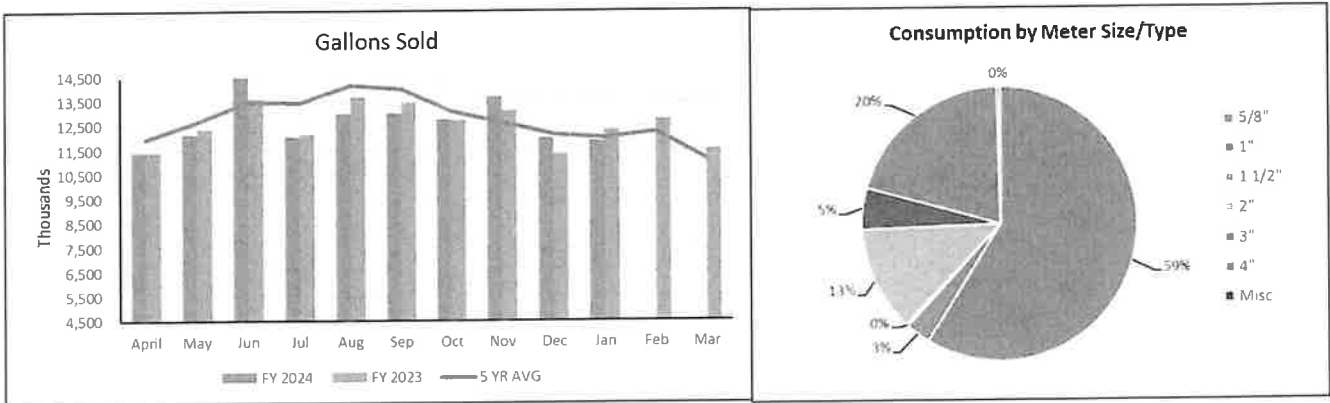
Comptroller/Treasurer's Report – February 15, 2024

**Municipal Services Commission
Budget to Actual Comparison – Electric
As of January 31, 2024**

	YTD Budget	YTD Activity	Variance	Total Budget
Operating Revenues				
User Charges	8,113,950	8,030,598	(83,352)	9,624,301
City & MSC Services	75,198	54,428	(20,770)	93,000
Miscellaneous Income	52,952	51,211	(1,741)	61,210
<i>Total Operating Revenues</i>	<u>8,242,100</u>	<u>8,136,237</u>	<u>(105,863)</u>	<u>9,778,511</u>
Less: Free Service	5,385	5,686	(301)	8,000
<i>Net Operating Revenues</i>	<u>8,236,715</u>	<u>8,130,551</u>	<u>(106,164)</u>	<u>9,770,511</u>
Operating Expenses				
<i>Operations Dept</i>				
Purchase of water for resale	5,689,000	5,624,215	64,785	6,751,000
Salaries and benefits	704,832	731,478	(26,646)	885,404
Professional fees	84,277	46,619	37,658	106,250
Repairs and maintenance	(44,950)	37,517	(82,467)	(36,150)
Other purchased services	38,765	45,957	(7,192)	39,000
Supplies and materials	38,916	35,540	3,376	43,800
Depreciation	593,513	617,498	(23,985)	712,500
<i>Total operations</i>	<u>7,104,353</u>	<u>7,138,824</u>	<u>(34,471)</u>	<u>8,501,804</u>
<i>General & administrative</i>				
Salaries and benefits	432,199	419,096	13,103	518,853
Professional fees	156,920	91,167	65,753	174,352
Repairs and maintenance	18,445	19,078	(633)	22,649
Other purchased services	35,868	38,293	(2,425)	38,270
Supplies and materials	23,212	40,628	(17,416)	24,363
Miscellaneous	26,660	12,754	13,906	30,000
Depreciation	23,324	7,593	15,731	28,000
Debt Service	15,739	15,746	(7)	18,895
<i>Total general & administrative</i>	<u>732,367</u>	<u>644,355</u>	<u>88,012</u>	<u>855,382</u>
<i>Total operating expenses</i>	<u>7,836,720</u>	<u>7,783,179</u>	<u>53,541</u>	<u>9,357,186</u>
Operating Income	<u>399,995</u>	<u>347,372</u>	<u>(52,623)</u>	<u>413,325</u>
Nonoperating revenue(expense)				
Investment income	68,155	95,837	27,682	80,000
Investment expense	(2,500)	(2,320)	180	(2,500)
Unrealized gain(loss) on investment:	-	8,828	8,828	-
Realized gain(loss) on sale of asset	-	(39,595)	(39,595)	-
Other Expense	-	(579)	(579)	-
Appropriations				
Mayor and Council	(466,480)	(440,328)	26,152	(560,000)
Special	-	(6,225)	(6,225)	-
<i>Total nonoperating revenue(expense)</i>	<u>(400,825)</u>	<u>(384,382)</u>	<u>16,443</u>	<u>(482,500)</u>
Change in Net Position	(830)	(37,010)	(36,180)	(69,175)

Water Revenues

User charges have an unfavorable variance of \$9,000 fiscal year to date. Water consumption for the month was down 457,000 gallons from the same period last year. Consumption was down in all meter sizes except for 4" meters. Fiscal year to date, water sales are on par with the five-year average and 3.0% 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 (\$83,000). These variances are the result of timing differences and are expected to decrease as the year progresses.

When considering nonoperating revenues and expenses, there is an increase in net position of \$316,000, which is \$238,000 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 – February 15, 2024

Municipal Services Commission
Budget to Actual Comparison – Water
As of January 31, 2024

	YTD Budget	YTD Activity	Variance	Total Budget
Operating Revenues				
User Charges	2,052,071	2,052,700	629	2,456,543
City & MSC Services	33,865	23,807	(10,058)	40,500
Miscellaneous Income	24,750	35,573	10,823	28,790
<i>Total Operating Revenues</i>	<u>2,110,686</u>	<u>2,112,080</u>	<u>1,394</u>	<u>2,525,833</u>
Less: Free Service	3,290	2,995	295	4,000
<i>Net Operating Revenues</i>	<u>2,107,396</u>	<u>2,109,085</u>	<u>1,689</u>	<u>2,521,833</u>
Operating Expenses				
<i>Operations Dept</i>				
Purchase of water for resale	22,126	20,356	1,770	26,000
Salaries and benefits	783,871	779,219	4,652	947,607
Professional fees	70,439	36,333	34,106	85,590
Repairs and maintenance	151,239	190,730	(39,491)	212,674
Other purchased services	30,150	37,581	(7,431)	30,150
Supplies and materials	102,062	38,406	63,656	120,555
Depreciation	255,231	289,524	(34,293)	306,400
<i>Total operations</i>	<u>1,415,118</u>	<u>1,392,149</u>	<u>22,969</u>	<u>1,728,976</u>
<i>General & administrative</i>				
Salaries and benefits	254,590	249,804	4,786	305,605
Professional fees	131,110	75,196	55,914	147,482
Repairs and maintenance	20,301	20,094	207	24,073
Other purchased services	29,109	31,423	(2,314)	31,030
Supplies and materials	24,683	33,531	(8,848)	26,110
Miscellaneous	833	(123)	956	1,000
Depreciation	15,827	3,705	12,122	19,000
Debt Service	-	2,799	(2,799)	3,883
<i>Total general & administrative</i>	<u>476,453</u>	<u>416,429</u>	<u>60,024</u>	<u>558,183</u>
<i>Total operating expenses</i>	<u>1,891,571</u>	<u>1,808,578</u>	<u>82,993</u>	<u>2,287,159</u>
Operating Income	<u>215,825</u>	<u>300,507</u>	<u>84,682</u>	<u>234,674</u>
Nonoperating revenue(expense)				
Investment income	12,786	16,843	4,057	15,000
Investment expense	(500)	(409)	91	(500)
Unrealized gain(loss) on investment:	-	1,558	1,558	-
Grant income	-	177,589	177,589	-
Grant expense	-	(9,079)	(9,079)	-
Other Expense	-	(9,292)	(9,292)	-
Appropriations	-	-	-	-
Mayor and Council	(116,620)	(129,105)	(12,485)	(140,000)
City Services	(33,356)	(30,357)	2,999	(40,000)
Special	-	(1,828)	(1,828)	-
<i>Total nonoperating revenue(expense)</i>	<u>(137,690)</u>	<u>15,920</u>	<u>153,610</u>	<u>(165,500)</u>
Change in Net Position	78,135	316,427	238,292	69,174

Comptroller/Treasurer's Report – February 15, 2024

**Municipal Services Commission
Statement of Net Position
As of January 31, 2024 and 2023**

	<u>2024</u>	<u>2023</u>
ASSETS:		
Current assets:		
Cash and equivalents	\$ 2,449,307	\$ 1,588,389
Investments	1,214,600	1,168,782
Accounts receivable, net	731,318	1,635,895
Inventories	887,745	816,038
Prepays	92,157	172,701
Restricted cash	832,736	808,436
Total current assets	<u>6,207,863</u>	<u>6,190,241</u>
Noncurrent assets:		
Capital assets not being depreciated:		
Land	43,796	45,386
Construction in progress	3,362,459	1,308,668
Capital assets net of accumulated depreciation:		
Buildings	682,145	253,652
Equipment	641,135	772,364
Infrastructure	13,873,843	14,385,540
Total noncurrent assets	<u>18,603,378</u>	<u>16,765,610</u>
Total assets	<u>24,811,241</u>	<u>22,955,851</u>
DEFERRED OUTFLOWS OF RESOURCES		
Pension	<u>574,626</u>	<u>319,165</u>
Total deferred outflows	<u>574,626</u>	<u>319,165</u>
LIABILITIES		
Current liabilities:		
Accounts payable	1,298,642	648,957
Accrued liabilities	104,372	46,826
Customer Deposits	911,685	953,260
Total current liabilities	<u>2,314,699</u>	<u>1,649,043</u>
Noncurrent liabilities:		
Due within one year	96,050	83,614
Due in more than one year	3,631,499	1,992,364
Total noncurrent liabilities	<u>3,727,549</u>	<u>2,075,978</u>
Total liabilities	<u>6,042,248</u>	<u>3,725,021</u>
DEFERRED INFLOWS OF RESOURCES		
Pension	<u>250,334</u>	<u>472,843</u>
Total deferred inflows	<u>250,334</u>	<u>472,843</u>
NET POSITION		
Net investment in capital assets	16,052,283	16,765,610
Unrestricted	3,041,002	2,311,542
Total net position	<u>\$ 19,093,285</u>	<u>\$ 19,077,152</u>

Comptroller/Treasurer's Report – February 15, 2024

Municipal Services Commission
Statement of Revenues, Expenses, and Changes in Net Position
As of January 31, 2024 and 2023

	<u>2024</u>	<u>2023</u>
Operating Revenues:		
Water sales	\$ 2,076,507	\$ 1,952,792
Power sales	8,085,026	7,705,875
Miscellaneous	<u>86,784</u>	<u>71,671</u>
Total operating revenues	10,248,317	9,730,338
Less: free service	<u>(8,681)</u>	<u>(8,569)</u>
Net operating revenues	10,239,636	9,721,769
Purchase of water and power	5,644,571	5,709,459
Operating Expenses		
Salaries and benefits	2,179,597	1,963,614
Repairs and maintenance	267,419	278,224
Supplies	249,315	228,595
Utilities	148,105	144,121
Insurance	153,254	151,244
Professional fees	12,631	14,740
Administrative	18,545	6,866
Depreciation	<u>918,320</u>	<u>612,155</u>
Total operating expenses	<u>3,947,186</u>	<u>3,399,559</u>
Operating income (loss)	<u>647,879</u>	<u>612,751</u>
Nonoperating revenues (expenses):		
Net investment income	109,951	43,945
Unrealized gain(loss) on investments	10,386	(79,171)
Gain (loss) on disposal of assets	(39,595)	5,174
Grant income	177,589	20,098
Grant Expense	(9,079)	(20,578)
Miscellaneous	(9,871)	(3,909)
Appropriations to Mayor & Council of New Castle		
Ordinary	(569,433)	(554,865)
City Services	(30,357)	(29,800)
Special	<u>(8,053)</u>	<u>(10,709)</u>
Total nonoperating revenues (expenses)	<u>(368,462)</u>	<u>(629,815)</u>
Income before capital contributions	279,417	(17,064)
Change in net position	279,417	(17,064)
Net position - beginning	<u>18,813,868</u>	<u>19,094,216</u>
Net position - ending	<u>\$ 19,093,285</u>	<u>\$ 19,077,152</u>

**Municipal Services Commission
Combining Balance Sheet by Department
As of January 31, 2024 and 2023**

	Water		Electric		Total	
	2024	2023	2024	2023	2024	2023
ASSETS:						
Current assets:						
Cash and equivalents	-	-	2,449,307.00	1,588,389.00	2,449,307	1,588,389
Investments	182,190.00	175,317.00	1,032,410.00	993,465.00	1,214,600	1,168,782
Accounts receivable, net	163,343.00	449,283.00	567,975.00	1,186,612.00	731,318	1,635,895
Inventories	253,907.00	193,393.00	633,838.00	622,645.00	887,745	816,038
Prepays	13,363.00	62,544.00	78,794.00	110,157.00	92,157	172,701
Restricted cash	-	-	832,736.00	808,436.00	832,736	808,436
Total current assets	612,803.00	880,537	5,595,060.00	5,309,704	6,207,863	6,190,241
Noncurrent assets:						
Capital assets not being depreciated:						
Land	43,796.00	45,386.00	-	-	43,796	45,386
Construction in progress	2,349,750.00	640,547.00	1,012,709.00	668,121.00	3,362,459	1,308,668
Capital assets net of accumulated depreciation:						
Buildings	310,405.00	117,731.00	371,740.00	135,921.00	682,145	253,652
Equipment	205,839.00	239,193.00	435,296.00	533,171.00	641,135	772,364
Infrastructure	7,202,628.00	7,019,903.00	6,671,215.00	7,365,637.00	13,873,843	14,385,540
Total noncurrent assets	10,112,418.00	8,062,760	8,490,960.00	8,702,850	18,603,378	16,765,610
Total assets	10,725,221.00	8,943,297	14,086,020.00	14,012,554	24,811,241	22,955,851
DEFERRED OUTFLOWS OF RESOURCES						
Pension	116,288.00	143,624.00	458,338.00	175,541.00	574,626	319,165
Total deferred outflows	116,288.00	143,624	458,338.00	175,541	574,626	319,165

(Continued)

**Municipal Services Commission
Combining Balance Sheet by Department
As of January 31, 2024 and 2023**

	Water		Electric		Total	
	2024	2023	2024	2023	2024	2023
LIABILITIES						
Current liabilities						
Accounts payable	618,548.00	34,355.00	680,094.00	614,602.00	1,298,642	648,957
Accrued liabilities	76,420.00	21,072.00	27,952.00	25,754.00	104,372	46,826
Customer Deposits	-	58,166.00	911,685.00	895,094.00	911,685	953,260
Due to other funds	1,165,757.00	1,147,536.00	(1,165,757.00)	(1,147,536)	-	-
Total current liabilities	1,860,725.00	1,261,129	453,974.00	387,914	2,314,699	1,649,043
Noncurrent liabilities:						
Due within one year	15,592.00	5,634	80,458.00	77,980	96,050	83,614
Due in more than one year.	1,875,577.00	852,550.00	1,755,922.00	1,139,814.00	3,631,499	1,992,364
Total noncurrent liabilities	1,891,169.00	858,184	1,836,380.00	1,217,794	3,727,549	2,075,978
Total liabilities	3,751,894.00	2,119,313	2,290,354.00	1,605,708	6,042,248	3,725,021
DEFERRED INFLOWS OF RESOURCES						
Pension	50,693.00	212,779.00	199,641.00	260,064	250,334	472,843
Total deferred inflows	50,693.00	212,779	199,641.00	260,064	250,334	472,843
NET POSITION						
Net investment in capital assets	8,062,211.00	8,062,760	7,990,072.00	8,702,850	16,052,283	16,765,610
Unrestricted	(1,023,289.00)	(1,307,931)	4,064,291.00	3,619,473	3,041,002	2,311,542
Total net position	7,038,922.00	6,754,829	12,054,363.00	12,322,323	19,093,285	19,077,152

Municipal Services Commission
Combining Schedules of Revenues, Expenses, and Changes in Net Position by Department
For the ten months ending January 31, 2024 and 2023

	Water		Electric		Total
	2024	2023	2024	2023	
Operating Revenues:					
Charges for services	\$ 2,076,507	\$ 1,952,792	\$ 8,085,026	\$ 7,705,875	\$ 9,658,667
Miscellaneous	35,573	24,422	51,211	47,249	71,671
Total operating revenues	2,112,080	1,977,214	8,136,237	7,753,124	9,730,338
Less: free service	(2,995)	(3,284)	(5,686)	(5,285)	(8,569)
Net operating revenues	2,109,085	1,973,930	8,130,551	7,747,839	9,721,769
Operating Expenses					
Purchase of water and power	20,356	19,385	5,624,215	5,690,074	5,709,459
Salaries and benefits	1,029,023	933,663	1,150,574	1,029,951	1,963,614
Repairs and maintenance	210,824	184,165	56,595	94,059	278,224
Professional fees	111,529	100,278	137,786	128,317	228,595
Supplies	71,937	72,594	76,168	71,527	144,121
Other purchased services	69,004	71,000	84,250	80,244	151,244
Miscellaneous	(123)	(55)	12,754	14,795	14,740
Debt service	2,799	-	15,746	6,866	6,866
Depreciation	293,229	267,317	625,091	344,838	612,155
Total operating expenses	1,808,578	1,648,347	7,783,179	7,460,671	9,109,018
Operating income (loss)	300,507	325,583	347,372	287,168	612,751

(Continued)

**Municipal Services Commission
Combining Schedules of Revenues, Expenses, and Changes in Net Position by Department
For the ten months ending January 31, 2024 and 2023**

	Water		Electric		Total	
	2024	2023	2024	2023	2024	2023
Nonoperating revenues (expenses):						
Net investment income	16,434	6,280	93,517	37,665	109,951	43,945
Realized gain (loss) on investments	1,558	(11,876)	8,828	(67,295)	10,386	(79,171)
Unrealized gain(loss) on investments	-	(2,172)	(39,595)	7,346	(39,595)	5,174
Gain (loss) on disposal of assets	177,589	20,098	-	-	177,589	20,098
Grant income	(9,079)	(20,098)	-	(480)	(9,079)	(20,578)
Grant Expense	(9,292)	(3,111)	(579)	(798)	(9,871)	(3,909)
Miscellaneous						
Appropriations to Mayor & Council of New Castle						
Ordinary	(129,105)	(110,792)	(440,328)	(444,073)	(569,433)	(554,865)
City Services	(30,357)	(29,800)	-	-	(30,357)	(29,800)
Special	(1,828)	(5,551)	(6,225)	(5,158)	(8,053)	(10,709)
Total nonoperating revenues (expenses)	15,920	(157,022)	(384,382)	(472,793)	(368,462)	(629,815)
Income before capital contributions	316,427	168,561	(37,010)	(185,625)	279,417	(17,064)
Capital Contributions	-	-	-	-	-	-
Change in net position	316,427	168,561	(37,010)	(185,625)	279,417	(17,064)
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>\$ 7,038,922</u>	<u>\$ 6,754,829</u>	<u>\$12,054,363</u>	<u>\$12,322,323</u>	<u>\$19,093,285</u>	<u>\$19,077,152</u>

Comptroller/Treasurer's Report – February 15, 2024

**Municipal Services Commission
Capital & Projects Budget to Actual
As of January 31, 2024**

Project	Total Approved Budget	Materials as of 1/31/2024	Remaining Budget as of 1/31/2024	Total Capitalized To Date (1)	Status
Vandyke Village Undergrounding	\$ 886,000.00	\$ 728,760.00	\$ 157,240.00	\$ 1,391,935	In Progress
AMI System - Electric	665,000	610,027	54,973	-	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	1,083,321	197,679	-	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	\$ 2,733,423.29	\$ 534,076.71		

(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	\$ 8,053.00	\$	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

February 15, 2024

Prepared by: Jay Guyer on February 7, 2024

1. Developer Projects

A. Riverbend Subdivision

1. MSC Water and Electric Departments, Freedom Development, and their contractor met on February 1st to review the project, timeline for starting Phase 2, the water and electric interconnections with Centerpoint Boulevard, the electric connection with the Dobbinsville Substation, triggers for when these connections have to be made, and Project Bonding vs. funds for Escrow. Current plans are to have the subdivision completed in 2028 depending upon housing market conditions. Two of the ten new homes under construction are nearing completion, water meters have been installed and services tested. Additional Building Permits are being submitted to the City.

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. Individual unit meters will be installed over the next year and when ready the master meter will be stopped and the new meters activated.

C. Minor Subdivision on Arbutus Avenue

1. WUS Jaeger was contacted by the developer in reference to providing water service for several new homes to be constructed on lots being subdivided. WUS Jaeger requested additional information including plot plans and floor plans for the project and will prepare a proposal for extending service if requested.

2. MSC Projects

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

1. MSC, DEMEC, and AMP weekly meetings to discuss the conversion and issues being encountered will be changed to monthly meetings. 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. Following testing, 24 remote antennas will be ordered to install on the non-reading meters.

B. 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 Hydro Corp on getting database information updated and assisting customers and testers with getting their data entered. Per Section 21 Cross

MUNICIPAL SERVICES COMMISSION

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Water Department Commission Meeting Report

February 15, 2024

Prepared by: Jay Guyer on February 7, 2024

Connection Control (CCC) of Delaware Regulation 4462 – Public Drinking Water System Regulations, WUM Guyer forwarded a copy of our Water System Cross Connection Control Manual to the ODW for their review and comment. A copy of our Water System Technical Specifications which references MSC Cross Connection Control Manual and requirements was also included. Combined these documents are used for water system construction and renewal. Regulations required all water providers to have implemented a CCC Program by February 1, 2024. MSC has had a Cross Connection Control Program in effect since the early 1970's that was covered in our Water System Technical Specifications. Recognizing the need for a dedicated program, MSC drafted and adopted our current CCC Manual in 2006 which outlines our Rules and Regulations.

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

1. R.E. Pierson Construction Company (REP) received the Project Final Walkthrough punchlist of items to be completed, reviewed and agreed to it as presented. MSC, Pennoni Associates, and REP agreed to the project being substantially complete and that 5% retainage will be withheld from the next payment. REP advised they plan to return in the Spring to complete the punchlist items. MSC Water Operator Granger completed and updated the project files with field reports, pictures, and as-built plan information. WUM Guyer and Pennoni Associates reviewed and approved REP Pay Request No. 3 and MSC completed and forwarded to DWSRF Reimbursement Request No. 3 for processing.

D. School Lane Water Treatment Facility PFAS Treatment System Improvements

1. WUM Guyer and WUS Jaeger will plan to attend the March 5th Water Infrastructure Advisory Council Meeting in case there are any questions related to the Full Application being presented for final approval. DWSRF confirmed the project is approved to receive full principal forgiveness of \$1,135,920.00. MSC reached out to City Council to present the project at their March 12th meeting and request a resolution approving MSC to receive the loan.

E. Lead Service Line Inventory - EPA Revised Lead and Copper Rule -

1. WUM Guyer and WUS Jaeger continue working on gathering existing water service line information from the main to 2 feet inside the structure from all resources available. A spreadsheet was forwarded to 120 Water containing all water service locations and meter information for creating our database with in their system. 120 Water loaded our customer billing information and is scheduling a meeting to review and discuss next steps. MSC's Lead Service Line Inventory is required to be submitted to the Office of Drinking Water by October 16, 2024.

MUNICIPAL SERVICES COMMISSION

CITY OF NEW CASTLE, DELAWARE 19720-0208

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Water Department Commission Meeting Report

February 15, 2024

Prepared by: Jay Guyer on February 7, 2024

3. Operations

A. Outages

1. There were no planned and 1 unplanned water outage for the month of January 2024. The unplanned outage was the result of the 6th and Harmony Street Water main break. 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. EPA is expected to have finalized and adopted their regulation during the first quarter of 2024. WUM Guyer is following the proposed regulation.
3. MSC completed our second round of Unregulated Contaminant Monitoring Rule 5 (UCMR 5) sampling on September 11th. Results were posted to the EPA Central Data Exchange web site on December 18th, all 29 PFAS compounds and lithium were less than the minimum detection limit. The EPA is compiling the data from all Utilities participating in the UCMR5 testing to be used in developing the final regulations for the 6 proposed compounds.
4. US EPA East Basin Road Groundwater Superfund Site – Artesian Water reported to the group their Penn Acres Civic Association Meeting went well. The next virtual meeting for the group is scheduled for April 10th.
5. House Bill 249 Proposed – DNREC’s Proposed Fee Increases. WUM Guyer has been following this Bill which has not moved out of Committee through the legislature process.
6. DNREC Water Use Report 2023 – WUM Guyer and WUS Jaeger completed updating the DNREC Annual Water Use Report for 2023 and submitted on January 25th prior to the January 1, 2024 due date. WUM Guyer received confirmation from DNREC the updated report was received.
7. 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.

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8. 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 January 2nd and 18th to maintain Chlorine residual.
2. Cross Roads Well Motor Controller – CR Well Variable Frequency Drive (VFD) motor failed on November 2nd during well change over. The replacement VFD Assembly has been received and installation is being coordinated with United Electric and our SCADA Integrator Keystone Engineering.
3. Water Tank Maintenance Program - Southern Corrosion (SC) performed the annual inspection of Ships Landing and Gray Street Water Tanks on November 13th. MSC received the SC Inspection Reports on January 22nd and reviewed them. No corrective actions were noted for either tank as both were reported to be in excellent condition.
4. 6th and Harmony Street Water Main Break – On January 23rd, the 6” cast iron water main at the intersection of 6th and Harmony Street failed. MSC Operators and Linemen mobilized, excavated, and found the main had a circumferential crack. A stainless-steel repair clamp was installed and the excavation backfilled and cold patch placed temporarily. Final restoration will be completed this Spring.
5. Fire Hydrant replacement at 41 Holcomb Lane - Water Operators mobilized on February 7th excavating around the 69 year old fire hydrant and replaced it. The site was backfilled and cleaned up. Final restoration will be completed in the spring.

D. Grants - State Revolving Funds - Budgets

1. School Lane Water Treatment Facility Natural Gas Generator – WUM Guyer has nothing to update on this project.

E. Equipment

1. No equipment issues to report for the month of January.
1. Truck 8 Chassis was delivered to Intercon Truck Equipment for crane body installation and completion.

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2. WUM Guyer is reviewing the Truck 4 specifications in preparation for placing the order. This Truck was approved in the FYE 2025 Capital Budget.

F. Personnel and Training

1. No personnel issues to report.
2. Utility Building Staff attended a Rigging and Signaling Training Course on January 23rd and 24th at Utilitrain in Elkton, MD.
3. Utility Building Staff completed the second class for OSHA 10 Safety Training on January 31st. Managers and Supervisors are planning a follow up meeting to review the course and MSC operations and practices.
4. All Water Staff are registered to attend the 2024 Delaware Rural Water Association Annual Technical Conference and Exhibition being held in Harrington, DE on February 28th and 29.

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 February 20th at the Milford Public Works Yard.
3. WUM Guyer and WUS Jaeger met with our PMA Group Risk Control Specialist and drafted our basic Respirator Program. The final draft will be forwarded after his group performs an internal review and approves.

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. Water Conditions remain 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 30th until Spring 2024.

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C. DEWARN – Delaware Water/Wastewater Agency Response Network

1. The next DEWARN meeting is scheduled for February 20th.

D. Water Operator Advisory Council

1. The next Advisory Council meeting is scheduled for March 7th in executive session.

E. WIAC - Water Infrastructure Advisory Council

1. The next WIAC meeting is scheduled for March 5th.

End of Report

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Monthly Water Works Report

January 1 - 31, 2024

Prepared By: Jay Guyer on February 7, 2024

Water Production		FT 300		Gallons		Percentage Difference	
Month	Year	Raw	Adjusted Finished	Raw	Finished	Difference	Percentage Difference
January	2023	12,883,700	Total Gallons 12,707,304	12,403,800	12,251,531	152,269	1.2
January	2024	12,403,800	12,251,531				
		-479,900	-455,773				
		-3.9	-3.7				

Well(s) in Operation	Basin Road	Frenchtown Road	School Lane	Cross Roads	Reserve	Not Used
Days Pumped	Reserve	XXXX	XXXX	OOS - VFD	OOS	Out of Service
		29	2		XXX	Run and No. of Days

Water Quality	MSC Average	Goal	Range
Average Chlorine Residual	1.58 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	0.80 ppm	0.80 ppm	0.60 - 1.00 ppm

General Water System Report	# Collected	10	10 Absent	0 Present
Routine Bacteria Sampling (Office of Drinking Water)	Results			
Miss Utility Locate Requests (Water and Electric Locates)	# Received	46		
	# Completed	46		
	# of Damages	0		
Building Permit Review (Water Related Conflicts)	# Reviewed	24		
	# Approved	24		
	# Not Approved	0		

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Monthly Water Outages / Interruptions Report

January 1 - 31, 2024

Prepared By: Jay Guyer on February 7, 2024

Planned Outage / Interruptions

Approximate Duration

Date	Hours / Minutes	Location	No. of Customers	Comments
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No Planned Outages or Interruptions for the Month of January 2024.

Unplanned Outage / Interruptions

Approximate Duration

Date	Hours / Minutes	Location	No. of Customers	Comments
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1/23/2024	3 Hours - 15 Minutes	Intersection of 6th and Harmony Street	30	Circumferential Crack on 6" Cast Iron Water Main - installed 6" x 12" Stainless Steel Repair Clamp. Outage 10:00am to 1:15pm.
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ELECTRIC DEPARTMENT COMMISSION REPORT

February 15, 2024

Prepared by Artie Granger on February 7, 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 connection from Center Point Industrial Park installed. (These need to be completed before additional homes are to be built).
- III. MSC met with the developer to discuss the next phases of this project.
- IV. MSC has discussed schedules, materials and specifications with the developer and their utility contractor.

B. The Battery

- I. This is a two-building apartment complex with approximately 150 units.
- II. MSC has had initial meetings with the electrical engineer on site to discuss MSC's requirements.

C. The Flats at River edge

- I. MSC has had preliminary conversations with the electrical engineer on site. MSC initiated these conversations to get an idea on schedule and/or seriousness of this project. MSC is continuing to have extended lead times on materials.

2. Capital Projects:

a. Substation Relay Replacement

- I. MSC is waiting for Utility Engineering to complete the specifications for the replacement relays. Once this is complete, we will order the replacement relays and get this project moving.

b. Van Dyke Village:

- I. MSC has converted all of the customers in this phase to the new underground electric.
- II. MSC will start back on this project in the spring.

ELECTRIC DEPARTMENT COMMISSION REPORT

February 15, 2024

Prepared by Artie Granger on February 7, 2024

3. Operations:

Route 9 Lighting Project

- I. DELDOT has a lighting upgrade project from Moore's Lane to Terminal Ave. MSC has lights in this area. As of right now MSC has ordered lights and began to install them. MSC will invoice DELDOT for all materials for this project. We expect to complete this project over the next week.

4. Outages :

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

SAIDI (minutes)	SAIFI (number of interruptions)	CAIDI (minutes)	ASAI (percent)
77.208	0.903	85.464	99.9853%

- II. 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.

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ELECTRIC DEPARTMENT COMMISSION REPORT

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5. **Repairs and Maintenance:**

A. **Wilmington Road Substation:**

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

B. **Dobbinsville Substation:**

- I. The electric department has performed the monthly inspections at this location.
- II. MSC will schedule our testing company to come and install updated settings on our relays.