

Municipal Services Commission Monthly Meeting
July 31, 2025 – 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
Mayor Valarie W. Leary, Commissioner
Scott L. Blomquist, Secretary

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

Also in Attendance: Heather Contant, DEMEC Director of Government & Community Relations

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

Minutes

June 19, 2025 – **A motion to approve the minutes of the June 19, 2025, regular meeting as presented was made by Commissioner Wik, seconded by Mayor Leary, and was unanimously passed.**

June 19, 2025 – **A motion to approve the minutes of the June 19, 2025 Executive Session was made by Commissioner Wik, seconded by Mayor Leary, and was unanimously passed.**

DEMEC – Heather Contant, Director of Government & Community Relations

Ms. Contant extended an invitation to the Commissioners to attend the Annual DEMEC Dinner at Valley's in Dover on September 17th from 5:00 p.m. until 8:00 p.m.

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

Mr. Natale reported as of June 30, 2025:

- Cash on Hand as of June 30, 2025: \$4.7M including \$1.7M in restricted Customer Deposits
- Investment portfolio as of June 30, 2025: \$1.4M, which is a net gain of \$14,000 (1.1%) from prior month
- 96 days unrestricted cash on hand as of June 30, 2025. This is a decrease of 12 days from prior month. Ten (10) days is related to the Budget Amendment 1.
- Check Register:
 - \$19,765 to Paragon Insurance Holding, Inc., for quarterly property casualty liability insurance.
 - \$17,912 to Pennoni Associates for water engineering mostly related to the School Lane project.
 - \$202,000 for the City of New Castle Appropriation, which is an increase of \$20,000 per quarter.
 - \$41,325 to Tyler Technologies for annual maintenance and support on the finance and utility system.

Municipal Services Commission Monthly Meeting
July 31, 2025 – 9:00 a.m.
216 Chestnut Street New Castle, Delaware

- There were 25 cuts for non-payment. The New Castle Cares Fund assisted one (1) customer in June and three (3) additional customers were assisted from other agencies and non-profits.

In response to a question from Commissioner Atherton, Mr. Natale explained that payroll payments are held separately from accounts payable payments.

Electric Department

- User Charges are \$17,000 over budget.
- kWh sales were 8.6% lower compared to the same period last year.
- Consumption YTD through June was 5.5% lower than the 5-year average and 5% lower than prior year.
- Dover increased their residential rates so New Castle is the 2nd lowest cost in the State.
- Operating Expenses had an unfavorable variance of \$43,000 on the budgetary basis.

In response to a question from Commissioner Wik, Mr. Natale stated that he felt Professional Fees was a timing issue.

Water Department

- User Charges have an unfavorable variance of \$3,000 for the fiscal year.
- Operating expenses have an unfavorable variance of \$37,000 on the budgetary basis.

In response to a question from Commissioner Wik, Mr. Natale explained that the change in repairs and maintenance is a timing issue.

Mr. Natale pointed out that the Governmental Accounting Standards Board issued GASB Statement #103, Financial Report Model Improvements that requires MSC to break out appropriations to the City separately.

In response to a question from Commissioner Atherton, Mr. Natale explained Capital Outlays is a timing issue.

Pursuant to the Charter, MSC will be submitting a Financial Report to the City and to the Trustees.

Mr. Natale reported that MSC received payment from DEMEC for the refund they received for Indian River in the amount of \$182,953, which the Board stated they want to return to the customers. Messrs. Natale and Blomquist explained four (4) options available to the Board to accomplish this request that were discussed in detail by the Commissioners. After discussion, the Board agreed with Mr. Natale's recommendation of Option 4 as to distribution.

A motion to adopt Option 4 based on recommendations from Staff was made by Commissioner Atherton. The motion was seconded by Commissioner Wik and was unanimously passed.

Mr. Natale will provide all relevant data to the Board. The refund will appear as a credit on customers' bills.

Municipal Services Commission Monthly Meeting
July 31, 2025 – 9:00 a.m.
216 Chestnut Street New Castle, Delaware

Capital Improvement and Projects Policy Revisions

Mr. Natale explained that the best practice is to set the capitalization threshold at no less than \$5,000; adding that MSC's should be closer to \$9,000. A discussion of how much to increase the Capital Improvement and Projects Policy ensued.

A motion to approve amending the Capital Improvement and Projects Policy to increase the capitalization threshold from \$5,000 to \$10,000 was made by Commissioner Wik. The motion was seconded by Mayor Leary and was unanimously passed.

Electric Department Report – Mr. Granger reporting

(See attached report)

Developer Projects:

- Riverbend Subdivision – There has been a lot of activity on the project. MSC is working to get the feed from Centerpoint to Riverbend. Most of the work is completed. There will be a small outage of approximately one hour in Riverbend. Affected customers will be notified prior to the outage. In response to a question from Commissioner Atherton, Mr. Natale noted that the types of medical equipment they have encountered is not life sustaining. MSC is working with both builders. Approximately 50 homes have been built. Infrastructure for Phase 2 should begin soon.
- 105 The Strand – MSC relocated the box so construction can continue. In response to a question from Mayor Leary, Commissioner Wik explained the issues encountered with the lot.

Capital Projects

- Electric Mapping System – MSC is working with Assurance Media and Pennoni to get the existing mapping system up and running.
- Temporary SCADA System – The funding request for Phase 1 at Dobbinsville has been approved and is back in DEMA's hands.

Operations:

- Staff is doing maintenance throughout the city.

Outages:

- There was one (1) outage for the Buttonwood pump station caused by a lightning strike that took out one of the services. The county needed to repair it and customers were without power for approximately 8.5 hours due to the county not being aware that it was off.

Repairs and Maintenance:

- Wilmington Road Substation – The report on the oil samples was received and Utility Engineers recommended that MSC replace the oil in the tap changer when the substation upgrade project is done.
- Bucket Truck – Notice was received that the bucket truck should be delivered to the dealer next week.

Municipal Services Commission Monthly Meeting
July 31, 2025 – 9:00 a.m.
216 Chestnut Street New Castle, Delaware

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

Developer Projects:

- Riverbend Subdivision – Civil Engineering and Freedom Development have still not completed the electric crossing. Mr. Guyer reached out to Norfolk Southern to get the Permit reactivated. Inspection and testing on Phase 1 services on Arrowgrass Lane and North Heron Circle continue. There are two lots left that Gemcraft can build on. Approval for construction of Phase 2 has been received. Water main and services are done. Everything is tested and approved and installed according to MSC technical specifications. Mr. Guyer reached out to the Office of Engineering for an approval to operate. Construction continues on Lots 178, 179, 180 and 181; and construction has started on Lots 144, 145, 146 and 147.
- Deemers Landing and Helm Apartment Complexes – Mr. Guyer reached out to the property owner about individual meters and getting the meter setters installed. The property owner asked that work be pushed out to the first quarter of 2026.
- 105 The Strand – The property owner is ready to have the water service installed. Mayor Leary noted that there appears to be issues with water pooling in the yard of 103 The Strand and asked if the construction at 105 could have caused this. Mr. Guyer stated he was not aware of any issues at 103; but opined that the displaced water from the installation of the pilings did not create the pooling. A discussion of the construction at 105 and the possible cause of the pooling at 103 ensued.
- 434 West 7th Street – Water Service Installation – A new 3/4" water service was installed on July 9th.

MSC Projects:

- Cross Connection Control Program – Hydro Corp. – The project is progressing. 222 Delaware Street is scheduled and 130 Delaware Street was completed on July 30th.
- School Lane Water Treatment Facility PFAS Treatment System Improvements – Two bids were received on June 19th:

KMP Mechanical - \$682,923.00

Merit Construction Engineers - \$720,000.00

Pennoni confirmed the bids and recommended awarding the bid to KMP Mechanical. Mr. Guyer had some questions about KMP Mechanical which Pennoni is working to address. The bid will be awarded to KMP Mechanical if all issues can be resolved to ensure they are in good standing. In response to a question from Commissioner Atherton, Mr. Guyer explained the qualifications of KMP, noting that all of his questions have been or are being addressed. Mr. Natale added that because the project is being federally funded MSC is required to accept the lowest bid unless they have a compelling reason not to do so.

- Lead Service Line Inventory (LSLI) – EPA Revised Lead and Copper Rule – This is completed. The service at 56 West 3rd Street is done and one service is left to do.
- Shaw Alley – 2" Cast Iron Replacement – Shaw Alley is scheduled to be repaved in the coming year. Materials have been purchased and the service line will be replaced in the next few weeks.

Municipal Services Commission Monthly Meeting
July 31, 2025 – 9:00 a.m.
216 Chestnut Street New Castle, Delaware

Operations:

- Outages – there was one planned outage and no unplanned outages in June.
- Calgon Carbon Corporation (CCC) Pilot Study – The pilot study is ongoing.
- Cybersecurity & Infrastructure Security Agency (CISA) – Mr. Guyer is comparing the checklist with the EPA checklist.
- ARC GIS Pro Water System Mapping and Water Model Planning Grant – All Condition & Criticality Tools have been updated and are working. The lead service line inventory is in. Everything is online for the modeling. The most recent hydrant flushing data is being migrated in. The first meeting for the GEMS water modeling was held on July 22nd. The first predictive modeling presentation will be run and Mr. Guyer will be informed on the impact to MSC's systems.
- 7th Street – Mark Ziegler of McBride & Ziegler informed Mr. Guyer that they want to start designing the water system for the 7th Street property. The initial project plans called for 438 units. An in-depth discussion of this and other proposed projects and the impact on MSC ensued. Commissioner Atherton suggested that MSC needs a Development Conference with all stakeholders to map out a plan and how MSC will be impacted. Commissioner Atherton will reach out to the Chair of the Planning Commission regarding the Comprehensive Plan. Further discussion included the maximum capacity that MSC is capable of. Mayor Leary suggested that Mr. Blomquist discuss establishing a Technical Advisory Committee with Ms. Tantillo.
- PFAS Litigation – The first installment from the Phase 1 settlement should be received shortly. These funds will be reinvested to improve systems.
- Delaware State and Local Cybersecurity Grant Program (DSLCPG) – The preliminary draft is being reviewed by the project manager. Mr. Guyer is researching the purchase of a laptop for Keystone Engineering to use when working in MSC's OT/SCADA system.
- Consumer Confidence Report and Newsletter – The Annual Consumer Confidence Report was mailed to customers on June 23rd.
- Artesian Water – Artesian Water purchased 3.3M gallons of water over five days in June for \$11,720.81.

System Repairs and Maintenance:

- Water Operator Projects/ Tasks worked on during the Month:
 - Water Operator Projects – Staff has been working on general maintenance at MSC sites and facilities. Paint chipping will be reviewed by the Tank Maintenance provider.
 - Long-Term Cuts – Long Term water cuts were verified to be turned off.
 - Vestibule – All materials have been received to redo the vestibule on the side of the building.
 - Bacteria Sampling – Monthly bacteria sampling was completed for compliance. Results are pending. Lead and copper sampling was completed. Everything conformed to standards and results were reported to customers. The final letter of approval is pending.
 - Fire Hydrant Flushing – Operators have been working on painting fire hydrants.

Municipal Services Commission Monthly Meeting
July 31, 2025 – 9:00 a.m.
216 Chestnut Street New Castle, Delaware

Equipment:

- New Truck 14 – Mr. Guyer followed up on Truck 14. The Nucar Representative expressed MSC's frustration with this order to GM and they agreed to provide a 2026 truck built at a 2025 price and it may be painted yellow.

Safety:

- DFIT Safety Meetings have been suspended for the year.

Local, State, and Federal Agencies:

- WSSC – Water Supply Coordinating Council – The full Council met on July 24th. Based on water conditions and reports the group voted in favor of recommending that the Governor lift the Drought Watch Declaration. They will continue to monitor conditions.

Commissioner Wik reported that Mr. Guyer is working with a student from Friends School on his International Baccalaureate and commended Mr. Guyer for helping with the young man work on his Essay paper on PFAS.

Secretary's Report – Mr. Blomquist reporting

- Messrs. Blomquist and Natale attended the July 10th DEMEC Board Meeting.
- PFM presented on the trip to the Credit Rating agencies. MSC received AAA ratings from all three agencies.
- MSC received the refund for the Indian River Power Plant.
- As of April 30th:
 - Unrestricted cash: \$67.4M, which was \$8.1M over target.
 - There were 115 days cash on hand.
 - RSR Balance was \$44M.
 - YTD cash on hand was \$68.9M, which was an increase of 59.9% over April 2024 (\$43.1M).
 - Total Income was \$81.9M, an increase of 42% (\$24.1M) for the same period, not including the RSR.
 - Power sales to members YTD was 19%, or \$6.8M higher than YTD April 2024.
 - Power purchase expenses YTD was 34.3% higher than April 2024.
 - Net income was \$12.7M, an increase of \$7.3M over prior year.
 - May demand was down 4.4%
- Mr. Blomquist attended the DP&L Exelon meeting on July 24th. MSC has a new DP&L liaison. The larger-than 50 megawatt load connection process was reviewed which takes between 5 and 7 years. Whenever the Data Center gets into the queue it will be a 5 to 7 year process.
- DEMEC had a special meeting on July 30th for the Laurel Hill Wind Farm.
- DEMEC had a meeting for strategic goals. A full update will be done in 2026
- The Generation Feasibility Study continues. The capacity market closed at 329, which is up from 270. There has been increased interest in building generation on the peninsula.

Municipal Services Commission Monthly Meeting
July 31, 2025 – 9:00 a.m.
216 Chestnut Street New Castle, Delaware

- Mr. Blomquist put forward Commissioner Wik's resume for the Nuclear Energy Task Force.
- The BLINK charger heads were replaced. One is turned on and is running. There was no response on the second one. Commissioner Atherton noted there has been an increase in usage in the charger.
- Ms. Tantillo and Messrs. Blomquist and Natale met with CISA to continue the process of establishing a full cybersecurity plan. Some policies have been submitted to CISA for review.
- MSC received the Smart Energy Provider (SEP) Award through APPA. This will be announced at the APPA Conference in November.

Comments from Commissioners:

Commissioner Atherton will contact the Chair of the Planning Commission regarding the Comprehensive Plan. Mayor Leary suggested that Commissioner Atherton get Mr. Guyer's list for his discussion with Ms. Reign.

In response to a question from Commissioner Atherton, Mr. Blomquist stated that DEMEC is in the process of doing a feasibility study for generation. Ms. Contant opined that there will be updates at the Annual Dinner. A discussion of different types of generation and capacity density ensued.

Public Comment:

Phil Gross

- Mr. Gross noted that approximately 80% of pending projects have been posted on the City's website.
- Mr. Gross noted that according to Jeff Bergstrom once a project is approved there is no time limit.

Next Regular Meeting:

- The Commissioners set the August Board meeting to be Thursday, August 28, 2025, at 9:00 a.m.

There being no further business to discuss, Mr. Blomquist called for a motion to adjourn.

A motion to adjourn was made by Mayor Leary and seconded by Commissioner Atherton. The motion was unanimously passed and the meeting adjourned at 11:14 a.m.



Kathleen R. Weirich
Stenographer

Approved: 

Comptroller/Treasurer's Report



July 31, 2025 Commission Meeting
Prepared By: Ken Natale, CPFO on July 15, 2025

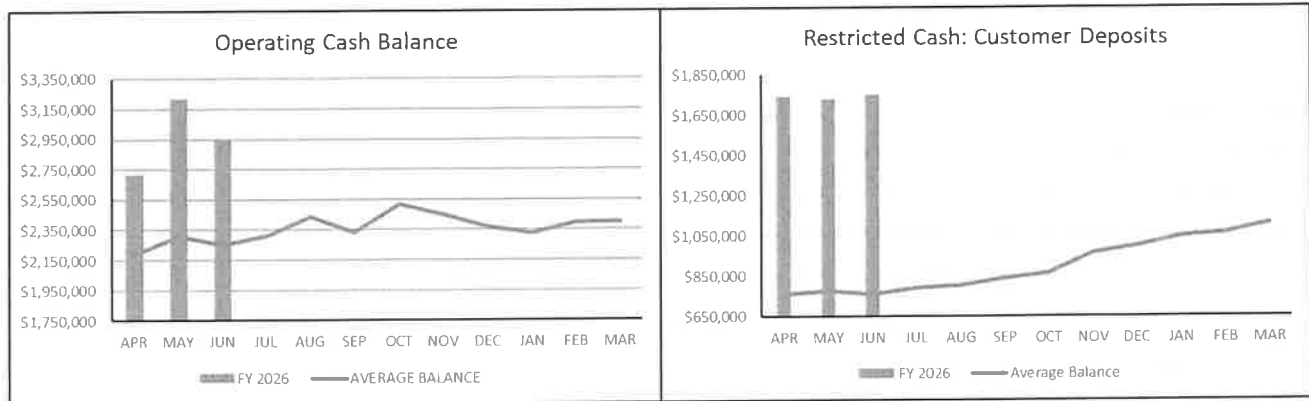
Contents

Cash & Investments	1
Customer Service/Billing.....	4
New Castle Cares	4
Electric Revenues	5
Electric Expenses.....	5
Budget to Actual Comparison (non GAAP) – Electric	6
Water Revenues.....	7
Water Expenses	7
Budget to Actual Comparison (non GAAP) – 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

Cash & Investments

As of June 30, 2025 the cash balances were:

M&T Bank Checking:	\$ 331,790
M&T Investment Sweep:	2,619,540
M&T Bank Restricted	1,749,280
Petty Cash/Change Fund:	895
Total Cash on Hand:	\$ 4,701,505



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

Beginning Balance	\$ 3,221,873
Cash from customers	923,023
Interest Income	9,558
Bond Proceeds	-
Refunds to customers - deposits	(565)
Payments to suppliers for goods & services*	(1,086,378)
Bank service fees	(590)
Payments to employees for services	(114,696)
Net Cash Provided (Used)	(296,648)
Ending Cash Balance	\$ 2,952,225

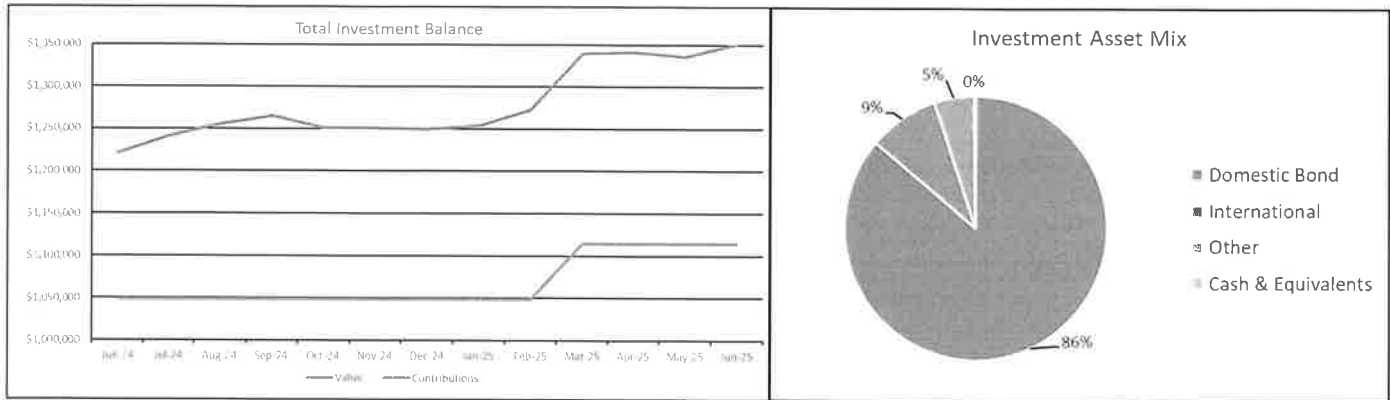
*A detailed check register for the month is available on page 3 of this report.

As of June 30, 2025 the value of the Commission's investment portfolio totaled \$1,350,594 which is a net gain of \$14,446 (1.1%) 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 4.20% interest and has a stable net asset value of \$1.00.

There were 96 days unrestricted cash on hand at June 30 (-12 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). Approximately 10 days of the change in days cash on hand is related to processing Budget Amendment 1 which increased the FYE 2026 budget.

Comptroller/Treasurer's Report – July 31, 2025



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 “other” category is Prudential Financial, Inc. stocks, due to current market instability, the investment advisors have recommended delaying the liquidation of these stocks until the end of the second quarter.

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

Holdings	Symbol	Market Value	Est. Yield
Money Markets			
Insured Cash Accounts		\$ 2,102	0.70%
Mutual Funds			
PGIM Total Return Bond CL A	PDBAX	230,347	4.36%
Fidelity Advisor Total Bond CL	FEPIX	361,332	4.38%
T Rowe Price Global Multi Sector Bond I	PGMSX	118,460	5.08%
Vanguard Intermediate Term Treasury	VFIUX	89,088	3.99%
Exchange Traded Funds			
iShares Trust 1-3 Year Treasury Bond EFT	SHY	488,175	3.94%
Stock			
Prudential Financial, Inc (591 shares)	PRU	61,090	5.03%
Total		\$ 1,350,594	4.28%

JUNE 2025 CHECK REGISTER

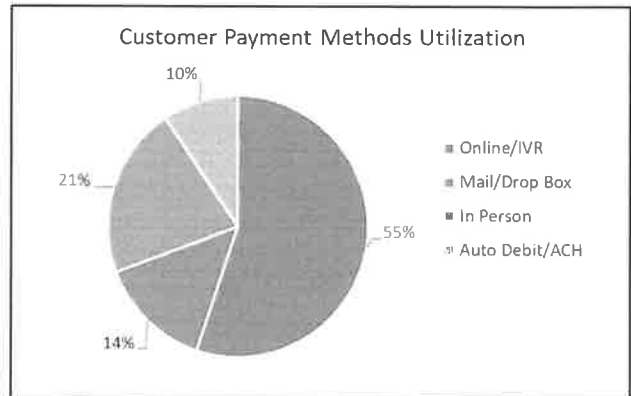
Number	Date	Vendor Name	Amount
202010	06/13/2025	Anixter	\$ 3,357.55
202011	06/13/2025	Antonio's Lawn Service	2,235.00
202012	06/13/2025	Cummins Sales and Service	1,895.61
202013	06/13/2025	Delmarva Power	124.28
202014	06/13/2025	Ferguson Enterprises Inc	2,660.00
202015	06/13/2025	Guyer Terri Lynn Green	1,000.00
202016	06/13/2025	Heartline Press	5,183.92
202017	06/13/2025	Keystone Engineering Group Inc	519.09
202018	06/13/2025	PARAGON INSURANCE HOLDING INC	19,765.60
202019	06/13/2025	Pennon Associates Inc.	17,912.50
202020	06/13/2025	Trans Union LLC	345.93
202021	06/13/2025	Tyler Technologies Inc.	1,575.00
202022	06/13/2025	Utility Engineers PC	3,720.20
202023	06/26/2025	Artesian Water Co Inc	2,276.46
202024	06/26/2025	City of New Castle	202,054.53
202025	06/26/2025	Consult Dynamics Inc DCA Net	20.00
202026	06/26/2025	Council 81	499.40
202027	06/26/2025	Delaware Dept. of Labor (DETF)	299.25
202028	06/26/2025	Delta Dental of Delaware Inc	1,817.24
202029	06/26/2025	DEMEC Inc	997.23
202030	06/26/2025	Ferguson Enterprises Inc	115.00
202031	06/26/2025	Kathleen R Weirich	225.00
202032	06/26/2025	KDI Inc.	275.09
202033	06/26/2025	McCollom D'Emilio Smith Uebler LLC	675.00
202034	06/26/2025	Principal Financial Group	2,452.34
202035	06/26/2025	SemaConnect LLC	960.00
202036	06/26/2025	SFS Tools and Safety LLC	473.00
202037	06/26/2025	Tyler Technologies Inc.	41,325.89
DFT0002590	06/01/2025	Department of Human Resources Financial Services	47,772.48
DFT0002605	06/06/2025	T. ROWE PRICE RETIREMENT PLAN SERVICE INC	6,340.20
DFT0002608	06/06/2025	United States Treasury	21,633.24
DFT0002610	06/06/2025	Nationwide Life Ins. Co. of America	23,703.60
DFT0002611	06/05/2025	Pitney Bowes Purchase Power	10,000.00
DFT0002613	06/06/2025	M&T ONE CARD	23,409.60
DFT0002614	06/02/2025	OpenEdge	1,932.55
DFT0002615	06/16/2025	BRINKS CAPITAL	838.13
DFT0002616	06/18/2025	American Municipal Power Inc	991.62
DFT0002617	06/18/2025	DEMEC Inc	564,244.45
DFT0002620	06/20/2025	T. ROWE PRICE RETIREMENT PLAN SERVICE INC	6,365.55
DFT0002623	06/20/2025	United States Treasury	21,932.84
DFT0002624	06/30/2025	COMPTROLLER OF MARYLAND	1,347.63
DFT0002625	06/30/2025	Delaware Div. of Revenue	20,599.00
DFT0002626	06/20/2025	Contractors Materials LLC	360.17
DFT0002627	06/20/2025	Home Depot Credit Service	63.84
DFT0002628	06/20/2025	M&T ONE CARD	20,082.69
TOTAL PAYMENTS			\$ 1,086,377.70

Comptroller/Treasurer's Report – July 31, 2025

Customer Service/Billing

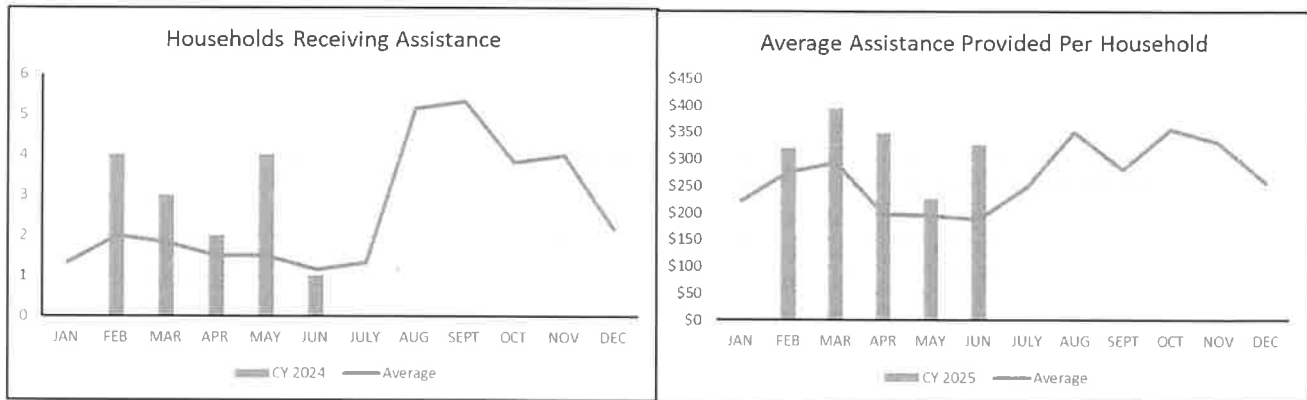
Since the previous meeting, the Customer Service Department processed:

Bills sent	3,259
Delinquent & past due notices	318
Automated phone notifications	352
Payment arrangements	5
Contracts	3
Service cuts for non-payment	25
Accounts sent to collections	0
Electric bad debt write-offs	\$473.24
Applications for service	31



New Castle Cares

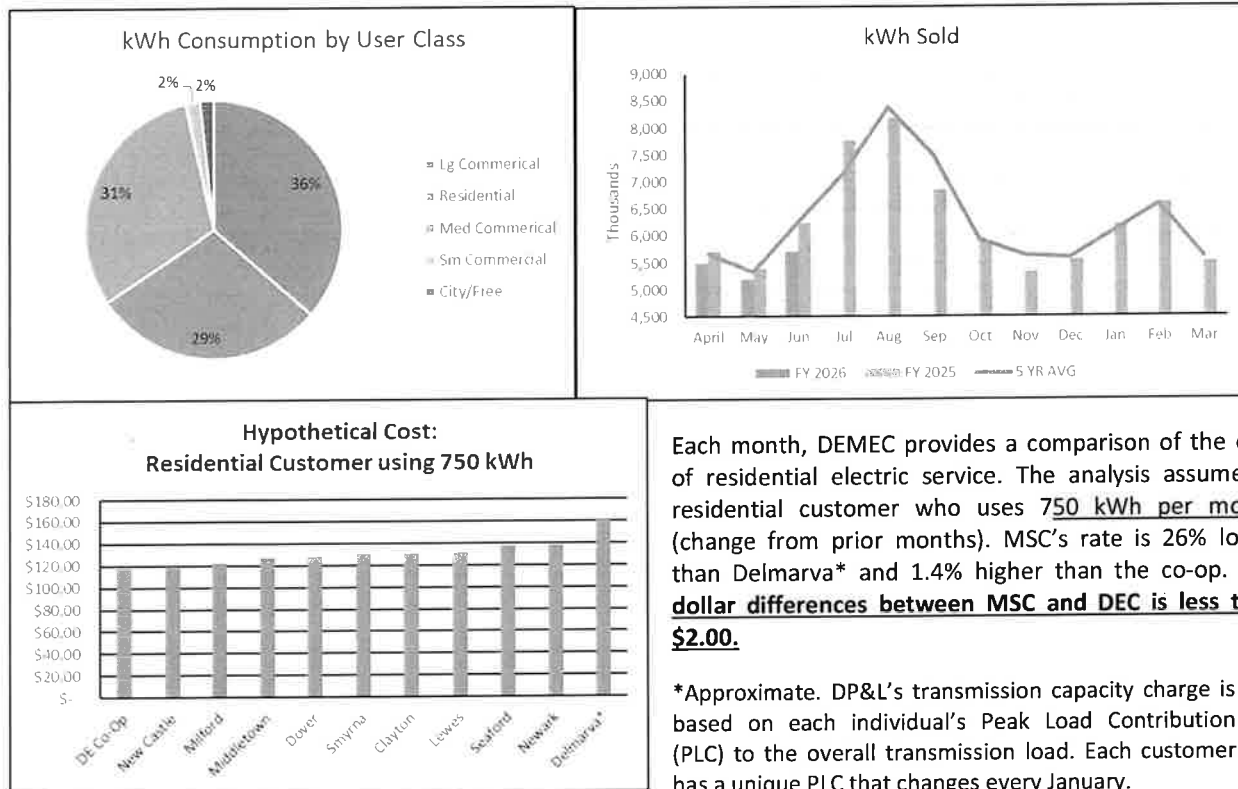
The Salvation Army oversees the New Castle Cares Fund which is funded by the Commission to assist households having trouble making their utility payments. During the month of June, the fund assisted one customer with \$327. The maximum allowed by the program is \$400. The current balance in the fund is \$3,231.



In addition to assistance provided through the New Castle Cares fund, three customers received an average of \$207 from other agencies or nonprofits that provide assistance for utility bills.

UNAUDITED**Electric Revenues**

User charges are \$17,000 above budget fiscal year to date. June kWh sales were 8.7% lower compared to the same period last year. Consumption for the fiscal year to date was approximately 5.5% lower than the 5-year average, and 5.0% lower than the prior year. This is primarily related to milder temperatures this spring and early June. Consumption related to the heatwave at the end of June will not be billed until July, and is not reflected above.

**Electric Expenses**

Electric operating expenses have an unfavorable variance (\$43,000) on the budgetary basis. Variances related to power purchase are due to decreased consumption for the June billing period and timing differences related to how DEMEC bills for power supply and the heatwave at the end of June (\$40,000). The variance in operations salaries & benefits is due to salary accruals. Other variances are the result of timing differences and are expected to be eliminated as the year progresses.

After accounting for non-operating revenues and expenses, there is a decrease in net position on the budgetary basis of \$20,000 which is \$136,000 better than anticipated. Much of that increase is related to capital outlays not occurring as quickly as projected in the budget and higher than anticipated revenues.

When converting from the budgetary basis of accounting to Generally Accepted Accounting Principles, net position decreased by \$201,000 as a result of non-cash transactions (depreciation expense \$187,000, and capital outlays moving to the balance sheet).

Comptroller/Treasurer's Report – July 31, 2025

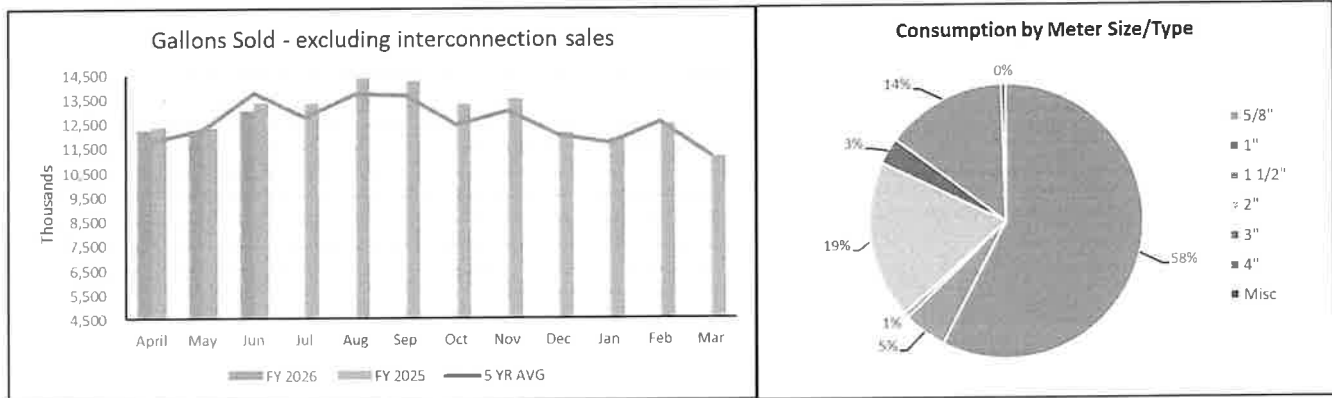
Municipal Services Commission
Budget to Actual Comparison (non GAAP) – Electric
As of June 30, 2025

UNAUDITED

	YTD Budget	YTD Activity	Variance	Total Budget
Operating Revenues				
User Charges	2,456,990	2,474,113	17,123	11,092,768
City & MSC Services	10,110	10,315	205	41,200
Miscellaneous Income	44,389	42,426	(1,963)	539,596
<i>Total Operating Revenues</i>	<u>2,511,489</u>	<u>2,526,854</u>	<u>15,365</u>	<u>11,673,564</u>
Less: Free Service	1,818	2,369	(551)	8,000
<i>Net Operating Revenues</i>	<u>2,509,671</u>	<u>2,524,485</u>	<u>14,814</u>	<u>11,665,564</u>
Operating Expenses				
<i>Operations Dept</i>				
Purchase of electric for resale	1,731,529	1,771,057	(39,528)	7,644,720
Salaries and benefits	322,272	302,725	19,547	1,338,634
Professional fees	7,351	4,010	3,341	63,404
Repairs and maintenance	22,169	27,060	(4,891)	262,812
Other purchased services	20,903	23,974	(3,071)	46,660
Supplies and materials	6,730	11,664	(4,934)	48,262
<i>Total operations</i>	<u>2,110,954</u>	<u>2,140,490</u>	<u>(29,536)</u>	<u>9,404,492</u>
<i>General & administrative</i>				
Salaries and benefits	154,625	138,693	15,932	636,880
Professional fees	39,846	74,808	(34,962)	201,944
Repairs and maintenance	4,733	6,309	(1,576)	22,481
Other purchased services	14,177	18,029	(3,852)	47,170
Supplies and materials	2,906	2,050	856	14,410
Miscellaneous	5,000	2,621	2,379	10,000
Debt Service	30,755	22,501	8,254	123,069
<i>Total general & administrative</i>	<u>252,042</u>	<u>265,011</u>	<u>(12,969)</u>	<u>1,055,954</u>
<i>Total operating expenses</i>	<u>2,362,996</u>	<u>2,405,501</u>	<u>(42,505)</u>	<u>10,460,446</u>
Operating Income	<u>146,675</u>	<u>118,984</u>	<u>(27,691)</u>	<u>1,205,118</u>
Nonoperating revenue(expense)				
Investment income	23,392	27,133	3,741	104,500
Investment expense	(943)	(631)	312	(4,000)
Unrealized gain(loss) on investment:	-	3,495	3,495	-
Grant income	19,992	-	(19,992)	80,000
Other Expense	-	(150)	(150)	-
Capital outlays	(188,843)	(7,715)	181,128	(755,618)
Appropriations				
Mayor and Council	(157,437)	(159,137)	(1,700)	(630,000)
Special	-	(2,384)	(2,384)	-
<i>Total nonoperating revenue(expense)</i>	<u>(303,839)</u>	<u>(139,389)</u>	<u>164,450</u>	<u>(1,205,118)</u>
Change in Net Position	(157,164)	(20,405)	136,759	-

UNAUDITED**Water Revenues**

User charges have an unfavorable variance of \$3,000 for the fiscal year. Consumption for the month of May was down 2.44% compared with the same period last year. Fiscal year to date, excluding sales to Artesian, sales are down 0.72% over the five-year average and down 1.35% prior year's fiscal year to date. Lower temperatures and more rain in May and June contributed to lower consumption by customers. During May, MSC sold 2.5 million gallons to Artesian Water, accounting for \$9,000 offsetting the variance reported above.

**Water Expenses**

Water operating expenses have an unfavorable year to date variance (\$37,000) on the budgetary basis. The variance in operations salaries & benefits is due to salary accruals. Other variances are the result of timing differences and are expected to be eliminated as the year progresses.

After accounting for non-operating revenues and expenses, there is an increase in net position on the budgetary basis of \$31,000 which is \$37,000 better than anticipated. Much of that increase is related to capital outlays not occurring as quickly as projected in the budget.

When converting from the budgetary basis of accounting to Generally Accepted Accounting Principles, there is a decrease in net position of \$80,000 as a result of non-cash transactions.

Municipal Services Commission
Budget to Actual Comparison (non GAAP) – Water
As of June 30, 2025

	YTD Budget	YTD Activity	Variance	Total Budget
Operating Revenues				
User Charges	747,948	744,729	(3,219)	3,040,436
City & MSC Services	(9,581)	9,229	18,810	(40,223)
Miscellaneous Income	341,783	4,582	(337,201)	1,375,032
<i>Total Operating Revenues</i>	<u>1,080,150</u>	<u>758,540</u>	<u>(321,610)</u>	<u>4,375,245</u>
Less: Free Service	989	886	103	4,000
<i>Net Operating Revenues</i>	<u>1,079,161</u>	<u>757,654</u>	<u>(321,507)</u>	<u>4,371,245</u>
Operating Expenses				
<i>Operations Dept</i>				
Purchase of water for resale	6,000	6,042	(42)	24,000
Salaries and benefits	303,813	287,702	16,111	1,242,438
Professional fees	7,001	1,134	5,867	57,540
Repairs and maintenance	61,351	110,456	(49,105)	229,381
Other purchased services	23,627	21,980	1,647	51,350
Supplies and materials	6,663	13,315	(6,652)	49,782
<i>Total operations</i>	<u>408,455</u>	<u>440,629</u>	<u>(32,174)</u>	<u>1,654,491</u>
<i>General & administrative</i>				
Salaries and benefits	90,602	83,655	6,947	371,652
Professional fees	51,441	59,814	(8,373)	171,407
Repairs and maintenance	3,947	5,162	(1,215)	18,911
Other purchased services	12,213	14,751	(2,538)	41,230
Supplies and materials	2,135	1,487	648	13,375
Debt Service	-	-	-	36,000
<i>Total general & administrative</i>	<u>160,338</u>	<u>164,869</u>	<u>(4,531)</u>	<u>652,575</u>
<i>Total operating expenses</i>	<u>568,793</u>	<u>605,498</u>	<u>(36,705)</u>	<u>2,307,066</u>
Operating Income	<u>510,368</u>	<u>152,156</u>	<u>(358,212)</u>	<u>2,064,179</u>
Nonoperating revenue(expense)				
Investment income	3,938	5,132	1,194	17,500
Investment expense	(118)	(111)	7	(500)
Unrealized gain(loss) on investment:	-	617	617	-
Other Expense	-	(82)	(82)	-
Capital Outlays	(464,984)	(32,706)	432,278	(1,860,179)
Appropriations				
Mayor and Council	(43,982)	(42,917)	1,065	(176,000)
City Services	(10,989)	(11,383)	(394)	(45,000)
<i>Total nonoperating revenue(expense)</i>	<u>(516,135)</u>	<u>(121,106)</u>	<u>395,029</u>	<u>(2,064,179)</u>
Change in Net Position	(5,767)	31,050	36,817	-

UNAUDITED

**Municipal Services Commission
Statement of Net Position
As of June 30, 2025 and 2024**

	2026	2025
ASSETS:		
Current assets:		
Cash and equivalents	\$ 2,952,225	\$ 2,302,604
Investments	1,350,594	1,220,838
Accounts receivable, net	1,291,541	817,222
Inventories	1,004,574	1,028,938
Prepays	40,029	79,535
Restricted cash	1,749,280	843,234
Total current assets	8,388,243	6,292,371
Noncurrent assets:		
Capital assets not being depreciated:		
Land	43,796	43,796
Construction in progress	168,869	245,492
Capital assets net of accumulated depreciation:		
Buildings	636,159	668,620
Equipment	763,084	691,247
Infrastructure	16,040,970	16,554,813
Total noncurrent assets	17,652,878	18,203,968
Total assets	26,041,121	24,496,339
DEFERRED OUTFLOWS OF RESOURCES		
Pension	501,638	327,027
Total deferred outflows	501,638	327,027
LIABILITIES		
Current liabilities:		
Accounts payable	778,705	843,457
Accrued liabilities	57,884	58,808
Customer Deposits	1,791,409	922,551
Total current liabilities	2,627,998	1,824,816
Noncurrent liabilities:		
Due within one year	109,529	102,456
Due in more than one year	2,787,341	2,166,201
Total noncurrent liabilities	2,896,870	2,268,657
Total liabilities	5,524,868	4,093,473
DEFERRED INFLOWS OF RESOURCES		
Pension	309,547	348,995
Total deferred inflows	309,547	348,995
NET POSITION		
Net investment in capital assets	16,177,548	17,333,413
Unrestricted	4,530,796	3,047,485
Total net position	\$ 20,708,344	\$ 20,380,898

Municipal Services Commission
Statement of Revenues, Expenses, and Changes in Net Position
As of June 30, 2025 and 2024

	2026	2025
Operating Revenues:		
Water sales	\$ 753,958	\$ 689,038
Power sales	2,484,428	2,422,920
Miscellaneous	46,776	10,034
Total operating revenues	3,285,162	3,121,992
Less: free service	(3,255)	(2,599)
Net operating revenues	3,281,907	3,119,393
Operating Expenses		
Purchase of water and power	1,777,099	1,821,924
Salaries and benefits	835,463	663,775
Repairs and maintenance	148,557	90,807
Professional fees	179,422	110,952
Supplies	28,516	33,227
Other purchased services	78,734	60,163
Miscellaneous	2,621	13,791
Depreciation	328,405	327,823
Total operating expenses	3,378,817	3,122,462
Operating income (loss)	(96,910)	(3,069)
Noncapital subsidies		
Intergovernmental	-	-
Appropriations to Mayor & Council of New Castle:		
Ordinary	(202,054)	(182,459)
City Services	(11,383)	(11,172)
Special	(2,384)	(1,010)
Total noncapital subsidies	(215,821)	(194,641)
Operating income(loss) and noncapital subsidies	(312,731)	(197,710)
Nonoperating revenues (expenses):		
Investment earnings	35,635	40,170
Gain(loss) on disposal of fixed assets	-	1,772
Grant revenue - restricted for capital assets	-	1,764,774
Capital contributions	-	-
Interest expense	(3,841)	-
Total nonoperating revenues (expenses)	31,794	1,806,716
Increase (decrease) in net position	(280,937)	1,609,006
Net position - beginning	20,989,281	18,771,892
Net position - ending	\$ 20,708,344	\$ 20,380,898

UNAUDITED

Municipal Services Commission
Combining Balance Sheet by Department
As of June 30, 2025 and 2024

	Water		Electric		Total	
	2026	2025	2026	2025	2026	2025
ASSETS:						
Current assets:						
Cash and equivalents	-	-	2,952,225	2,302,604	2,952,225	2,302,604
Investments	202,589	183,126.00	1,148,005	1,037,712	1,350,594	1,220,838
Accounts receivable, net	325,734	179,362.00	965,807	637,860	1,291,541	817,222
Inventories	285,648	276,986.00	718,926	751,952	1,004,574	1,028,938
Prepays	11,671	24,173.00	28,358	55,362	40,029	79,535
Restricted cash	-	-	1,749,280	843,234	1,749,280	843,234
Total current assets	825,642	663,647	7,562,601	5,628,724	8,388,243	6,292,371
Noncurrent assets:						
Capital assets not being depreciated:						
Land	43,796	43,796	-	-	43,796	43,796
Construction in progress	161,154	85,683	7,715	159,809	168,869	245,492
Capital assets net of accumulated depreciation:						
Buildings	289,501	304,257	346,658	364,363	636,159	668,620
Equipment	480,495	307,968	282,589	383,279	763,084	691,247
Infrastructure	8,802,348	9,199,367	7,238,622	7,355,446	16,040,970	16,554,813
Total noncurrent assets	9,777,294	9,941,071	7,875,584	8,262,897	17,652,878	18,203,968
Total assets	10,602,936	10,604,718	15,438,185	13,891,621	26,041,121	24,496,339
DEFERRED OUTFLOWS OF RESOURCES						
Pension	223,882	140,270	277,756	186,757	501,638	327,027
Total deferred outflows	223,882	140,270	277,756	186,757	501,638	327,027

(Continued)

UNAUDITED

Municipal Services Commission
Combining Balance Sheet by Department
As of June 30, 2025 and 2024

	Water		Electric		Total	
	2026	2025	2026	2025	2026	2025
LIABILITIES						
Current liabilities						
Accounts payable	36,732	57,767	741,974	785,690	778,705	843,457
Accrued liabilities	26,048	28,430	31,836	30,378	57,884	58,808
Customer Deposits	9,602	17,855	1,781,807	904,696	1,791,409	922,551
Due to other funds	329,640	766,996	(329,640)	(766,996)	-	-
Total current liabilities	402,021	871,048	2,225,977	953,768	2,627,998	1,824,816
Noncurrent liabilities:						
Due within one year	24,937	22,197	84,592	80,259	109,529	102,456
Due in more than one year.	1,245,509	1,024,718	1,541,832	1,141,483	2,787,341	2,166,201
Total noncurrent liabilities	1,270,446	1,046,915	1,626,424	1,221,742	2,896,870	2,268,657
Total liabilities	1,672,467	1,917,963	3,852,401	2,175,510	5,524,868	4,093,473
DEFERRED INFLOWS OF RESOURCES						
Pension	140,839	159,729	168,708	189,266	309,547	348,995
Total deferred inflows	140,839	159,729	168,708	189,266	309,547	348,995
NET POSITION						
Net investment in capital assets	9,195,995	9,552,831	6,981,553	7,780,582	16,177,548	17,333,413
Unrestricted	(182,483)	(885,535)	4,713,279	3,933,020	4,530,796	3,047,485
Total net position	9,013,512	8,667,296	11,694,832	11,713,602	20,708,344	20,380,898

UNAUDITED

Municipal Services Commission
Combining Schedules of Revenues, Expenses, and Changes in Net Position by Department
For the three months ending June 30, 2025 and 2024

	Water		Electric		Total	
	2026	2025	2026	2025	2026	2025
Operating Revenues:						
Charges for services	\$ 753,958	\$ 689,038	\$ 2,484,428	\$ 2,422,920	\$ 3,238,386	\$ 3,111,958
Miscellaneous	4,500	7,410	42,276	2,624	46,776	10,034
Total operating revenues	758,458	696,448	2,526,704	2,425,544	3,285,162	3,121,992
Less: free service	(886)	(816)	(2,369)	(1,783)	(3,255)	(2,599)
Net operating revenues	757,572	695,632	2,524,335	2,423,761	3,281,907	3,119,393
Operating Expenses						
Purchase of water and power	6,042	4,434	1,771,057	1,817,490	1,777,099	1,821,924
Salaries and benefits	375,375	339,096	460,088	324,679	835,463	663,775
Repairs and maintenance	115,188	111,990	33,369	(21,183)	148,557	90,807
Professional fees	100,604	53,325	78,818	57,627	179,422	110,952
Supplies	14,802	15,178	13,714	18,049	28,516	33,227
Other purchased services	36,731	28,403	42,003	31,760	78,734	60,163
Miscellaneous	-	2,083	2,621	11,708	2,621	13,791
Depreciation	140,472	128,900	187,933	198,923	328,405	327,823
Total operating expenses	789,214	683,409	2,589,603	2,439,053	3,378,817	3,122,462
Operating income (loss)	(31,642)	12,223	(65,268)	(15,292)	(96,910)	(3,069)

(Continued)

UNAUDITED**Municipal Services Commission****Combining Schedules of Revenues, Expenses, and Changes in Net Position by Department
For the three months ending June 30, 2025 and 2024**

	Water		Electric		Total	
	2026	2025	2026	2025	2026	2025
Noncapital subsidies						
Intergovernmental	-	-	-	-	-	-
Appropriations to Mayor & Council of New Castle:						
Ordinary	(42,917)	(37,485)	(159,137)	(144,974)	(202,054)	(182,459)
City Services	(11,383)	(11,172)	-	-	(11,383)	(11,172)
Special	-	-	(2,384)	(1,010)	(2,384)	(1,010)
Total noncapital subsidies	(54,300)	(48,657)	(161,521)	(145,984)	(215,821)	(194,641)
Operating income(loss) and noncapital subsidies	(85,942)	(36,434)	(226,789)	(161,276)	(312,731)	(197,710)
Nonoperating revenues (expenses):						
Investment earnings	5,638	11,036	29,997	29,134	35,635	40,170
Gain(loss) on disposal of fixed assets	-	-	-	1,772	-	1,772
Grant revenue - restricted for capital assets	-	1,764,774	-	-	-	1,764,774
Capital contributions	-	-	-	-	-	-
Interest expense	-	-	(3,841)	-	(3,841)	-
Total nonoperating revenues (expenses)	5,638	1,775,810	26,156	30,906	31,794	1,806,716
Increase (decrease) in net position	(80,304)	1,739,376	(200,633)	(130,370)	(280,937)	1,609,006
Net position - beginning	9,093,816	6,927,920	11,895,465	11,843,972	20,989,281	18,771,892
Net position - ending	\$ 9,013,512	\$ 8,667,296	\$11,694,832	\$11,713,602	\$20,708,344	\$20,380,898

MUNICIPAL SERVICES COMMISSION

CITY OF NEW CASTLE, DELAWARE 19720-0208

P.O. BOX 208

<http://newcastlemsc.delaware.gov>

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

Water Department Commission Meeting Report

July 31, 2025

Prepared by: Jay Guyer on July 24, 2025

1. Developer Projects

A. Riverbend Subdivision

1. WUM Guyer has no update from Freedom Development (FD) and their engineer Civil Engineering Associates (CEA) on the RR Permit Amendment for the Electric crossing. FD reached out to WUM Guyer requesting the RR Permit for the water crossing be re-opened as they plan to complete it prior to starting Phase III. MSC Inspector Schlecht continues performing inspection and testing of the Phase I services along Arrowgrass Lane and North Heron Circle. WUM Guyer will forward Phase II water main installation information to the Office of Engineering (OOE) requesting an Approval to Operate. Freedom Development submitted the Escrow Funds for Phase II water main and service installation. The contractor completed installing the Phase II 12" and 8" water main and 1 ½" water services up to the curb stops. MSC Inspector Schlecht performed inspection and testing of the Phase II water main installation and service installation which was in conformance with MSC Water Technical Specifications. Lennar Builders continues constructing homes on lots 178, 179, 180, and 181 and has started construction on Lots 144, 145, 146, and 147.

B. Deemers Landing and Helm Apartment Complexes

1. WUM Guyer contacted the Maintenance Supervisor working on the project. The property owner's plumber has been delayed retrofitting plumbing work at Deemer's Landing preparing each unit for a meter due to other maintenance issues. The estimated completion for meter base installs has been pushed out till the 1st quarter of 2026.

C. The Battery Apartment Complex – 427 West 7th Street (152 Units)

1. WUM Guyer has nothing to update on this project.

D. Rail Road Improvements – Delaware Street and 8th Street

1. WUM Guyer will review with GM Blomquist and Comptroller Natale budgeting for the project, follow up with Brianna Kreese of DPH about the Bond Bill availability for 2026, and follow up with the State engineer on a revised work schedule.

E. Crozier Fine Arts Warehouse – 1400 Johnson Way, Centerpoint Park

1. WUM Guyer has nothing to update on this project.

F. 105 The Strand - New Home Construction

1. WUS Jaeger provided a proposal for MSC to install the new water service which was accepted by the Contractor. WUS Jaeger will schedule the service installation with the builder when home construction allows for site appropriate access.

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G. 434 West 7th Street – Water Service Installation

1. John DiMundi requested MSC provide an estimated cost to install a new ¾" water service from the main to a meter pit and install a yard hydrant for his property on West 7th Street. WUM Guyer provided the estimate which was approved and the Water Operators performed the installation on July 9th. The project is complete and will be reconciled.

2. MSC Projects

A. Cross Connection Control Program – Hydro Corp

1. Cross Connection Control (CCC) Program – WUS Jaeger and Operator Schlecht continue following up on certification notices that were mailed. Operator Schlecht continues working with the non-compliant customers to schedule testing and device replacement. 130 and 222 Delaware Street have scheduled their fire service device replacement with their contractors.

B. School Lane Water Treatment Facility PFAS Treatment System Improvements

1. Project bids were due on June 19th. Pennoni Associates Engineers (PA) and MSC representatives received the 2 Bids that were delivered to 216 Chestnut Street. The Bids were opened and read by PA. Bid 1 from KMP Mechanical was for the amount of \$682,923.00 and Bid 2 from Merit Construction Engineers was for the amount of \$720,000.00. Both Bids were reviewed by PA for conformance with submission requirements and PA Recommended awarding the project to KMP Mechanical. KMP Mechanical is addressing several questions MSC presented before making final award of the project including registering with SAM.gov.

C. Lead Service Line Inventory (LSLI) - EPA Revised Lead and Copper Rule -

1. WUS Jaeger and Water Operator Schlecht have continued reaching out to customers to schedule their galvanized service line replacements. Customers are provided the Replacement Agreement and Warranty Agreement for review and signature and then their services are scheduled. Galvanized service replaced at 56 W. 3rd street on June 26th. As of July 23rd, 1 service remains to be replaced and it is scheduled for mid to late August.

D. Shaw Alley – 2" Cast Iron Replacement

1. WUM Guyer and WUS Jaeger walked the project discussing the 2" Cast Iron main replacement. WUS Jaeger is planning the replacement of the 2" Cast Iron main on Shaw Alley that serves 4 customers. This cast iron main has had several breaks and has been repaired however replacement is needed. Materials have been ordered for the project which will be scheduled when they are received. Shaw Alley is included on the 2025 City Wide Street Repaving Program.

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Water Department Commission Meeting Report

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3. Operations

A. Outages

1. There was 1 planned and no unplanned water outages for the month of June 2025. Outage Report is attached.

B. Reporting

1. Calgon Carbon Corporation (CCC) Pilot Study – The Study is ongoing collecting and transmitting daily data to CCC. MSC collects bi-weekly PFAS samples for influent and the 4 columns delivering them to the STRIDE Lab for testing and evaluation.
2. Stride Group EPA Grant - STRIDE Representatives are working on acquiring alternative filter medias to use for testing their effectiveness of removing PFAS contamination. WUM Giuyer has no further updates on this project.
3. US EPA East Basin Road Groundwater Superfund Site – WUM Guyer has nothing to update on this project.
4. Cybersecurity & Infrastructure Security Agency (CISA) –WUM Guyer was contacted by the ODW in reference to completing a Cybersecurity evaluation of our IT and OT systems. WUM Guyer is reviewing the EPA Checklist and will follow up with the ODW representative on completing the evaluation.
5. ARC GIS Pro Water System Mapping and Water Model Planning Grant - MSC and Pennoni Associates (PA) have met several times to review progress on the mapping project. WUM Jaeger and FP Jones have worked with PA reviewing the GIS Condition & Criticality Tool Box update, draft Lead Service Line Inventory dashboard, Esri GIS On-Line Site and discussed modeling updates. PA has provided additional training on using the ESRI GIS Online package. WUS Jaeger worked with their mapping technician to complete incorporating our June fire hydrant flushing and inspection data into the mapping system. GEMS Water System Model. MSC and PA met on July 22nd to review the MSC data used for calibrating the GEMS Water System Model and reviewed the preliminary data generated by the software. MSC requested PA complete the first predictive modeling presentation using the proposed developments Flats at Riveredge, Battery Apartments, and Freedom Developments Apartment Complex on 7th Street. MSC and PA discussed next steps for finalizing the mapping project, closing it out, and budgeting for support going forward.
6. PFAS Litigation (Executive Session) – WUM Guyer reviewed the Tyco and BASF Special Needs Claim information, updated the information, and will work with our attorney to get it uploaded to the Environmental Health and Engineering (EHE) Portal

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before the August 21st deadline. WUM Guyer received notice from our attorney the first installment our 3M Phase One Action Fund Settlement is being prepared for disbursement. WUM Guyer reviewed with GM Blomquist and Comptroller Natale then reached out to our attorney to review the settlement amount and other questions. WUM Guyer completed the Payment Form and returned them to the Firm handling the disbursements.

7. Delaware State and Local Cybersecurity Grant Program (DSLCCG) - Keystone Engineering has a preliminary draft being reviewed by the project manager. A first draft will be delivered to MSC by August 1st. Keystone Engineering and Assurance Media have completed the VLAN's Segmentation of our IT and OT SCADA Systems. As part of the VLAN's Segmentation project, WUM Guyer is researching laptop computer options to purchase for Keystone Engineering to use when working with in our OT / SCADA System. WUM Guyer completed updating the 3rd Project Status Update Reports for DEMA.
8. Radiation and Granular Activated Carbon – MSC continues collecting background readings around the carbon vessels and at the carbon vessel sample taps at School Lane Water Treatment Facility.
9. Consumer Confidence Report (CCR) and Newsletter – The June 2025 Newsletter was updated including the Annual Consumer Confidence Report and was forwarded to the printer on June 3rd for printing and were mailed to our customers on June 23rd. before the June 30th deadline. WUM Guyer completed the Certifications of Delivery for the Office of Drinking Water and Public Advocate and emailed copies of the Certification including the CCR to each.
10. WUS Jaeger was contacted by Artesian Water Company on June 25th requesting to opening the interconnection to supply their operation with water. MSC Operators flushed the interconnection, and started supplying them with 500gpm. Operations were monitored by SCADA and an operator visiting the facility daily to ensure water quality. Water from June 25th to June 30th, 3,319,403 gallons of water was pumped / sold at \$3.531 per thousand gallons for a total bill of \$11,720.81.

C. System Repairs and Maintenance

1. Water Operator Projects / Tasks worked on during the Month:
 - a. Operators are cutting and maintaining the 300' radius wellhead protected grass areas around Cross Roads, Frenchtown Road, and School Lane Wells.
 - b. Operators performed routine maintenance at Gray Street Tank including power washing the lower exterior of the center column and legs.

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Water Department Commission Meeting Report

July 31, 2025

Prepared by: Jay Guyer on July 24, 2025

- c. Curb Box survey and maintenance continues including locating, confirming access / alignment, and replacing boxes if necessary.
 - d. All Long-Term Water Cuts were verified to be turned off.
 - e. Operator Granger has ordered material for the Office Vestibule replacement and started receiving them. When the windows are received demolition and construction will be scheduled.
 - f. Operators collected Monthly Bacteria Samples (10 per month) and Anion Samples as required by ODW for compliance. Water Quality Compliance Sampling was also collected for Disinfection By-Products, Synthetic Organic Compounds, VOCs, Annual Routine Chemicals, and Trace Metals. The State of Delaware has transferred responsibility for all sampling back to the water purveyors.
 - g. MSC's Triennial Lead and Copper Sampling was completed and submitted to the ODW on July 15th. Customer samples were collected from June 18th through the 25th and MSC received all results by July 8th. MSC generated letters illustrating the individual results and mailed to our customers on July 11th. Results of the 20 samples tested were below the Action Level of 0.015mg/L for lead and 1.3mg/L for Copper based upon the 90th percentile of Non-Detect for lead and 0.174 mg/L for copper.
 - h. Fire Hydrant Painting – Water Operators have begun painting fire hydrants around our water system that were identified as having a poor appearance during our June maintenance/flushing program. During our painting process, all hydrants are in service and fully functional. Notice was forwarded to Good-Will Fire Company about the hydrant painting.
2. Riverbend Subdivision - Flushed on July 2nd and 17th to maintain Chlorine residual.

D. Equipment

- 1. New Truck 14 – WUM Guyer has reached out to NuCar to confirm the Order was picked up in the system and is scheduled for building. When received, the truck will be shipped to Intercon and for the utility body installation and cab painting.
- 2. No other Equipment issues to report.

E. Personnel and Training

- 1. No personnel issues to report.

F. Safety

- 1. MSC Water Operators hold daily morning Tailgate Talks discussing jobs / tasks to be performed each day with potential hazards and control measures to be taken.

MUNICIPAL SERVICES COMMISSION

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Water Department Commission Meeting Report

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2. DFIT Safety Meetings – Meetings have ended for the Summer break and will resume in September 2025.

4. Local, State, and Federal Agencies

A. WSCC - Water Supply Coordinating Council

1. The next WSCC Full Council meeting will be scheduled for August.
2. The next New Castle County WSCC Subcommittee meeting is pending.
3. The WSCC Drought Advisory Subcommittee met on July 24th to review DGS Water Conditions reports, State Climatologist Weather predictions, and Water Purveyor System reports. Based upon the DGS Water Conditions Report, State Climatologist Report, National Drought Monitor, and several other factors, the Committee agreed to make the recommendation to the Governor to lift the Drought Watch Declaration the state has been in since October 2024. The Committee members will continue to monitor water conditions and if needed restart regular meetings.

B. WRA – Water Resource Agency

1. WUM Guyer continues sending weekly pumping demand data to the University of Delaware Water Resource Agency (WRA).

C. DEWARN – Delaware Water/Wastewater Agency Response Network

1. The next DEWARN meeting will tentatively be scheduled in September 2025.

D. Water Operator Advisory Council

1. The July 10th Advisory Council Meeting for Del Tech Exam review was cancelled due to scheduling conflicts and will be rescheduled.
2. The next Advisory Council meeting (Regular Meeting) is scheduled for August 7th

E. WIAC - Water Infrastructure Advisory Council

1. The next WIAC meeting is scheduled for September 17th.

End of Report

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Monthly Water Works Report

June 1 - 30, 2025

Prepared By: Jay Guyer on July 23, 2025

Water Production		FT 300	Raw		Adjusted Finished		Gallons	
Month	Year		Total Gallons	Year	Total Gallons		Raw	
June	2024		19,626,100		19,304,373			17,813,200
June	2025		17,813,200		17,629,440		Finished	17,629,440
	Difference		-1,812,900		#NAME?		Difference	-183,760
	Percentage Difference		-10.2		-9.5		Percentage Difference	1.0

NOTE: MSC 2025 Annual Hydrant Flushing was started on June 2nd and completed on June 12th.

Well(s) in Operation Days Pumped	Basin Road Reserve Status	Frenchtown Road XXX	School Lane XXX	Cross Roads XXX	Reserve OOS XXX	Not Used Out of Service Run and No. of Days
		6	10	25		
Note: MSC sold water to Artesian Water Company from June 25th through June 30th.						

Water Quality	MSC Average	Goal / Target Level	Range
Average Chlorine Residual	1.43 ppm	1.40 ppm	1.0 - 4.0 ppm
Average pH	7.0	7.5	6.5 - 8.5 on a 0 - 14 Scale
Average Fluoride Residual	0.91 ppm	0.80 ppm	0.60 - 1.00 ppm

General Water System Report

Routine Bacteria Sampling (Office of Drinking Water)

# Collected	10
Results	10 Absent
	0 Present

Miss Utility Locate Requests (Water and Electric Locates)

# Received	105
# Completed	105
# of Damages	0

Building Permit Review (Water Related Conflicts)

# Reviewed	36
# Approved	36
# Not Approved	0

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Monthly Water Outages / Interruptions Report

June 1 - 30, 2025

Prepared By: Jay Guyer on July 23, 2025

Planned Outage / Interruptions

Date	Approximate Duration Hours / Minutes
------	--

6/12/2025	11 hours
-----------	----------

No. of Customers	Location
---------------------	----------

4	Shaw Alley
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Comments
Broke 2" water main on Shaw Alley was reported at 9:10pm. Water main was turned off at 10:40pm and repaired on 6/13/25. Water was turned on at 9:40am. MSC will plan to replace the 2" main.

Unplanned Outage / Interruptions

Date	Approximate Duration Hours / Minutes
------	--

No Unplanned Outages or Interruptions for the Month of June 2025.

No. of Customers	Location
---------------------	----------

Comments

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ELECTRIC DEPARTMENT COMMISSION REPORT

July 31, 2025

Prepared by Artie Granger on July 18, 2025

1. Developer Projects:

A. Riverbend Subdivision:

- I. MSC has worked with Freedom Developments contractor to install the cable from Centerpoint to the switch in Riverbend. The first section we had scheduled an outage for a Saturday and we were able to complete this with out an outage. The next section we had around a 15-minute outage while cable was installed into the switch. We do anticipate another small outage after the cable is completed to allow for MSC to reconfigure the feed to Riverbend.
- II. Freedom Development has selected a contractor for the installation of the infrastructure for the next phase of this development.
- III. MSC has discussed the installation of the feed from the substation to the development. MSC has proposed assisting with the install of this portion of the project.
- IV. MSC has provided a rough estimate for the materials and equipment for the feed from the substation. This estimate is around \$300,000.00
- V. Freedom Development has sent a check for the purchase of the cable needed for the substation feed section. MSC has ordered the wire and expect it to be delivered shortly.
- VI. Gemcraft has continued to build houses and MSC has been energizing them as requested.
- VII. The Electric Department has been in touch regarding additional services as needed.

B. Instel

- I. There is nothing new to report on this project.

C. 105 The Strand

- I. MSC has met with an electrical contractor and discussed options with them. MSC will work with the contractor / owner to come up with a workable solution.
- II. MSC completed the estimate and gave it to the homeowner.
- III. MSC was contacted by the builder of 105 The Strand. The contractor has requested that a junction box be relocated. This box feeds 3 customers. MSC is working on a price to give the contractor. This would require an outage of the customers not expected to exceed 8 hours.

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ELECTRIC DEPARTMENT COMMISSION REPORT

July 31, 2025

Prepared by Artie Granger on July 18, 2025

2. Capital Projects:

a. Electric Mapping System

1. MSC is working with Assurance Media and Pennoni to get our existing mapping system up and running. Hopefully this will give us the ability to access existing data. Then we can figure out the next step.
2. MSC has gotten ArcGIS Pro installed and is working with Pennoni to get our mapping system available to view our data.
3. MSC is discussing reductions in Value Added Module integration costs if we use AMP for the mapping.

b. Electric SCADA System

- I. MSC received an email from DEMA stating that our funding request had been approved and now DEMA will be moving forward with their subgrant process. We are waiting to hear from DEMA on the next steps.
- II. MSC has received verbal approval that our funding request through DEMA has made it out of the committee and now it will need to go to FEMA.
- III. MSC will reach out to DEMA to figure out the next steps.

c. Substation Relay Replacement

- I. There is nothing new to report.
- II. MSC has completed the temporary SCADA solution and now we have monitoring from both substations. The only data at this time we don't get from Dobbinsville is the circuit load data. All other major devices will now send out alerts.

3. Operations:

1. MSC has been working on tree trimming throughout the city.
2. MSC has started to replace worn cross arms throughout the city.
3. MSC has been working on repairing some of our capacitor banks that work to correct our power factor. MSC has replaced multiple parts and will be ordering more to make sure all are working.

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ELECTRIC DEPARTMENT COMMISSION REPORT

July 31, 2025

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4. Outages :

MSC had one outage in the last month. One of the meters for the Buttonwood pump station was off for about. This meter was out for about 8 ½ hours due to the county not being aware that it was off. The county thinks that their site was struck by lightning and damaged their equipment. MSC has 2 feeds to this site for redundancy and the second feed did not go off.

SAIDI (minutes)	SAIFI (number of interruptions)	CAIDI (minutes)	ASAI (percent)
39.278	0.271	144.816	99.9925

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.

5. Repairs and Maintenance:

A. Wilmington Road Substation:

- I. MSC has gotten the results of the oil samples back. We discussed this with Utility Engineers and their recommendation is that we replace the oil in the tap changer when we do the substation upgrade project.
- II. 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. MSC electric crew has been doing tree trimming and system maintenance. The tree trimming should be finished shortly and the system maintenance will continue though out the remainder of the year.