

Municipal Services Commission Monthly Meeting
August 28, 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
Scott L. Blomquist, Secretary

Absent: Mayor Valarie W. Leary, Commissioner
Jay Guyer, Manager, Water Utility

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

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

Minutes

July 31, 2025 – **A motion to approve the minutes of the July 31, 2025, regular meeting as presented was made by Commissioner Wik, seconded by Commissioner Atherton, and was unanimously passed.**

Comptroller/Treasurer Report – Mr. Natale reporting

(See attached report)

Mr. Natale reported as of July 31, 2025:

- Cash on Hand as of July 31, 2025: \$5.8M including \$1.7M in restricted funds.
- Investment portfolio as of July 31, 2025: \$1.3M, which is a net loss of \$2,500 (0.2%) from prior month
- 110 days unrestricted cash on hand as of July 31, 2025. This is an increase of 10 days from prior month. The Water Fund has a positive cash balance of 2 days. The Electric Utility had 151 days cash on hand.
- The Prudential Financial Shares were sold on July 30, 2025, and were reinvested in the Vanguard Fund on August 13, 2025, as discussed with the Advisors during the July Board meeting.
- Check Register:
 - Ken Natale for \$2,151 – Reimbursement for the June GFOA Conference travel expenses.
- There were 27 service cuts for non-payment in July. One (1) customer received assistance from the New Castle Cares Fund and four (4) customers received an average of \$267 from other agencies.

Electric Department

- User Charges are \$55,000 over budget FYTD.
- kWh sales were 2.4% lower than the 5-year average and 5.17% lower than prior year to date.
- Operating Expenses had an unfavorable variance of \$114,000 on the budgetary basis mostly related to power purchase timing differences.
- Positive variances in salaries and benefits are the result of health insurance premiums increasing less than the anticipated 30%.

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- The \$20,000 mega variance in miscellaneous is due to the change in how bad debt is being calculated.

Water Department

- User Charges have a favorable variance of \$42,000 for the fiscal year.
- Consumption was down approximately 2% from the same period last year. When pulling Artesian sales out, MSC is consistent with the 5-year average. 3.3M gallons were sold to Artesian in July for approximately \$12,000 in additional revenue. Sales to Artesian represent approximately \$20,000 of the \$42,000 favorable variance. In response to questions from Commissioner Wik, Mr. Natale explained that MSC has an interconnection agreement with Artesian whereby they pay MSC the lowest cost of their suppliers, adding that incremental costs are not included and they only pay for the water they are using.

A discussion ensued during which Commissioner Wik opined that developers should reach out to MSC at the beginning of the planning process. Mr. Blomquist stated that he and Messrs. Natale, Guyer, and Granger will be meeting with Ms. Tantillo and Messrs. Bergstrom and Rogers next week to discuss the City's planning process and how it can be improved so that MSC is contacted earlier in the process. In response to a comment from Commissioner Atherton, Mr. Blomquist noted that upgrading the mapping system on the City website will be addressed during the meeting.

Commissioner Wik opined that MSC should be closely involved with organizing the steps that need to be taken by new customers or if a change in the needs of a particular facility is requested.

- MSC accrued \$732,000 for the first installment of the PFAS settlement in August.
- Operating expenses have a favorable variance of \$4,000 on the budgetary basis.

In response to a question from Commissioner Atherton, Mr. Natale explained that the power purchase bill is the big cause of "timing issues". It was determined that if the billing period is shifted a Tariff Amendment would be required, and it would severely complicate the month-end close process.

Budget Amendment

Mr. Natale explained the Budget Amendment, noting that DelDOT cancelled the Delaware Street Railroad Crossing project and the intent is to reallocate those funds (\$410,000) to other projects that can be completed this year, including:

- Repave the parking lot at MSC headquarters (\$50,000).
- Replace the HVAC systems in MSC headquarters.
- Upgrades to MSC Financial and Billing systems, including moving data to the cloud.
- Upgrades to the Inventory and Work Order Module.
- Document Management System, which would allow credit card payments to be taken in the office.
- Upgrade the Accounts Payable system.
- Meeting Management system.
- Purchase a 3/4 ton pickup for the Electric Department.

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- Funds for Capital to loop 13th and 14th Streets to resolve water quality issues (\$185,000). A discussion of the loop project ensued.

A motion to approve Budget Amendment 2 was made by Commissioner Wik. The motion was seconded by Commissioner Atherton and was passed unanimously.

Electric Department Report – Mr. Granger reporting
(See attached report)

Developer Projects:

- Riverbend Subdivision – Freedom Development's contractor is installing MSC's infrastructure in the next Phase. This work will involve an outage in Riverbend.
- 105 The Strand – MSC relocated a junction box for the customer without the need for an outage.
- 109 The Strand – MSC relocated a transformer and an outage was required.

Capital Projects

- Electric Mapping System – The existing mapping system is back up and running. Mr. Granger will discuss conversion of the existing data with Pennoni.
- Temporary SCADA System – MSC is working through the sub-grant process for the grant.
- T-12 Bucket Truck Replacement – Mr. Granger expects delivery of the truck in the next few weeks.

Outages:

- There were multiple outages in July. Mr. Granger explained that many of the outages were the result of the infrared testing and correcting problems.
 - William Penn – 7 customers out for 1/2 hour to repair connection found via infrared testing.
 - Gray Street – 12 customers out for ½ hour to repair connection found via infrared testing.
 - 51 Steel Drive – 1 customer out for about 10 min. to repair connection found via infrared testing
 - 600 Clark Street – 24 customers were out for about 3-1/2 hours due to a transformer being damaged. MSC replaced the damaged transformer. The transformer was repaired and the mineral oil spill of approximately 30 gallons was cleaned up. The police are investigating the incident.
 - Brylgon Ave – 27 customers were out due to a branch on the line. MSC removed branch and made repairs.
 - TA Instruments – MSC de-energized the transformer so they could do system maintenance on their equipment.

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

Developer Projects:

- Riverbend Subdivision – They are trying to get the water main crossing under the railroad crossing planned and started. They are working on Lots 178, 179, 180, 181, 144, 145, 146, and 147.
- Deemers Landing and Helm Apartment Complexes – There has been no movement on this project.
- 59 West 8th Street – Water Service Installation – Mr. Jaeger provided the property owner with a proposal for MSC to install a new 3/4" water service for the garage.

MSC Projects:

- Cross Connection Control Program – Hydro Corp. – They are following up on certified notices that were mailed. 130 Delaware Street was done and 222 Delaware Street is being scheduled. Two devices in Centerpoint will be replaced.
- School Lane Water Treatment Facility PFAS Treatment System Improvements – KMP received their SAM registration and is working through getting one of their subcontractors reactivated.
- Lead Service Line Inventory (LSLI) – EPA Revised Lead and Copper Rule – The last galvanized service at 18 Arbutus is scheduled September 4th. MSC does not have any lead services.
- Shaw Alley – 2" Cast Iron Replacement – The 2" cast iron main was completed on August 18th and the old main will be disconnected.

Operations:

- Outages – There was no planned or unplanned outages in July.
- Calgon Carbon Corporation (CCC) Pilot Study – The pilot study is ongoing.
- Stride Group EPA Grant – Stride representatives are working on acquiring alternative filter medias.
- Cybersecurity & Infrastructure Security Agency (CISA) – The Office of Drinking Water (ODW) is completing a Cybersecurity evaluation on MSC's IT and OT systems. Mr. Guyer will complete the EPA Checklist and will follow up with the ODW.
- ARC GIS Pro Water System Mapping and Water Model Planning Grant – MSC is working with Pennoni to develop the modeling for planned projects in town. During discussion Messrs. Blomquist and Granger explained predictive modeling and the GIS system. Commissioners Atherton and Wik requested a meeting with Pennoni to review their mapping, and Mr. Blomquist will arrange a visit. A further discussion of the current mapping system ensued during which items to discuss in MSC's meeting with the City were identified.
- PFAS Litigation – Mr. Guyer continues to provide requested information.
- Radiation and Granular Activated Carbon – MSC continues to collect monthly background readings on the carbon vessels for radiation.

System Repairs and Maintenance:

- Water Operator Projects/ Tasks worked on during the Month:

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- a) Operators are cutting and maintaining the 300' radius wellhead protected grass areas around Cross Roads, Frenchtown Road, and School Lane Wells.
- b) Southern Corrosion performed our annual Million Gallon Tank (MGT) and Gray Street Tank (GST) inspection on August 6th. Our Water Operator who assisted their Technician reviewed the recent maintenance MSC performed at the tanks including power washing the lower exterior of the center column and legs at GST. SC will provide touch up paint for several small areas on the tank and will complete and forward a formal report of their observations for MSC review.
- 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 received them. Existing vestibule demolition / construction schedule are being planned.
- 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. Results are still pending. The State of Delaware has transferred responsibility all water system sampling back to the water purveyors. It was noted that Mr. Guyer responded and sampling is being done.
- g) 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.
- h) Compliance Environmental completed their Infra-red scan of all electrical components at MSC water sites on July 23rd. Three (3) heat related issues were observed in electrical cabinets and have been corrected.
- i) Water Operators completed two (2) water main repairs on the 12" main on 10th Street intersecting School Street. The lead joints at both locations started leaking and were repaired using Bell Joint Repair Clamps. This 12" Main has a history of lead joint leaks that have been repaired dating back to the 1970's. City contractor Cirillo Brothers agreed to pave these two (2) locations with the City Paving project.
- j) Water Operators completed two (2) water main repairs on the 12" main on Gray Street near the intersection of 11th Street. The lead joints at both locations started leaking and were repaired using Bell Joint Repair Clamps. This 12" Main has a history of lead joint leaks that have been repaired dating back to the 1970's. WUM Guyer will get a cost from Cirillo to complete the paving in this area.

Secretary's Report – Mr. Blomquist reporting

- The August DEMEC meeting was cancelled. A special meeting was scheduled for August 28th at 11:00 a.m. regarding the feasibility study for generation. A discussion of potential locations for generation ensued. DEMEC is looking at three (3) possible locations including a location on Rt. 9. It was noted that if the Data Center is built on Rt. 9 and they build their own power plant

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they would not sell energy back to the grid. It was further noted that as a full-time member of DEMEC MSC would have an ownership position in the new generation.

- DEMEC will visit MSC on September 30th. The visit will include a tour of Zenith. Commissioners Wik and Atherton will attend.

Bid Award

Mr. Blomquist stated that the bid award is contingent on KMP's contractor registering in SAM. Mr. Natale reported that two bids were received and reviewed by Pennoni and it was recommended that the bid be awarded to KMP:

- KMP Mechanical - \$682,923.00
- Merit Construction - \$720,000.00

Mr. Natale stated that to move forward the Board needs to approve the bid award.

A motion was made by Commissioner Wik to approve the bid award recommendation to KMP Mechanical for project W-24-201 in the amount of \$682,923, contingent upon KMP's listed subcontractors having an active registration in SAM.gov database without any listed suspension or debarments; or, KMP substituting another subcontractor that is registered with SAM.gov and is acceptable to MSC's Water Department. The motion was seconded by Commissioner Atherton and was unanimously passed.

Next Regular Meeting:

- The Commissioners set the September Board meeting to be Thursday, September 25, 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 Commissioner Wik and seconded by Commissioner Atherton. The motion was unanimously passed and the meeting adjourned at 10:12 a.m.

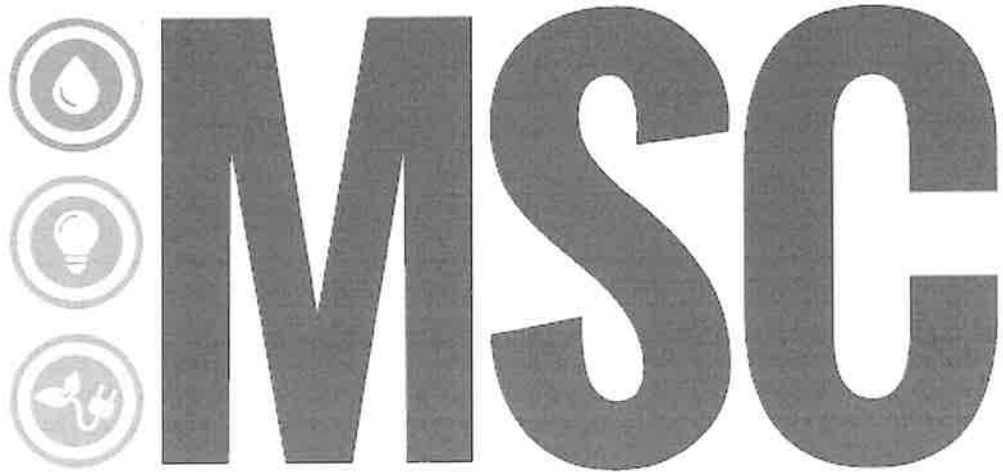


Kathleen R. Weirich
Stenographer

Approved: _____



Comptroller/Treasurer's Report



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

August 28, 2025 Commission Meeting
Prepared By: Ken Natale, CPFO on August 18, 2025

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Cash & Investments

As of July 31, 2025 the cash balances were:

M&T Bank Checking:	\$ 570,493
M&T Investment Sweep:	3,554,762
M&T Bank Restricted	1,709,641
Petty Cash/Change Fund:	896
Total Cash on Hand:	\$ 5,835,792



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

Beginning Balance	\$ 2,952,225
Cash from customers	1,728,663
Interest Income	10,223
Bond Proceeds	45,750
Cash from Developers (Riverbend)	507,383
Refunds to customers - deposits	(28,644)
Payments to suppliers for goods & services*	(973,620)
Bank service fees	(549)
Payments to employees for services	(115,280)
Net Cash Provided (Used)	1,173,926
Ending Cash Balance	\$ 4,126,151

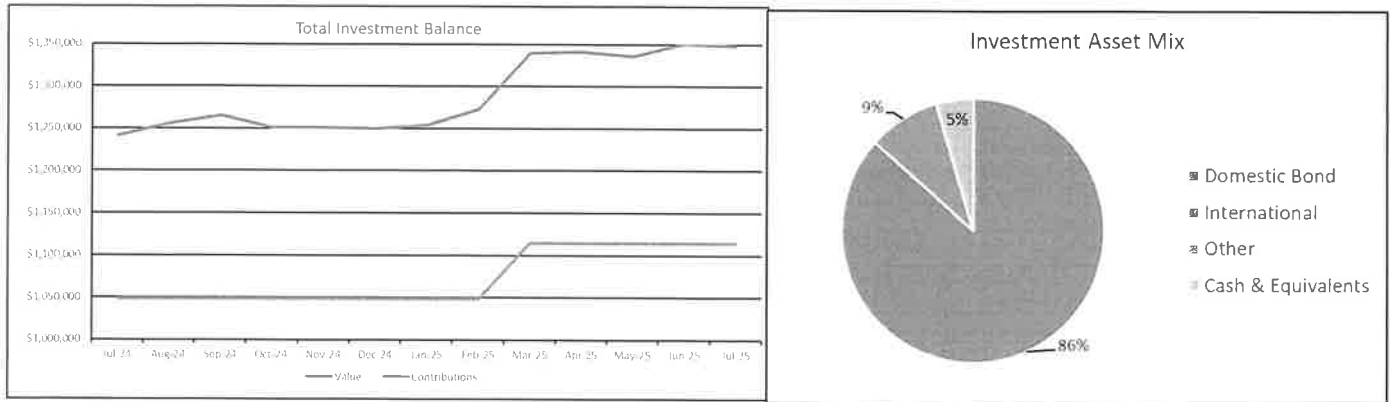
*A detailed check register for the month is available on page 3 of this report.

As of July 31, 2025 the value of the Commission's investment portfolio totaled \$1,348,053 which is a net loss of \$2,541 (0.2%) 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 4.24% interest and has a stable net asset value of \$1.00.

Overall, there were 110 days unrestricted cash on hand at July 31 (+10 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). The water fund as of July 31 had a positive cash balance (2 days cash on hand) while the electric utility had 151 days cash on hand.

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The “domestic bond” category in the *Investment Asset Mix* chart above, includes US Government instruments and corporate bonds of US based organizations. The “international” category includes debt instruments of foreign governments as well as corporate bonds issued by foreign corporations. The “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 *		\$ 61,660	0.70%
Mutual Funds			
PGIM Total Return Bond CL A	PDBAX	229,863	4.40%
Fidelity Advisor Total Bond CL	FEPIX	360,722	4.41%
T Rowe Price Global Multi Sector Bond I	PGMSX	119,409	5.07%
Vanguard Intermediate Term Treasury	VFIUX	88,670	4.03%
Exchange Traded Funds			
iShares Trust 1-3 Year Treasury Bond EFT	SHY	487,729	3.96%
Total		\$ 1,348,053	4.10%

* On July 30, the Commission’s shares of Prudential Financial, Inc were sold. On August 13th those funds were invested in the Vanguard Intermediate Term Treasury Fund as previously discussed with the financial advisors.

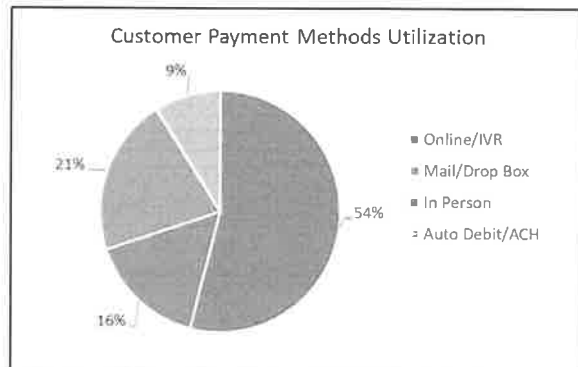
JULY 2025 CHECK REGISTER

Number	Date	Vendor Name	Amount
202038	07/09/2025	Anixter	\$ 3,127.33
202039	07/09/2025	COLONIAL LIFE	781.34
202040	07/09/2025	Delmarva Power	164.29
202041	07/09/2025	FALCON TECHNICAL SERVICE INC	1,000.00
202042	07/09/2025	Ferguson Enterprises Inc	3,366.00
202043	07/09/2025	Keen Compressed Gas Co	174.20
202044	07/09/2025	Kendrick Natale II	2,151.48
202045	07/09/2025	Keystone Engineering Group Inc	2,294.25
202046	07/09/2025	Petty Cash	144.74
202047	07/09/2025	SFS Tools and Safety LLC	292.00
202048	07/09/2025	Transformer Associates Limited	902.00
202049	07/09/2025	Tyler Technologies Inc.	10,433.50
202050	07/09/2025	Utility Engineers PC	4,968.40
DFT0002618	07/01/2025	Department of Human Resources Financial Services	49,256.08
DFT0002630	07/04/2025	T. ROWE PRICE RETIREMENT PLAN SERVICE INC	6,398.48
DFT0002633	07/04/2025	United States Treasury	21,942.06
DFT0002635	07/04/2025	M&T ONE CARD	36,473.08
DFT0002636	07/08/2025	Nationwide Life Ins. Co. of America	23,703.60
DFT0002637	07/16/2025	BRINKS CAPITAL	838.13
DFT0002638	07/02/2025	OpenEdge	1,826.40
DFT0002639	07/10/2025	T. ROWE PRICE RETIREMENT PLAN SERVICE INC	2,986.57
DFT0002642	07/18/2025	T. ROWE PRICE RETIREMENT PLAN SERVICE INC	6,330.14
DFT0002644	07/18/2025	Delaware Div. of Revenue	4,395.86
DFT0002645	07/18/2025	United States Treasury	21,932.61
DFT0002646	07/17/2025	COMPTROLLER OF MARYLAND	1,260.61
DFT0002647	07/18/2025	M&T ONE CARD	23,625.92
DFT0002652	07/18/2025	DEMEC Inc	709,123.78
DFT0002653	07/29/2025	Delaware Div. of Revenue	23,727.00
DFT0002654	07/28/2025	Pitney Bowes Purchase Power	10,000.00
TOTAL PAYMENTS			\$ 973,619.85

Customer Service/Billing

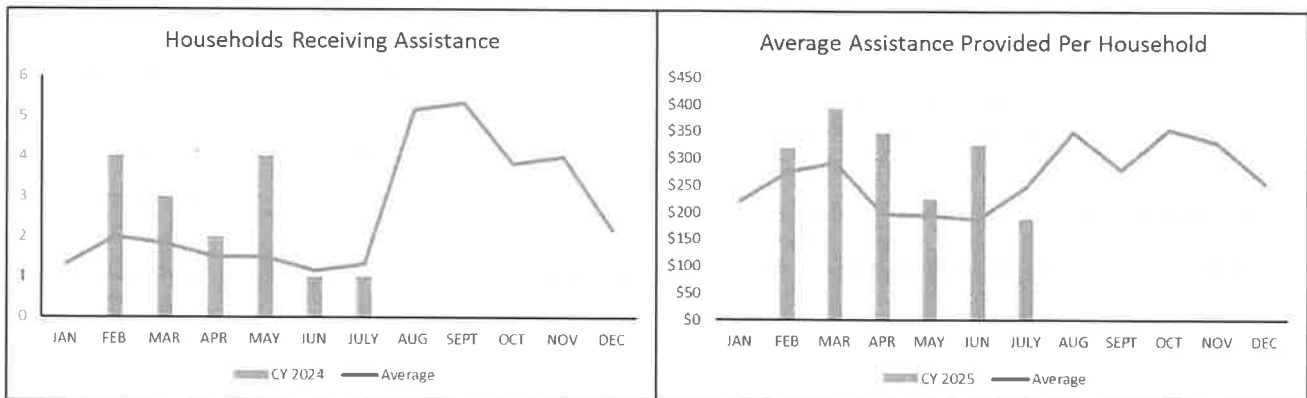
Since the previous meeting, the Customer Service Department processed:

Bills sent	3,273
Delinquent & past due notices	407
Automated phone notifications	294
Payment arrangements	10
Contracts	0
Service cuts for non-payment	27
Accounts sent to collections	0
Electric bad debt write-offs	\$177.28
Applications for service	21



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 July, the fund assisted one customer with \$188. The maximum allowed by the program is \$400. The current balance in the fund is \$3,042.

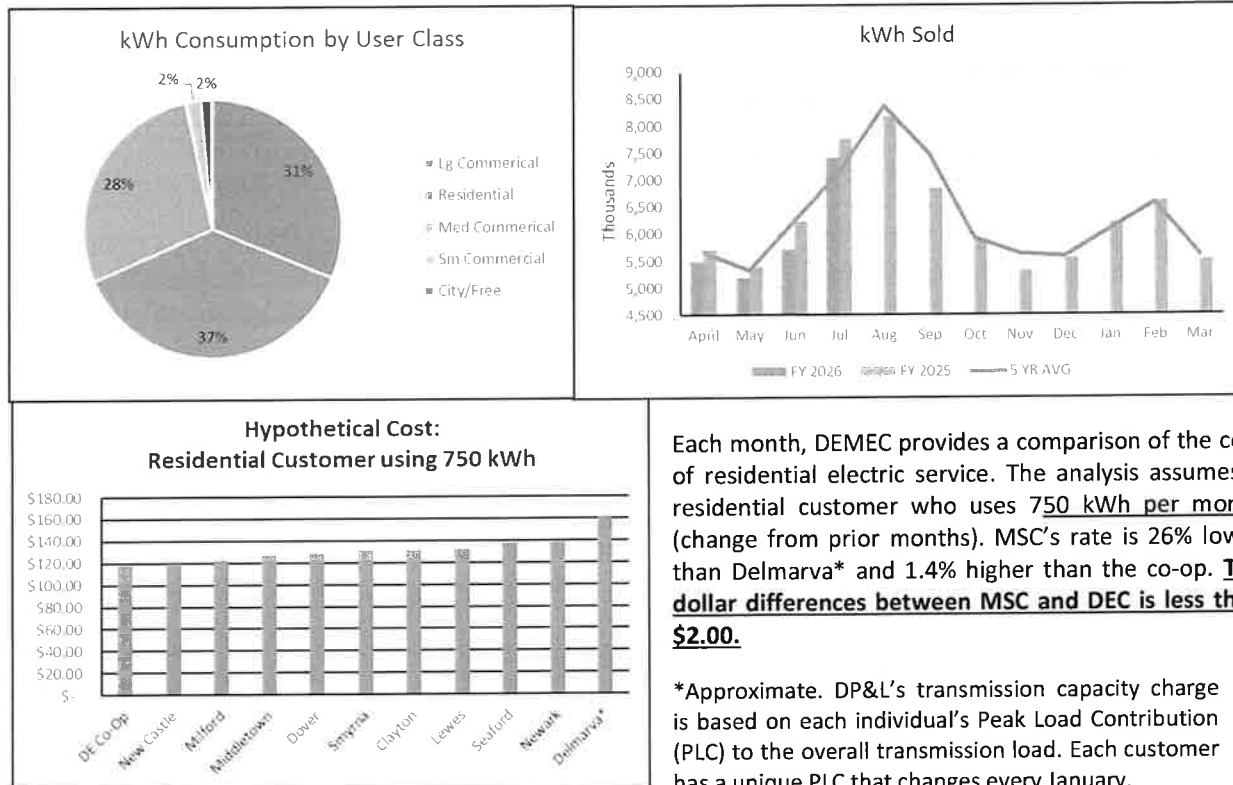


In addition to assistance provided through the New Castle Cares fund, four customers received an average of \$267 from other agencies or nonprofits that provide assistance for utility bills.

UNAUDITED

Electric Revenues

User charges are \$55,000 above budget fiscal year to date. July kWh sales were 4.3% lower compared to the same period last year. Consumption for the fiscal year to date was approximately 2.48% lower than the 5-year average year to date, and 5.17% lower than the prior year to date. This budgetary variance is primarily related to hotter than normal temperatures at the end of June and beginning of July, and the electric rate increases that went into effect this fiscal year. This variance disappears after accounting for the August billing which saw a 5% decrease in consumption compared to the prior year. The late June heatwave just shifted consumption as August temperature were milder than the prior year.



Electric Expenses

Electric operating expenses have an unfavorable variance (\$114,000) on the budgetary basis. Variances related to power purchase are due to timing differences related to how DEMEC bills for power supply. The positive variances in salaries and benefits is related health insurance premiums not increasing as much as anticipated in July, changes in employee enrollments, and timing of salary accruals. The \$20,000 negative variance in miscellaneous expense is related to changes in how the allowance for bad debts is calculated. 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 \$220,000 which is \$325,000 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 \$2,000 as a result of non-cash transactions (depreciation expense \$250,000, and capital outlays and principal debt payments moving to the balance sheet).

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Municipal Services Commission
Budget to Actual Comparison (non GAAP) – Electric
As of July 31, 2025

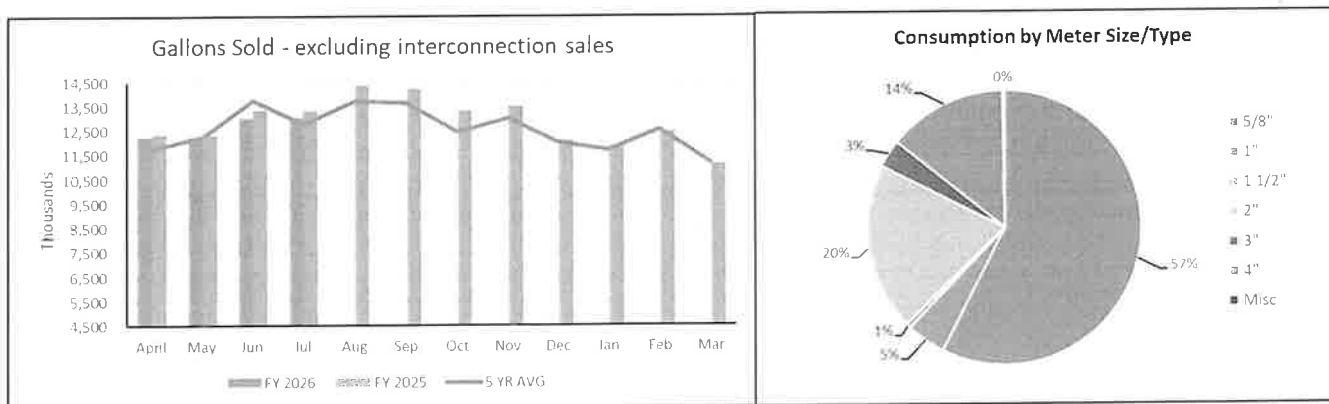
UNAUDITED

	YTD Budget	YTD Activity	Variance	Total Budget
Operating Revenues				
User Charges	3,585,266	3,640,762	55,496	11,092,768
City & MSC Services	13,814	13,753	(61)	41,200
Miscellaneous Income	58,803	224,770	165,967	539,596
<i>Total Operating Revenues</i>	<u>3,657,883</u>	<u>3,879,285</u>	<u>221,402</u>	<u>11,673,564</u>
Less: Free Service	2,220	2,998	(778)	8,000
<i>Net Operating Revenues</i>	<u>3,655,663</u>	<u>3,876,287</u>	<u>220,624</u>	<u>11,665,564</u>
Operating Expenses				
<i>Operations Dept</i>				
Purchase of electric for resale	2,499,059	2,611,646	(112,587)	7,644,720
Salaries and benefits	440,610	401,643	38,967	1,338,634
Professional fees	10,407	10,210	197	63,404
Repairs and maintenance	33,295	43,531	(10,236)	262,812
Other purchased services	25,866	24,010	1,856	46,660
Supplies and materials	13,110	12,971	139	48,262
<i>Total operations</i>	<u>3,022,347</u>	<u>3,104,011</u>	<u>(81,664)</u>	<u>9,404,492</u>
<i>General & administrative</i>				
Salaries and benefits	203,880	185,045	18,835	636,880
Professional fees	50,314	90,605	(40,291)	201,944
Repairs and maintenance	8,349	8,197	152	22,481
Other purchased services	19,390	22,770	(3,380)	47,170
Supplies and materials	4,510	3,471	1,039	14,410
Miscellaneous	5,000	24,539	(19,539)	10,000
Debt Service	41,007	30,001	11,006	123,069
<i>Total general & administrative</i>	<u>332,450</u>	<u>364,628</u>	<u>(32,178)</u>	<u>1,055,954</u>
<i>Total operating expenses</i>	<u>3,354,797</u>	<u>3,468,639</u>	<u>(113,842)</u>	<u>10,460,446</u>
Operating Income	<u>300,866</u>	<u>407,648</u>	<u>106,782</u>	<u>1,205,118</u>
Nonoperating revenue(expense)				
Investment income	31,008	39,666	8,658	104,500
Investment expense	(1,943)	(1,424)	519	(4,000)
Unrealized gain(loss) on investment:	-	(1,157)	(1,157)	-
Grant income	26,656	-	(26,656)	80,000
Other Expense	-	(150)	(150)	-
Capital outlays	(251,791)	(9,695)	242,096	(755,618)
Appropriations				
Mayor and Council	(209,916)	(212,183)	(2,267)	(630,000)
Special	-	(2,384)	(2,384)	-
<i>Total nonoperating revenue(expense)</i>	<u>(405,986)</u>	<u>(187,928)</u>	<u>218,058</u>	<u>(1,205,118)</u>
Change in Net Position	(105,120)	219,720	324,840	-

UNAUDITED**Water Revenues**

User charges have a favorable variance of \$42,000 for the fiscal year. Consumption for the month of July was down 1.96% compared with the same period last year. Fiscal year to date, excluding sales to Artesian, sales are consistent with the five-year average and down 1.51% prior year's fiscal year to date. During July, MSC sold 3.3 million gallons to Artesian Water for \$11,700 in revenue. Fiscal year to date, sales to Artesian account for \$20,000 of the \$42,000 favorable variance in user charges. In July, MSC accrued \$732,000 in miscellaneous revenue related to the first installment of a PFAS settlement, these funds were received in the beginning of August.

Finance staff is working with the independent auditors to determine if these revenues should continue to be reported as miscellaneous operating revenues or if they can be reported elsewhere on the statement of Revenues Expenses and Changes in Net Position. Additionally, staff is working with the auditors to determine if there is a reasonable estimate of the full settlement that should be booked as current year revenue. As a result, this presentation, and amount may change as more information becomes available.

**Water Expenses**

Water operating expenses have a favorable year to date variance (\$4,000) on the budgetary basis. The positive variances in salaries and benefits is related health insurance premiums not increasing as much as anticipated in July, changes in employee enrollments, and timing of salary accruals. The \$9,000 variance is related to estimated bad debt expense for tenant accounts in collections which are unlikely to be recovered. 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 \$843,000 which is \$872,000 better than anticipated. This is a combination of capital outlays not occurring as quickly as anticipated and the accrual of \$730,002 in miscellaneous revenues from

When converting from the budgetary basis of accounting to Generally Accepted Accounting Principles, there is an increase in net position of \$702,000 as a result of non-cash transactions.

Municipal Services Commission
Budget to Actual Comparison (non GAAP) – Water
As of July 31, 2025

	YTD Budget	YTD Activity	Variance	Total Budget
Operating Revenues				
User Charges	997,386	1,014,298	16,912	3,040,436
City & MSC Services	(12,775)	12,305	25,080	(40,223)
Miscellaneous Income	454,847	738,988	284,141	1,375,032
<i>Total Operating Revenues</i>	<u>1,439,458</u>	<u>1,765,591</u>	<u>326,133</u>	<u>4,375,245</u>
Less: Free Service	1,353	1,222	131	4,000
<i>Net Operating Revenues</i>	<u>1,438,105</u>	<u>1,764,369</u>	<u>326,264</u>	<u>4,371,245</u>
Operating Expenses				
<i>Operations Dept</i>				
Purchase of water for resale	8,000	8,841	(841)	24,000
Salaries and benefits	417,167	379,805	37,362	1,242,438
Professional fees	17,153	4,139	13,014	57,540
Repairs and maintenance	79,606	123,270	(43,664)	229,381
Other purchased services	28,411	21,980	6,431	51,350
Supplies and materials	13,347	23,482	(10,135)	49,782
<i>Total operations</i>	<u>563,684</u>	<u>561,517</u>	<u>2,167</u>	<u>1,654,491</u>
<i>General & administrative</i>				
Salaries and benefits	119,320	111,187	8,133	371,652
Professional fees	67,998	65,021	2,977	171,407
Repairs and maintenance	7,106	6,707	399	18,911
Other purchased services	16,838	19,251	(2,413)	41,230
Supplies and materials	4,500	2,650	1,850	13,375
Miscellaneous	-	9,339	(9,339)	-
Debt Service	-	-	-	36,000
<i>Total general & administrative</i>	<u>215,762</u>	<u>214,155</u>	<u>1,607</u>	<u>652,575</u>
<i>Total operating expenses</i>	<u>779,446</u>	<u>775,672</u>	<u>3,774</u>	<u>2,307,066</u>
Operating Income	<u>658,659</u>	<u>988,697</u>	<u>330,038</u>	<u>2,064,179</u>
Nonoperating revenue(expense)				
Investment income	5,190	7,344	2,154	17,500
Investment expense	(243)	(251)	(8)	(500)
Unrealized gain(loss) on investment:	-	(204)	(204)	-
Grant expense	-	(43,247)	(43,247)	-
Other Expense	-	(1,891)	(1,891)	-
Capital Outlays	(619,979)	(35,258)	584,721	(1,860,179)
Appropriations				
Mayor and Council	(58,643)	(57,223)	1,420	(176,000)
City Services	(14,652)	(15,277)	(625)	(45,000)
<i>Total nonoperating revenue(expense)</i>	<u>(688,327)</u>	<u>(146,007)</u>	<u>542,320</u>	<u>(2,064,179)</u>
Change in Net Position	(29,668)	842,690	872,358	-

UNAUDITED

**Municipal Services Commission
Statement of Net Position
As of July 31, 2025 and 2024**

	<u>2026</u>	<u>2025</u>
ASSETS:		
Current assets:		
Cash and equivalents	\$ 4,126,151	\$ 2,613,838
Investments	1,348,053	1,241,089
Accounts receivable, net	1,913,033	835,740
Inventories	1,169,435	1,040,116
Prepays	40,029	79,535
Restricted cash	<u>1,709,641</u>	<u>820,292</u>
Total current assets	10,306,342	6,630,610
Noncurrent assets:		
Capital assets not being depreciated:		
Land	43,796	43,796
Construction in progress	175,392	380,373
Capital assets net of accumulated depreciation:		
Buildings	633,454	665,915
Equipment	742,614	673,525
Infrastructure	<u>15,954,966</u>	<u>16,466,589</u>
Total noncurrent assets	<u>17,550,222</u>	<u>18,230,198</u>
Total assets	<u>27,856,564</u>	<u>24,860,808</u>
 DEFERRED OUTFLOWS OF RESOURCES		
Pension	<u>501,638</u>	<u>327,027</u>
Total deferred outflows	<u>501,638</u>	<u>327,027</u>
 LIABILITIES		
Current liabilities:		
Accounts payable	1,165,912	1,170,460
Accrued liabilities	56,947	57,867
Customer Deposits	<u>2,271,473</u>	<u>838,147</u>
Total current liabilities	3,494,332	2,066,474
Noncurrent liabilities:		
Due within one year	109,529	102,456
Due in more than one year	<u>2,754,984</u>	<u>2,159,215</u>
Total noncurrent liabilities	<u>2,864,513</u>	<u>2,261,671</u>
Total liabilities	<u>6,358,845</u>	<u>4,328,145</u>
 DEFERRED INFLOWS OF RESOURCES		
Pension	<u>309,547</u>	<u>348,995</u>
Total deferred inflows	<u>309,547</u>	<u>348,995</u>
 NET POSITION		
Net investment in capital assets	16,566,112	17,365,712
Unrestricted	<u>5,123,698</u>	<u>3,144,983</u>
Total net position	<u>\$ 21,689,810</u>	<u>\$ 20,510,695</u>

UNAUDITED

Municipal Services Commission
Statement of Revenues, Expenses, and Changes in Net Position
As of July 31, 2025 and 2024

	2026	2025
Operating Revenues:		
Water sales	\$ 1,026,603	\$ 972,922
Power sales	3,654,515	3,542,671
Miscellaneous	961,717	18,264
Total operating revenues	5,642,835	4,533,857
Less: free service	(4,220)	(3,384)
Net operating revenues	5,638,615	4,530,473
Operating Expenses		
Purchase of water and power	2,620,487	2,648,534
Salaries and benefits	1,072,960	901,115
Repairs and maintenance	180,555	80,793
Professional fees	213,222	177,360
Supplies	42,574	37,011
Other purchased services	88,011	69,568
Miscellaneous	33,878	5,792
Depreciation	437,584	436,474
Total operating expenses	4,689,271	4,356,647
Operating income (loss)	949,344	173,826
Noncapital subsidies		
Intergovernmental	-	-
Appropriations to Mayor & Council of New Castle:		
Ordinary	(269,406)	(243,279)
City Services	(15,277)	(15,172)
Special	(2,384)	(1,010)
Total noncapital subsidies	(287,067)	(259,461)
Operating income(loss) and noncapital subsidies	662,277	(85,635)
Nonoperating revenues (expenses):		
Investment earnings	43,373	63,615
Gain(loss) on disposal of fixed assets	-	1,772
Grant revenue - restricted for capital assets	-	1,764,774
Capital contributions	-	-
Interest expense	(5,121)	(5,723)
Total nonoperating revenues (expenses)	38,252	1,824,438
Increase (decrease) in net position	700,529	1,738,803
Net position - beginning	20,989,281	18,771,892
Net position - ending	\$ 21,689,810	\$ 20,510,695

UNAUDITED

**Municipal Services Commission
Combining Balance Sheet by Department
As of July 31, 2025 and 2024**

	Water		Electric		Total	
	2026	2025	2026	2025	2026	2025
ASSETS:						
Current assets:						
Cash and equivalents	5,138	-	4,121,013	2,613,838	4,126,151	2,613,838
Investments	202,208	186,163.00	1,145,845	1,054,926	1,348,053	1,241,089
Accounts receivable, net	998,540	174,574.00	914,493	661,166	1,913,033	835,740
Inventories	281,383	279,757.00	888,052	760,359	1,169,435	1,040,116
Prepays	11,671	24,173.00	28,358	55,362	40,029	79,535
Restricted cash	-	-	1,709,641	820,292	1,709,641	820,292
Total current assets	1,498,940	664,667	8,807,402	5,965,943	10,306,342	6,630,610
Noncurrent assets:						
Capital assets not being depreciated:						
Land	43,796	43,796	-	-	43,796	43,796
Construction in progress	165,697	141,731	9,695	238,642	175,392	380,373
Capital assets net of accumulated depreciation:						
Buildings	288,272	303,028	345,182	362,887	633,454	665,915
Equipment	467,970	299,965	274,644	373,560	742,614	673,525
Infrastructure	8,769,297	9,166,233	7,185,669	7,300,356	15,954,966	16,466,589
Total noncurrent assets	9,735,032	9,954,753	7,815,190	8,275,445	17,550,222	18,230,198
Total assets	11,233,972	10,619,420	16,622,592	14,241,388	27,856,564	24,860,808
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 July 31, 2025 and 2024**

	Water		Electric		Total	
	2026	2025	2026	2025	2026	2025
LIABILITIES						
Current liabilities						
Accounts payable	49,229	97,346	1,116,683	1,073,114	1,165,912	1,170,460
Accrued liabilities	25,626	28,006	31,321	29,861	56,947	57,867
Customer Deposits	188,825	17,855	2,082,648	820,292	2,271,473	838,147
Due to other funds	-	640,275	-	(640,275)	-	-
Total current liabilities	263,680	783,482	3,230,652	1,282,992	3,494,332	2,066,474
Noncurrent liabilities:						
Due within one year	24,937	22,197	84,592	80,259	109,529	102,456
Due in more than one year.	1,231,838	1,024,718	1,523,146	1,134,497	2,754,984	2,159,215
Total noncurrent liabilities	1,256,775	1,046,915	1,607,738	1,214,756	2,864,513	2,261,671
Total liabilities	1,520,454	1,830,397	4,838,391	2,497,748	6,358,845	4,328,145
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	9,153,733	9,566,513	7,412,379	7,799,199	16,566,112	17,365,712
Unrestricted	642,828	(796,949)	4,480,870	3,941,932	5,123,698	3,144,983
Total net position	9,796,561	8,769,564	11,893,249	11,741,131	21,689,810	20,510,695

UNAUDITED

Municipal Services Commission
Combining Schedules of Revenues, Expenses, and Changes in Net Position by Department
For the four months ending July 31, 2025 and 2024

	Water		Electric		Total	
	2026	2025	2026	2025	2026	2025
Operating Revenues:						
Charges for services	\$ 1,026,603	\$ 972,922	\$ 3,654,515	\$ 3,542,671	\$ 4,681,118	\$ 4,515,593
Miscellaneous	737,097	10,337	224,620	7,927	961,717	18,264
Total operating revenues	1,763,700	983,259	3,879,135	3,550,598	5,642,835	4,533,857
Less: free service	(1,222)	(1,098)	(2,998)	(2,286)	(4,220)	(3,384)
Net operating revenues	1,762,478	982,161	3,876,137	3,548,312	5,638,615	4,530,473
Operating Expenses						
Purchase of water and power	8,841	6,468	2,611,646	2,642,066	2,620,487	2,648,534
Salaries and benefits	480,068	420,199	592,892	480,916	1,072,960	901,115
Repairs and maintenance	128,827	122,017	51,728	(41,224)	180,555	80,793
Professional fees	112,407	82,684	100,815	94,676	213,222	177,360
Supplies	26,132	17,403	16,442	19,608	42,574	37,011
Other purchased services	41,231	32,640	46,780	36,928	88,011	69,568
Miscellaneous	9,339	10	24,539	5,782	33,878	5,792
Depreciation	187,277	171,266	250,307	265,208	437,584	436,474
Total operating expenses	994,122	852,687	3,695,149	3,503,960	4,689,271	4,356,647
Operating income (loss)	768,356	129,474	180,988	44,352	949,344	173,826

(Continued)

UNAUDITED

Municipal Services Commission
Combining Schedules of Revenues, Expenses, and Changes in Net Position by Department
For the four months ending July 31, 2025 and 2024

	Water		Electric		Total	
	2026	2025	2026	2025	2026	2025
Noncapital subsidies						
Intergovernmental	-	-	-	-	-	-
Appropriations to Mayor & Council of New Castle:						
Ordinary	(57,223)	(49,938)	(212,183)	(193,341)	(269,406)	(243,279)
City Services	(15,277)	(15,172)	-	-	(15,277)	(15,172)
Special	-	-	(2,384)	(1,010)	(2,384)	(1,010)
Total noncapital subsidies	(72,500)	(65,110)	(214,567)	(194,351)	(287,067)	(259,461)
Operating income(loss) and noncapital subsidies	695,856	64,364	(33,579)	(149,999)	662,277	(85,635)
Nonoperating revenues (expenses):						
Investment earnings	6,889	12,506	36,484	51,109	43,373	63,615
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	-	-	(5,121)	(5,723)	(5,121)	(5,723)
Total nonoperating revenues (expenses)	6,889	1,777,280	31,363	47,158	38,252	1,824,438
Increase (decrease) in net position	702,745	1,841,644	(2,216)	(102,841)	700,529	1,738,803
Net position - beginning	9,093,816	6,927,920	11,895,465	11,843,972	20,989,281	18,771,892
Net position - ending	<u>\$ 9,796,561</u>	<u>\$ 8,769,564</u>	<u>\$11,893,249</u>	<u>\$11,741,131</u>	<u>\$21,689,810</u>	<u>\$20,510,695</u>

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

August 28, 2025

Prepared by: Jay Guyer on August 20, 2025

1. Developer Projects

A. Riverbend Subdivision

1. Freedom Development (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. WUM Guyer has reached out to Norfolk Southern about reopening the water crossing permit. MSC Inspector Schlecht continues performing inspection and testing of the Phase I and Phase II services along Arrowgrass Lane and North Heron Circle. WUM Guyer forwarded Phase II water main installation information to the Office of Engineering (OOE) requesting an Approval to Operate. WUM Guyer forwarded the updated punch list to both FD and Gemcraft who have scheduled to start on their respective items September 1st. Lennar Builders continues constructing homes on lots 178, 179, 180, and 181 and has started construction on Lots 144, 145, 146, and 147. WUM Guyer, WUS Jaeger, and WO Schlecht will start working on reconciling Phase I and Phase II water main installation.

B. Deemers Landing and Helm Apartment Complexes

1. WUM Guyer has nothing to update on this project. The estimated completion for meter base installs is 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. Crozier Fine Arts Warehouse – 1400 Johnson Way, Centerpoint Park

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

E. 105 The Strand - New Home Construction

1. WUS Jaeger provided a proposal for MSC to install the new water service and will schedule it with the builder when home construction allows for site appropriate access.

F. 59 West 8th Street - Water Service Installation

1. As requested by the property owner, WUS Jaeger provided a proposal for MSC to install a new ¾" water service for the garage he is constructing. The Property Owner will follow up when he is ready for the service installation.

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

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replacement. 130 Delaware Street replaced their backflow preventer on July 28th. 222 Delaware Street is being scheduled. WUM Guyer confirmed with McConnell Development they plan to replace their last two (2) devices by the end of 2025.

B. School Lane Water Treatment Facility PFAS Treatment System Improvements

1. KMP Mechanical and their sub-contractors are working to register or re-activate their registration with SAM.gov to confirm their debarment status. One contractor is waiting for their registration to be completed. WUM Guyer has been working with DHSS/ODW and DNREC to get their Temporary PFAS Filter system on site to review and complete the set up to test its operation prior to taking our system off line to start the project.

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. The last galvanized service at 18 Arbutus Avenue is scheduled for replacement on September 4th. This will complete this project.

D. Shaw Alley – 2” Cast Iron Replacement

1. WUS Jaeger walked the project with the Water Operators discussing the 2” Cast Iron main replacement. WUS Jaeger received all the materials for the projects and it was start on August 18th. Estimated completion time is 2 to 3 weeks depending upon weather. Shaw Alley was included on the 2025 City Wide Street Repaving Program.

3. Operations

A. Outages

1. There were no planned or unplanned water outages for the month of July 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. Their Lead Research Engineer forwarded updated results for their Batch PFAS Adsorption Testing.

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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. 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 Development Apartment Complex on 7th Street. PA provided the updated water system model including the 3 proposed developments on August 15th for WUM Guyer and WUS Jaeger to review. WUM Guyer, WUS Jaeger, and FP Jones had a virtual meeting on August 19th with PA to discuss next steps for finalizing the mapping project, closing it out, budgeting for support going forward, and renewing our ArcGIS Licensing.
6. PFAS Litigation (Executive Session) – WUM Guyer reviewed the 3M / DuPont and Tyco / BASF Special Needs Fund (SNF) Claim information, updated the information, and worked with our attorney to get it uploaded to the Environmental Health and Engineering (EHE) Portal. WUM Guyer compiled information on all grants and funds MSC has received and forwarded the value to the EHE Attorneys to be used in calculating the value of the SNF claims. All information revised was reviewed and approved for the 3M / DuPont and Tyco / BASF Claims then uploaded and signed off on in their portal.
7. Delaware State and Local Cybersecurity Grant Program (DSLPG) - Keystone Engineering is finalizing the preliminary draft and will deliver an updated copy to MSC by September 1st. 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.
8. Radiation and Granular Activated Carbon – MSC continues collecting monthly background readings around the carbon vessels and at the carbon vessel sample taps at School Lane Water Treatment Facility.

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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. Southern Corrosion performed our annual Million Gallon Tank (MGT) and Gray Street Tank (GST) inspection on August 6th. Our Water Operator who assisted their Technician reviewed the recent maintenance MSC performed at the tanks including power washing the lower exterior of the center column and legs at GST. SC will provide touch up paint for several small areas on the tank and will complete and forward a formal report of their observations for MSC review.
 - 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 received them. Existing vestibule demolition / construction schedule are being planned.
 - 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. Results are still pending. The State of Delaware has transferred responsibility all water system sampling back to the water purveyors.
 - g. 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.
 - h. Compliance Environmental completed their Infra-red scan of all electrical components at MSC water sites on July 23rd. Three (3) heat related issues were observed in electrical cabinets and have been corrected.
 - i. Water Operators completed two (2) water main repairs on the 12" main on 10th Street intersecting School Street. The lead joints at both locations started leaking and were repaired using Bell Joint Repair Clamps. This 12" Main has a history of lead joint leaks that have been repaired dating back to the 1970's. City contractor Cirillo Brothers agreed to pave these two (2) locations with the City Paving project.
 - j. Water Operators completed two (2) water main repairs on the 12" main on Gray Street near the intersection of 11th Street. The lead joints at both locations started leaking and were repaired using Bell Joint Repair Clamps. This 12" Main has a history of lead joint leaks that have been repaired dating back to the 1970's. WUM Guyer will get a cost from Cirillo to complete the paving in this area.

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2. Riverbend Subdivision - Flushed on August 6th and 18th to maintain Chlorine residual.

D. Equipment

1. New Truck 14 – WUM Guyer confirmed with NuCar the new truck was entered / accepted into the order system. It will be a 2026 Model Year Chassis and will be factory painted Wheatland Yellow. When received, the truck will be shipped to Intercon for utility body installation and final fit out.
2. No other Equipment issues to report.

E. Personnel and Training

1. WUM Jaeger and Water Operators are scheduled to attend the Annual CSAWWA Tri-Association Conference in Ocean City, MD on August 27th (2) and 28th (3).
2. 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.
2. DFIT Safety Meetings – Meetings have ended for the Summer break and will resume in September 16, 2025 being held at the Milford Public Works Facility.

4. Local, State, and Federal Agencies

A. WSCC - Water Supply Coordinating Council

1. The next WSCC Full Council meeting will be scheduled for September.
2. The next New Castle County WSCC Subcommittee meeting is pending.
3. The WSCC Drought Advisory Subcommittee met with DNREC Secretary Greg Patterson on August 18th to review the Subcommittee recommendation for lifting the Drought Watch in Delaware. The DGS Water Conditions reports, State Climatologist Weather predictions, and Water Purveyor System reports were reviewed. Based upon the DGS Water Conditions Report, State Climatologist Report, National Drought Monitor, and several other factors, the Secretary agreed to make the recommendation to the Governor to lift the Drought Watch Declaration the state has been in since October 2024. Governor Meyer lifted the State Wide Drought Watch on August 18th. The Subcommittee Committee will continue to monitor water conditions and if needed restart regular meetings.

MUNICIPAL SERVICES COMMISSION

CITY OF NEW CASTLE, DELAWARE 19720-0208

P.O. BOX 208

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Water Department Commission Meeting Report

August 28, 2025

Prepared by: Jay Guyer on August 20, 2025

B. WRA – Water Resource Agency

1. WUM Guyer continues sending monthly 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 August 7th Advisory Council Regular Meeting went well. The May 1st Meeting minutes were approved, Operator Applications were reviewed/approved/retuned for additional information, and Training Courses were reviewed/approved for Operator credit hours.
2. The next Advisory Council meeting (Regular Meeting) is scheduled for September 4th for final Draft Regulation Review.

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

July 1 - 31, 2025

Prepared By: Jay Guyer on August 20, 2025

Water Production

Month	Year	FT 300		Adjusted Finished		Gallons	
		Raw	Total Gallons	Total Gallons	Raw	Finished	Difference
July	2024	19,751,100	19,480,790			12,975,200	
July	2025	12,975,200	12,833,993			12,833,993	
	Difference	-6,775,900	-6,646,797			-141,207	
	Percentage Difference	-52.2	-51.8			Percentage Difference	1.1

Note: MSC Sold water to Artesian Water Company during July 2024.

Well(s) in Operation Days Pumped	Basin Road Reserve Status	Frenchtown Road XXX	School Lane XXX	Cross Roads Resting	Reserve OOS XXX	Not Used Out of Service Run and No. of Days
		9	22			

Water Quality

Average Chlorine Residual Average pH Average Fluoride Residual	MSC Average 1.35 ppm 6.8 0.91 ppm	Goal / Target Level 1.40 ppm 7.5 0.80 ppm	Range 1.0 - 4.0 ppm 6.5 - 8.5 on a 0 - 14 Scale 0.60 - 1.00 ppm

General Water System Report

Routine Bacteria Sampling (Office of Drinking Water)

# Collected	Results
10	Absent
10	Present

Miss Utility Locate Requests (Water and Electric Locates)

# Received	61
# Completed	61
# of Damages	0

Building Permit Review (Water Related Conflicts)

# Reviewed	43
# Approved	43
# Not Approved	0

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Monthly Water Outages / Interruptions Report

July 1 - 31, 2025

Prepared By: Jay Guyer on August 20, 2025

Planned Outage / Interruptions			
Approximate Duration		No. of Customers	Comments
Date	Hours / Minutes		

No Planned Outages or Interruptions for the Month of July 2025.

Unplanned Outage / Interruptions			
Approximate Duration		No. of Customers	Comments
Date	Hours / Minutes		

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

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ELECTRIC DEPARTMENT COMMISSION REPORT

August 28, 2025

Prepared by Artie Granger on August 19, 2025

1. Developer Projects:

A. Riverbend Subdivision:

- I. MSC has been in contact with Freedom Development to get the cabling from Centerpoint Industrial park completed. We hope this can be done shortly.
- II. MSC has been in contact with Freedom Development to get the cabling from the switch to the C – Phase section of the development. This should be done shortly.
- III. MSC will need to take an outage to get the development installed on the new feed and removed from the existing temporary service.
- IV. Freedom Development has selected a contractor for the installation of the infrastructure for the next phase of this development. Freedom Development has said this portion of the work should begin with in the next week or so.
- V. MSC has worked with Lennar Builders to get power when they have needed it. At this time MSC has installed meters on the first 4 plex town house unit.

B. 105 The Strand

- I. MSC has relocated the junction box and will reconcile the project.
- II. MSC was able to relocate this junction box with out taking an outage.

C. 109 The Strand

- I. MSC was contacted by a builder to discuss relocating a transformer. They need to relocate the transformer so that the building line can be adjusted.
- II. MSC gave the contractor an estimate for this and plan on relocating the transformer on 8/19/2025
- III. MSC will need to take an outage on about 7 customers during this work.

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.

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ELECTRIC DEPARTMENT COMMISSION REPORT

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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 is working on getting the grant to subgrant status and then will find out what the next steps are.
- II. MSC has also discussed purchasing of the SCADA equipment if the grant can be secured.

c. T-12 Bucket Truck Replacement

- I. MSC expects to take delivery of the truck with in the next couple of weeks.
- II. MSC has been kept in the loop about delays of delivery.

3. Outages :

MSC has had multiple outages this past month. They are as follows:

- William Penn – 7 customers out for ½ hour to repair connection found via infrared testing.
- Gray Street – 12 customers out for ½ hour to repair connection found via infrared testing.
- 51 Steel Drive – 1 customer out for about 10 min. to repair connection found via infrared testing
- 600 Clark Street – 24 customers were out for about 3 ½ hours due to a transformer being damaged. MSC replaced the damaged transformer.
- Brylgon Ave – 27 customers were out due to a branch on the line. MSC removed branch and made repairs.
- TA Instruments – MSC de-energized the transformer so they could do system maintenance on their equipment.

SAIDI (minutes)	SAIFI (number of interruptions)	CAIDI (minutes)	ASAI (percent)
39.773	0.288	138.231	99.9924

SAIDI - is the average outage duration for each customer served.

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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.

4. Repairs and Maintenance:

A. Wilmington Road Substation:

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

B. Dobbinsville Substation:

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

C. System

- I. MSC electric crew has been doing tree trimming and system maintenance. The tree trimming should be finished shortly and the system maintenance will continue through out the remainder of the year.
- II. MSC has been doing routine street light cleaning and maintenance. MSC will be repainting some of the street light poles that need it.
- III. MSC has been investigating and correcting items that came up during the annual infrared testing.
- IV. The outage that we had on Clark Street resulted in about 20 gallons of mineral oil being spilled in the alley. MSC contacted Lewis Environmental to remediate the mineral oil. Lewis Environmental has completed this.