

Municipal Services Commission Monthly Meeting
April 16, 2026 – 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
Antonina Tantillo, City Administrator, Alternate Commissioner

Absent: Mayor Valarie Leary, Commissioner

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

Also Present: Heather Contant, DEMEC Director of Government & Community Relations
Kendra Friel, DEMEC Training & Events Coordinator

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

Minutes

March 2, 2026 Board Meeting – **A motion to approve the minutes of the March 2, 2026, Board meeting as presented was made by Commissioner Wik. The motion was seconded by Commissioner Atherton and was unanimously passed.**

DEMEC Overview Presentation

Ms. Contant, DEMEC Director of Government & Community relations, gave a presentation on the history of DEMEC and the benefits of having a joint-action agency.

At the conclusion of the presentation Ms. Contant responded to questions from the Commissioners.

- Ms. Contant explained the PJM Capacity Auction and how generation is working in Delaware.
- Ms. Contant will provide talking points for Commissioners to use when customers question the value of bringing generation to Delaware.
- Commissioner Wik recommended that DEMEC emphasize the value of having generation in the City for any kind of power.
- With respect to efforts DEMEC is taking to develop generation development in Delaware, Ms. Contant stated that DEMEC is:
 - Adding some generation through Middletown's Floating Solar Energy Project.
 - Looking at a Battery Storage Pilot Project.
 - Looking at studies in Milford to be able to augment their Solar Capacity to supply more demand response during peak times.
 - DEMEC spoke with Governor Meyer at DEMEC Day regarding nuclear and the importance of dispatchable generation.

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- At a recent Chamber Legislative Luncheon Democrats and Republicans both said that dispatchable generation and natural gas is going to be “a must” as we try to manage the incoming load and the native load, which was very encouraging.

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

Mr. Natale reported as of March 31, 2026:

- The Audit is progressing. Final Field Work is scheduled for the weeks of April 20th and 27th. Mr. Natale received Pension Valuation Reports last night. The final entries will be done and a letter to the Auditors will be drafted.
- The Co-op raised their rates and MSC is again the lowest cost residential electric provider in the State.
- Total cash on hand at 3/31/26: \$8.3M
- Investment Portfolio: \$1.3M, which is down about \$20,000 from prior month.
- Unrestricted Cash on Hand: 178 days, which is down one (1) day from February.
 - Water Utility – 258 days cash on hand
 - Electric Utility – 150 days cash on hand
- Check Register:
 - \$68,539 to Dover Plumbing Supply for replenishing water inventory.
 - \$21,196 and \$44,429 to Paragon Insurance Holding for property, casualty, and auto insurance through the Trident Program.
 - \$202,000 to the City for the final allocation of the fiscal year.
- There were 38 services cuts for nonpayment in March. Six (6) customers received \$223 each from the New Castle Cares program and one (1) customer received \$200 from an outside agency.

Electric Department

- User revenues are \$11,000 above budget FYTD.
- Sales for March were approximately 1.8% higher than the same period last year.
- Consumption for the fiscal year is 2.6% lower than the 5-year average and 2% lower than prior year mostly from ACP reducing their operations due to the tariffs.
- The economic impact to MSC due to tariffs was about \$172,000 for the fiscal year.
- Operating Expenses have a favorable variance of \$346,000 on the budgetary basis.
- The Miscellaneous Income Line is showing a large negative variance, which is purely a budgetary variance.

Water Department

- User charges have an unfavorable variance of \$60,000.
- Consumption for March was consistent with the same period last year. Fiscal year-to-date, sales are consistent with the 5-year average and down 2% from prior year.

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- Approximately \$1.5M in settlement funds has not yet been received. Mr. Natale is working with the Auditors.
- Operating expenses have a favorable variance of \$119,000.
- The variance on Miscellaneous Income is the Settlement Funds and is offset by the budgetary reserve variance.

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

Developer Projects:

- Riverbend Subdivision – Lennar is moving forward. MSC is making connections as needed.
- 2, 4, 6, 8, 10 & 12 Arbutus – MSC provided the estimate to install electric. The work has been completed.
- The Battery Apartments – They requested a Capacity to Serve letter.

Capital Projects:

- Electric Mapping System – PSE is working on data conversions. MSC received a recommendation for software and is working through PSE and Assurance Media to ensure server requirements are on cost.
- Electric SCADA System – The project is still on schedule. They are tentatively planning on commissioning the SCADA system at Dobbinsville in July. Materials have been ordered.
- Wilmington Road Substation – Mr. Granger received a proposal from Cirillo Bros. to remove some concrete foundations, and they will be accepting their proposal.

Outages:

There were no planned or unplanned outages in March

Repairs and Maintenance:

- Capacitor Controller Replacement – Three (3) controllers were ordered and most of the material needed has been received. They are still waiting for some cabling to come in.
- Wilmington Road Substation – An arrester failed on the 320 circuit, which caused a trip and reclose on the circuit. The engineers stated it was not necessary to order a new arrester, and the failed arrester was removed and replaced with an arrester from a spare circuit. A replacement arrester was ordered.

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

Developer Projects:

- Riverbend Subdivision – Mr. Guyer will work with Civil Engineering Associates to get the rest of the information Norfolk Southern is requesting. Construction of homes for Phase 3 continues. Grading and backfilling is ongoing. Mr. Guyer reviewed the Phase 3 and 4 water main plans and returned comments to the engineer. When adjustments are received he will submit them to the Office of Drinking Water for an Approval to Construct.

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- Delaware Street Railroad Crossing & 8th Street – DeIDOT – Final Plans were received yesterday. MSC is actively working on getting the Approval to Construct application completed and get the DeIDOT Utility Permit. All work is scheduled to be completed by the end of May. Mr. Guyer will reach out to the contractor for a bid. In response to a question from Commissioner Atherton, Mr. Guyer explained the project, noting that it is consolidating some old infrastructure. Ms. Tantillo added that she updated Council at its April 14th meeting, noting that Norfolk Southern is working on one final comment with DeIDOT and they hope to have the railroad crossing arms installed by August.
- 713 East Basin Road – William Penn High School Sports Complex – Mr. Guyer met with the engineer to review comments. Adjustments will be made to the Plan. A meeting will be set with Colonial School District to discuss some of the lingering issues from the Wallace Wallin School project and wrap that work into this project.
- Wilmington Road Railroad Track Crossing – 900 Block – The contractor did a good job excavating and shoring the area and maintained rail traffic while cutting the old T out. Mr. Guyer received the invoice today.
- The Battery Apartment Complex – 427 West 7th Street (152 Units) – Mr. Guyer provided a letter confirming MSC's ability to serve them without any issues. In response to a question from Commissioner Wik, Mr. Guyer explained that the Cirillo complex is already done; adding that the 12" main will provide more than enough capacity for anything that gets developed in that area.

MSC Projects:

- Cross Connection Control Program – Hydro Corp – Building 200 is scheduled for 6:00 a.m. on Saturday, April 18th to change out those devices. MSC will have a water operator on site.
- School Lane Water Treatment Facility PFAS Treatment System Improvements – Everything is progressing. MSC submitted the application for the Certificate to Construct. Mr. Guyer is waiting for final comments from the Office of Engineering. The temporary vessel was delivered Tuesday. Crews are working on it today to get it tied in and piped in. The Office of Drinking Water agreed with the plan Mr. Guyer submitted to them identifying how the system would be put in service, running the carbon testing and disinfection, and eventually interfacing it with MSC's system. Mr. Guyer hopes that they will be transitioning over to that system in the next few weeks.
- 14th Street Water Main Extension to Johnson Way – 8" Main Install – Crews did a really nice job and MSC received many positive comments. The first phase is done down 14th Street and up Oak Street. They tied in yesterday to 13th and Oak and cut an extra valve in the middle of 13th Street. Two men will on site be hydro-testing tomorrow, and a bacteria sample will be taken next week.

Operations:

- Outages – There were two (2) planned outages in March: The 900 Block of Wilmington Road, and 14th Street to start that project.

Reporting:

- Calgon Carbon Corporation (CCC) Pilot Study – Both Pilot Rigs are out of service.

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- STRIDE Group EPA Grant – Stride Group picked up an additional 500 gallons of water for their EPA Project.
- ArcGIS Pro Water System Mapping and Water Model Planning Grant – Mr. Jaeger completed and submitted the Matching Plan Grant Application and it is under review.
- PFAS Litigation – Another settlement is coming from Tyco in the amount of \$382,475.93. The first BAFS settlement is being finalized. Paperwork will be completed and submitted. The estimated total that MSC could receive by 2033 is \$6.1M depending on the final estimates. In response to questions from the Board:
 - Mr. Natale explained the accounting process; noting that the ongoing treatment cost is built into the current rate.
 - MSC was far ahead of the curve and proactive in terms of mitigating PFAS contamination. Mr. Guyer stated that he has all relevant documentation. He added that the way in which MSC approached the issue is an excellent model for other municipalities to follow; and that information has been shared openly. Mr. Guyer also stated that Mr. Jaeger has full knowledge and understanding of the matter.
- Radiation and Granular Activated Carbon – Calgon Carbon is supplying additional information.

System Repairs and Maintenance:

- Water Operator Projects / Tasks worked on during the Month:
 - Operators collected March Monthly Bacteria Samples (10 per month) and Anion Samples as required by ODW for compliance.
 - All Long-Term Water Cuts for March were verified to be turned off.
 - Water Operators completed the Water Inventory counts on March 23rd and 24th then worked on reconciliations the 25th. WUS Jaeger met with the auditors on March 30th to conduct their control / confirmation counts.
 - Water Operator Schlecht is reviewing historical MSC Water As-Built paper plans and updating MSC ESRI Mapping software. Paperwork is also being organized into distribution system zone folders.
 - Water Operators installed a new water service for the new Hoop Houses owned by Toby Hagerott of Colonial School District. The Project was reconciled and the Trustees were invoiced for the materials used.
 - Material Storage Bins - Operators and Linemen cleaned up, graded, and added crusher run fill material to the area in front of the material storage bins in the back field. This area was identified on the 1st quarter facility wet inspection performed by KCI for City compliance with MS4 requirements.
- Riverbend Subdivision – Riverbend was flushed on March 12th and 24th to maintain Chlorine.

Personnel and Training:

- Facilities Person Jay D. Jones retired from MSC effective March 31st after more than 22 years of dedicated service.

Safety:

- Daily Safety Talks were held.

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Local, State, and Federal Agencies:

- WSCC – Water Supply Coordinating Council – The next full Council meeting is scheduled for May 6, 2026. Mr. Guyer will attend. Surrounding states are in Drought Watches. The Drought Committee will be scheduling a meeting in the near future.
- WRA – Water Resource Agency – Monthly information is being sent to the University of Delaware Water Resource Agency.
- DEWARN – Delaware Water/Wastewater Agency Response Network – The March 18th meeting went well. The next meeting will be in April to elect new officers.
- Water Operator Advisory Council – Council reviewed content and outlines for new courses at DelTech. Examination questions were reviewed.

Tariff Updates

Mr. Blomquist reviewed Leaf 13 and Leaf 72 that were presented to the Board at the March meeting.

A motion to approve Tariff Changes as noted in Leaf 13 and Leaf 72 as presented was made by Commissioner Wik. The motion was seconded by Commissioner Atherton and was unanimously passed.

Secretary's Report – Mr. Blomquist reporting

DEMEC:

- DEMEC did not provide a financial update this month that was different from last month.
- Messrs. Blomquist and Natale attended the April 9th DEMEC meeting.
- The Board passed a Resolution to enter into a contract with Potomac Energy Schedule through AMP. This will help keep costs down.
- Mr. Blomquist met with DEMEC, DNREC and Siemens regarding the Energy Grid Study that the State Legislature asked DNREC to conduct. Milford also attended.
- DEMEC Day is April 25th in Dover.
- The Commissioners received an invitation to the DEMEC Joint Council Meeting on June 2nd.
- The April 19th CISA meeting was cancelled.
- A kick-off meeting was held for the City Fiber Project and the project is actively underway.

Messrs. Blomquist and Natale will run some tests in Meeting Manager to resolve a few issues the Commissioners have encountered.

Mr. Blomquist stated that he did not have anything for executive session.

Miscellaneous

- Commissioner Atherton stated that a resident spoke to him regarding the lack of a street light in the area of 5th and Delaware Streets. They wanted one of the antique-style lights. Mr. Blomquist stated that it does not make sense to install that style of light until everything goes underground. He will look into installing a light on a telephone pole.

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- EV Chargers – Messrs. Granger and Blomquist explained that there has been some confusion with the BLINK portal. Mr. Granger stated that he is cautiously optimistic that this confusion has been cleared up now that he has a contact. During discussion it was reiterated that SemaConnect's customer service was much better than BLINK's. A discussion of residents running electric extension cords across the sidewalk for home EV chargers ensued during which Ms. Tantillo stated those matters are being addressed on an individual basis.

Next Regular Meeting

The Commissioners set the May Board meeting to be Thursday, May 21, 2026, at 9:00 a.m.

A motion to adjourn was made by Commissioner Atherton and seconded by Commissioner Wik. The motion passed unanimously and the meeting adjourned at 10:15 a.m.

Kathleen R. Weirich

Kathleen R. Weirich
Stenographer

Approved: _____

Scott Blomquist

Comptroller/Treasurer's Report



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

April 16, 2026 Commission Meeting
Prepared By: Ken Natale, CPFO on April 8, 2026

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Cash & Investments

As of March 31, 2026 the cash balances were:

M&T Bank Checking:	\$ 538,911
M&T Investment Sweep:	6,020,113
M&T Bank Restricted:	1,785,690
Petty Cash/Change Fund:	899
Total Cash on Hand:	\$ 8,345,613



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

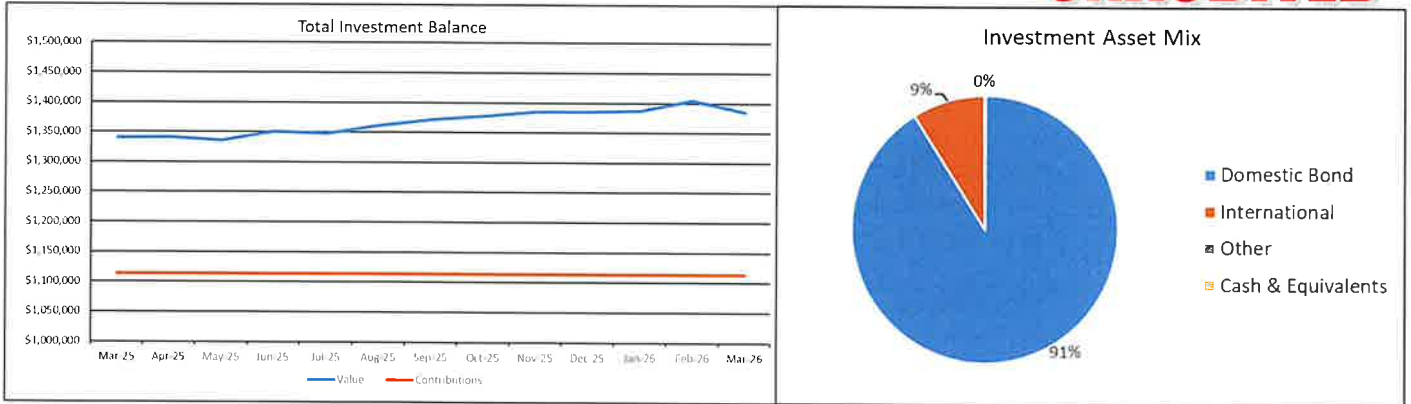
Beginning Balance	\$ 6,545,085
Cash from customers	1,373,119
Interest Income	18,069
Bond Proceeds – DWSRLF	22,194
Refunds to customers - deposits	(23,660)
Payments to suppliers for goods & services*	(1,254,223)
Bank service fees	(2,463)
Payments to employees for services	(118,198)
Net Cash Provided (Used)	14,838
Ending Cash Balance	\$ 6,559,923

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

As of March 31, 2026 the value of the Commission's investment portfolio totaled \$1,384,690 which is a net loss of \$19,546 (1.4%) 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 3.55% interest and has a stable net asset value of \$1.00.

Overall, there were 178 days unrestricted cash on hand at March 31 (-1 day from prior month) when including the value of the Commission's investment portfolio which is held in liquid assets (mutual and exchange traded funds), and excluding cash due to developers not held in restricted accounts. The water fund as of March 31 had 258 days unrestricted cash on hand (no change from prior month) while the electric utility had 150 days unrestricted cash on hand (-1 days from the prior month).



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		(\$ 48)	0.40%
Mutual Funds			
PGIM Total Return Bond CL A	PDBAX	237,943	4.27%
Fidelity Advisor Total Bond CL	FEPIX	372,400	4.33%
T Rowe Price Global Multi Sector Bond I	PGMSX	122,076	5.28%
Vanguard Intermediate Term Treasury	VFIUX	152,234	4.01%
Exchange Traded Funds			
iShares Trust 1-3 Year Treasury Bond EFT	SHY	500,085	3.79%
Total		\$ 1,384,690	4.17%

MARCH 2026 CHECK REGISTER

Date	Number	Vendor Name	Amount
03/02/2026	202365	Artesian Water Co Inc	\$ 2,349.60
03/02/2026	202366	Consult Dynamics Inc DCA Net	20.00
03/02/2026	202367	Council 81	515.90
03/02/2026	202368	Delta Dental of Delaware Inc	1,871.76
03/02/2026	202369	Dover Plumbing Supply Co.	68,539.39
03/02/2026	202370	Kathleen R Weirich	300.00
03/02/2026	202371	Principal Financial Group	2,652.68
03/02/2026	202372	Schneider Electric Smart Grid Solutions LLC	3,351.00
03/02/2026	202373	Trans Union LLC	217.10
03/02/2026	202374	WHITE CAP / TRI Supply & Equipment	234.07
03/02/2026	202375	Tyler Technologies Inc.	362.50
03/02/2026	202376	Wesco Receivables Corp.	5,834.42
03/02/2026	202378	COLONIAL LIFE	599.16
03/02/2026	202379	PARAGON INSURANCE HOLDING INC	21,196.80
03/09/2026	202380	PARAGON INSURANCE HOLDING INC	44,429.60
03/12/2026	202381	Delaware River Basin Comm	592.00
03/12/2026	202382	Delmarva Power	197.45
03/12/2026	202383	DEMEC Inc	1,213.12
03/12/2026	202384	DESIGN MANAGEMENT GROUP LLC	750.00
03/12/2026	202385	Grainger	7.88
03/12/2026	202386	KDI Inc.	245.00
03/12/2026	202387	Keystone Engineering Group Inc	1,824.47
03/12/2026	202388	MARKATOS SERVICES	238.50
03/12/2026	202389	MID-ATLANTIC ENVIRONMENTAL LABORATORIES INC	1,315.00
03/12/2026	202390	NATIONWIDE CREDIT CORPORATION	524.64
03/12/2026	202391	SemaConnect LLC	2,438.68
03/12/2026	202392	Utility Engineers PC	2,000.00
03/12/2026	202393	Utility Financial Solutions LLC	19,200.00
03/12/2026	202394	Walter Granger	640.00
03/12/2026	202395	Wesco Receivables Corp.	10,195.40
03/27/2026	202401	Artesian Water Co Inc	2,216.10
03/27/2026	202402	City of New Castle	202,054.53
03/27/2026	202403	Council 81	515.90
03/27/2026	202404	Ferguson Enterprises Inc	2,820.00
03/27/2026	202405	Grainger	7.19
03/27/2026	202406	MARKATOS SERVICES	477.00
03/27/2026	202407	Sunbelt Rentals Inc.	902.01
03/27/2026	202408	Trans Union LLC	291.38

Comptroller/Treasurer's Report – April 16, 2026

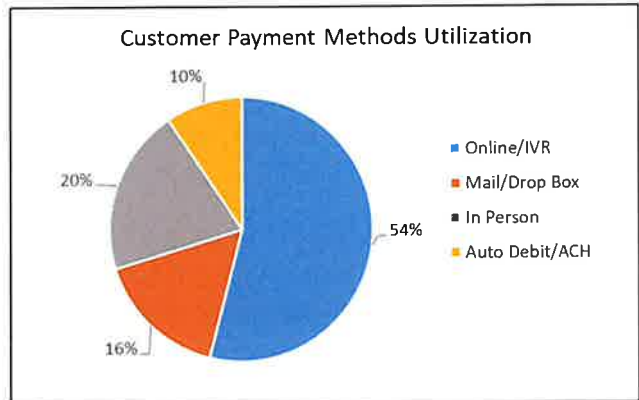
MARCH 2026 CHECK REGISTER

Date	Number	Vendor Name	Amount
03/27/2026	202409	Transformer Associates Limited	1,372.00
03/27/2026	202410	Wesco Receivables Corp.	738.00
03/01/2026	DFT0002807	Department of Human Resources Financial Services	49,256.08
03/16/2026	DFT0002816	BRINKS CAPITAL	934.26
03/09/2026	DFT0002817	Nationwide Life Ins. Co. of America	23,697.76
03/13/2026	DFT0002818	T. ROWE PRICE RETIREMENT PLAN SERVICE INC	7,258.45
03/13/2026	DFT0002821	United States Treasury	23,684.04
03/13/2026	DFT0002823	Contractors Materials LLC	1,338.42
03/13/2026	DFT0002824	M&T ONE CARD	9,322.27
03/13/2026	DFT0002825	Martin Marietta Materials Inc	1,403.32
03/16/2026	DFT0002826	Principal Financial Group	567.79
03/19/2026	DFT0002827	DEMEC Inc	644,094.90
03/27/2026	DFT0002828	Delaware Div. of Revenue	18,965.00
03/27/2026	DFT0002831	T. ROWE PRICE RETIREMENT PLAN SERVICE INC	7,062.60
03/27/2026	DFT0002834	United States Treasury	22,085.16
03/27/2026	DFT0002835	COLONIAL LIFE	599.16
03/31/2026	DFT0002836	COMPTROLLER OF MARYLAND	1,428.94
03/27/2026	DFT0002839	Contractors Materials LLC	1,046.90
03/27/2026	DFT0002840	M&T ONE CARD	34,958.17
03/27/2026	DFT0002841	Martin Marietta Materials Inc	1,269.80
			1,254,223.25

Customer Service/Billing

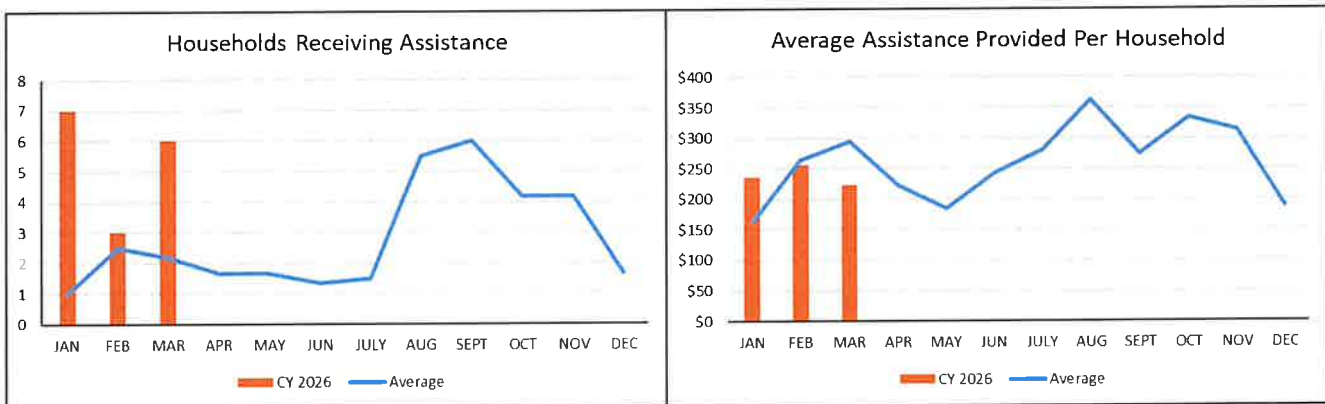
Since the previous meeting, the Customer Service Department processed:

Bills sent	3,279
Delinquent & past due notices	430
Automated phone notifications	604
Payment arrangements	8
Contracts	3
Service cuts for non-payment	38
Accounts sent to collections	4
Electric bad debt write-offs	\$114
Applications for service	16



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 March, the fund assisted six customers with an average amount of \$223. The maximum allowed by the program is \$400. The current balance in the fund is \$3,053.



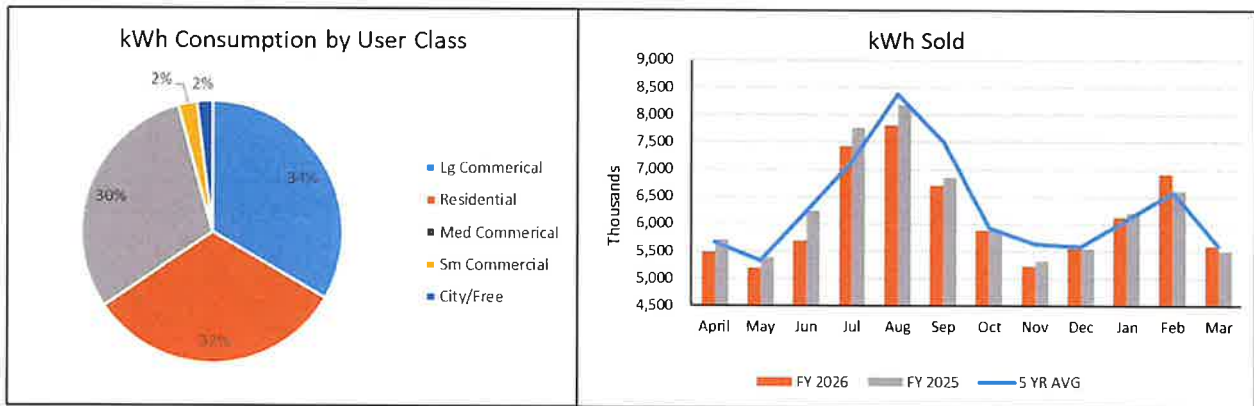
In addition to assistance provided through the New Castle Cares fund, one customer received approximately \$200 from other agencies or nonprofits that provide assistance for utility bills.

Electric Revenues

User charges are \$11,000 above budget fiscal year to date. March kWh sales were 1.8% higher compared to the same period last year. This increase is due to cold weather at the end of February. Consumption for the fiscal year was approximately 2.6% lower than the 5-year average year to date, and 2% lower than the prior year to date.

Fiscal year to date, billed consumption is down 1.5 million kWh. That amount tracks with a reduction in kWh billed to MSC from DEMEC. Cooler than normal summer temperatures were part of the reason for this decrease in consumption.

March consumption down 5% for MSC’s largest commercial customer compared to the prior year. According to the customer, this is the result of the imposition of tariffs by the federal government which have caused them to reduce their production, this change in consumption reduced potential revenues by \$172,000. In the current month, this decrease was partially offset by an increase in consumption by residential and other large commercial customers.



Electric Expenses

Electric operating expenses have a favorable variance (\$346,000) on the budgetary basis. Variances related to power purchase are due to decreased consumption by customers year to date. The positive variances in salaries and benefits is related to health insurance premiums not increasing as much as anticipated in July, changes in employee enrollments, and timing of salary accruals. Year-end accruals for pension valuations may impact these variances. The \$18,000 negative variance in miscellaneous expense is related to changes in how the allowance for bad debts is calculated. The \$6,000 negative variance in administrative professional fees is the result \$7,000 unplanned expense to make changes to the AMI system’s programming to accommodate the special billing rate for the General Service Customer class. In total it is not anticipated that electric expenses will be over budget at fiscal year-end.

After accounting for non-operating revenues and expenses, there is an increase in net position on the budgetary basis of \$1,339,000. This is driven by the donation of \$1,236,000 of Riverbend Infrastructure.

When converting from the budgetary basis of accounting to generally accepted accounting principles there is a decrease in the increase in net position to \$1,167,000 which is the result of non-cash transactions, such as depreciation, changes in compensated absences and converting capital outlays to capital assets. This amount will change after adjusting entries are posted for pension activity.

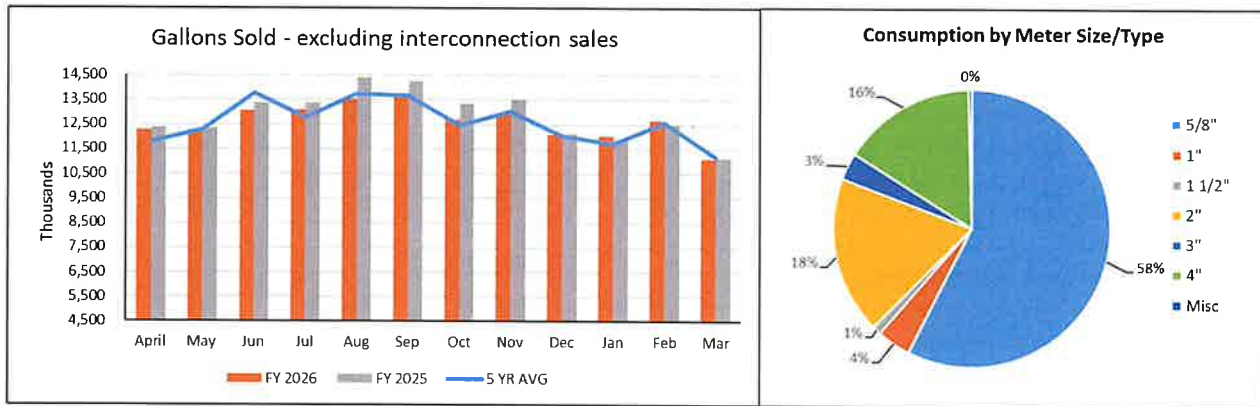
Municipal Services Commission
Budget to Actual Comparison (non GAAP) – Electric
As of March 31, 2026

	YTD Budget	YTD Activity	Variance	Total Budget
Operating Revenues				
User Charges	10,909,814	10,920,865	11,051	10,909,814
City & MSC Services	41,200	41,260	60	41,200
Miscellaneous Income	878,550	286,151	(592,399)	878,550
<i>Total Operating Revenues</i>	<u>11,829,564</u>	<u>11,248,276</u>	<u>(581,288)</u>	<u>11,829,564</u>
Less: Free Service	8,000	8,799	(799)	8,000
<i>Net Operating Revenues</i>	<u>11,821,564</u>	<u>11,239,477</u>	<u>(582,087)</u>	<u>11,821,564</u>
Operating Expenses				
<i>Operations Dept</i>				
Purchase of electric for resale	7,644,720	7,510,552	134,168	7,644,720
Salaries and benefits	1,338,634	1,311,375	27,259	1,338,634
Professional fees	63,404	36,870	26,534	63,404
Repairs and maintenance	262,812	136,160	126,652	262,812
Other purchased services	46,660	43,638	3,022	46,660
Supplies and materials	48,262	51,458	(3,196)	48,262
<i>Total operations</i>	<u>9,404,492</u>	<u>9,090,053</u>	<u>314,439</u>	<u>9,404,492</u>
<i>General & administrative</i>				
Salaries and benefits	636,880	587,837	49,043	636,880
Professional fees	216,944	222,927	(5,983)	216,944
Repairs and maintenance	22,481	22,749	(268)	22,481
Other purchased services	47,170	38,362	8,808	47,170
Supplies and materials	14,410	11,577	2,833	14,410
Miscellaneous	10,000	28,637	(18,637)	10,000
Debt Service	123,069	126,723	(3,654)	123,069
<i>Total general & administrative</i>	<u>1,070,954</u>	<u>1,038,812</u>	<u>32,142</u>	<u>1,070,954</u>
<i>Total operating expenses</i>	<u>10,475,446</u>	<u>10,128,865</u>	<u>346,581</u>	<u>10,475,446</u>
Operating Income	<u>1,346,118</u>	<u>1,110,612</u>	<u>(235,506)</u>	<u>1,346,118</u>
Nonoperating revenue(expense)				
Investment income	104,500	151,578	47,078	104,500
Investment expense	(4,000)	(2,891)	1,109	(4,000)
Unrealized gain(loss) on investment:	-	(132)	(132)	-
Realized gain(loss) on investment	-	(601)	(601)	-
Gain(loss) on disposal of asset	-	35,100	35,100	-
Grant income	80,000	88,492	8,492	80,000
Other Expense	-	(47,911)	(47,911)	-
Capital outlays	(896,618)	(501,925)	394,693	(896,618)
<i>Appropriations</i>				
Mayor and Council	(630,000)	(636,549)	(6,549)	(630,000)
Special	-	(4,300)	(4,300)	-
Contributed Capital	-	1,236,184.00	1,236,184	-
<i>Total nonoperating revenue(expense)</i>	<u>(1,346,118)</u>	<u>228,553</u>	<u>1,574,671</u>	<u>(1,346,118)</u>
Change in Net Position	<u>-</u>	<u>1,339,165</u>	<u>1,339,165</u>	<u>-</u>

Water Revenues

User charges have an unfavorable variance of \$60,000 for the fiscal year. Consumption for the month of March was consistent with the same period last year. Fiscal year to date, excluding sales to Artesian, sales are consistent with the five-year average and down 2% from the prior year's fiscal year to date. Fiscal year to date, sales to Artesian account for \$20,000 of the \$60,000 unfavorable variance in user charges, without the sales to Artesian, the \$60,000 unfavorable variance above would be a \$80,000 negative variance. In August MSC received \$732,000 in miscellaneous revenue related to the first installment of a PFAS settlement. In October, MSC received a second installment payment of \$1.4 million. In January, MSC received \$417,000 in settlement funds.

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 (\$119,000) on the budgetary basis. The positive variances in salaries and benefits is related to health insurance premiums not increasing as much as anticipated in July, changes in employee enrollments, and timing of salary accruals. Year-end accruals for pension valuations may impact these variances. The \$10,000 variance in Miscellaneous is related to estimated bad debt expense for tenant accounts in collections which are unlikely to be recovered.

After accounting for non-operating revenues and expenses, there is an increase in net position on the budgetary basis of \$6.1 million. This is a combination of miscellaneous revenues from the PFAS settlement discussed above as well as donated water infrastructure in Riverbend.

When converting from the budgetary basis of accounting to generally accepted accounting principles there is a decrease in the increase in net position to \$5.8 million which is the result of non-cash transactions, such as depreciation, changes in compensated absences and converting capital outlays to capital assets. This amount will change after adjusting entries are posted for pension activity.

**Municipal Services Commission
Budget to Actual Comparison (non GAAP) – Water
As of March 31, 2026**

	YTD Budget	YTD Activity	Variance	Total Budget
Operating Revenues				
User Charges	3,040,436	2,984,123	(56,313)	3,040,436
City & MSC Services	40,223	36,915	(3,308)	40,223
Miscellaneous Income	1,138,586	2,631,930	1,493,344	1,138,586
<i>Total Operating Revenues</i>	4,219,245	5,652,968	1,433,723	4,219,245
Less: Free Service	4,000	3,894	106	4,000
<i>Net Operating Revenues</i>	4,215,245	5,649,074	1,433,829	4,215,245
Operating Expenses				
<i>Operations Dept</i>				
Purchase of water for resale	24,000	28,159	(4,159)	24,000
Salaries and benefits	1,242,438	1,219,719	22,719	1,242,438
Professional fees	57,540	41,429	16,111	57,540
Repairs and maintenance	229,381	191,953	37,428	229,381
Other purchased services	51,350	43,451	7,899	51,350
Supplies and materials	49,782	50,858	(1,076)	49,782
<i>Total operations</i>	1,654,491	1,575,569	78,922	1,654,491
<i>General & administrative</i>				
Salaries and benefits	371,652	345,256	26,396	371,652
Professional fees	186,407	169,890	16,517	186,407
Repairs and maintenance	18,911	18,501	410	18,911
Other purchased services	41,230	32,456	8,774	41,230
Supplies and materials	13,375	9,983	3,392	13,375
Miscellaneous	-	10,348	(10,348)	-
Debt Service	36,000	40,868	(4,868)	36,000
<i>Total general & administrative</i>	667,575	627,302	40,273	667,575
<i>Total operating expenses</i>	2,322,066	2,202,871	119,195	2,322,066
Operating Income	1,893,179	3,446,203	1,553,024	1,893,179
Nonoperating revenue(expense)				
Investment income	17,500	66,526	49,026	17,500
Investment expense	(500)	(510)	(10)	(500)
Unrealized gain(loss) on investments	-	(23)	(23)	-
Grant income	-	74,872	74,872	-
Grant expense	-	(82,750)	(82,750)	-
Other Expense	-	(14,929)	(14,929)	-
Capital Outlays	(1,689,179)	(202,108)	1,487,071	(1,689,179)
Appropriations				
Mayor and Council	(176,000)	(171,669)	4,331	(176,000)
City Services	(45,000)	(46,733)	(1,733)	(45,000)
Contributed Capital	-	3,067,232.00	3,067,232	-
<i>Total nonoperating revenue(expense)</i>	(1,893,179)	2,689,908	4,583,087	(1,893,179)
Change in Net Position	-	6,136,111	6,136,111	-

UNAUDITED

**Municipal Services Commission
Statement of Net Position
As of March 31, 2026 and 2025**

	2026	2025
ASSETS:		
Current assets:		
Cash and equivalents	\$ 6,559,923	\$ 2,733,825
Investments	1,384,690	1,339,716
Accounts receivable, net	549,025	976,849
Inventories	1,144,518	1,017,266
Prepays	131,215	90,506
Restricted cash	1,785,690	1,765,803
Total current assets	<u>11,555,061</u>	<u>7,923,965</u>
Noncurrent assets:		
Capital assets not being depreciated:		
Land	43,796	43,796
Construction in progress	918,934	108,547
Capital assets net of accumulated depreciation:		
Buildings	613,159	644,274
Equipment	553,549	825,037
Infrastructure	19,410,663	16,299,307
Total noncurrent assets	<u>21,540,101</u>	<u>17,920,961</u>
Total assets	<u>33,095,162</u>	<u>25,844,926</u>
DEFERRED OUTFLOWS OF RESOURCES		
Pension	501,638	501,637
Total deferred outflows	<u>501,638</u>	<u>501,637</u>
LIABILITIES		
Current liabilities:		
Accounts payable	623,870	822,109
Accrued liabilities	103,814	44,491
Customer Deposits	1,798,114	1,792,764
Total current liabilities	<u>2,525,798</u>	<u>2,659,364</u>
Noncurrent liabilities:		
Due within one year	164,894	109,529
Due in more than one year	2,583,525	2,278,842
Total noncurrent liabilities	<u>2,748,419</u>	<u>2,388,371</u>
Total liabilities	<u>5,274,217</u>	<u>5,047,734</u>
DEFERRED INFLOWS OF RESOURCES		
Pension	309,547	309,547
Total deferred inflows	<u>309,547</u>	<u>309,547</u>
NET POSITION		
Net investment in capital assets	20,793,275	16,911,971
Unrestricted	7,219,761	4,077,310
Total net position	<u>\$ 28,013,036</u>	<u>\$ 20,989,281</u>

UNAUDITED

Municipal Services Commission
Statement of Revenues, Expenses, and Changes in Net Position
As of March 31, 2026 and 2025

	2026	2025
Operating Revenues:		
Water sales	\$ 3,021,038	\$ 2,913,737
Power sales	10,962,125	10,669,031
Miscellaneous	2,855,241	114,432
Total operating revenues	16,838,404	13,697,200
Less: free service	(12,693)	(11,987)
Net operating revenues	16,825,711	13,685,213
Operating Expenses		
Purchase of water and power	7,538,711	7,529,146
Salaries and benefits	3,409,549	2,993,870
Repairs and maintenance	347,226	306,733
Professional fees	642,358	454,242
Supplies	123,876	109,331
Other purchased services	157,907	134,098
Miscellaneous	38,985	8,554
Depreciation	1,360,741	1,288,881
Total operating expenses	13,619,353	12,824,855
Operating income (loss)	3,206,358	860,358
Noncapital subsidies		
Intergovernmental	163,364	-
Appropriations to Mayor & Council of New Castle:		
Ordinary	(808,218)	(729,835)
City Services	(46,733)	(45,089)
Special	(4,300)	(12,706)
Total noncapital subsidies	(695,887)	(787,630)
Operating income(loss) and noncapital subsidies	2,510,471	72,728
Nonoperating revenues (expenses):		
Investment earnings	213,947	253,909
Gain(loss) on disposal of fixed assets	35,100	(47,298)
Grant revenue - restricted for capital assets	-	1,961,183
Capital contributions	4,303,416	-
Interest expense	(39,179)	(23,133)
Total nonoperating revenues (expenses)	4,513,284	2,144,661
Increase (decrease) in net position	7,023,755	2,217,389
Net position - beginning	20,989,281	18,771,892
Net position - ending	\$ 28,013,036	\$ 20,989,281

UNAUDITED

Comptroller/Treasurer's Report – April 16, 2026

**Municipal Services Commission
Combining Balance Sheet by Department
As of March 31, 2026 and 2025**

	Water		Electric		Total	
	2026	2025	2026	2025	2026	2025
ASSETS:						
Current assets:						
Cash and equivalents	2,786,762	-	3,773,161	2,733,825	6,559,923	2,733,825
Investments	207,703	200,957	1,176,987	1,138,759	1,384,690	1,339,716
Accounts receivable, net	127,368	362,469	421,657	614,380	549,025	976,849
Inventories	347,136	301,588	797,382	715,678	1,144,518	1,017,266
Prepays	55,476	36,724	75,739	53,782	131,215	90,506
Restricted cash	-	-	1,785,690	1,765,803	1,785,690	1,765,803
Total current assets	3,524,445	901,738	8,030,616	7,022,227	11,555,061	7,923,965
Noncurrent assets:						
Capital assets not being depreciated:						
Land	43,796	43,796	-	-	43,796	43,796
Construction in progress	321,262	108,547	597,672	-	918,934	108,547
Capital assets net of accumulated depreciation:						
Buildings	279,040	293,190	334,119	351,084	613,159	644,274
Equipment	365,296	518,099	188,253	306,938	553,549	825,037
Infrastructure	11,619,177	8,901,527	7,791,485	7,397,780	19,410,663	16,299,307
Total noncurrent assets	12,628,571	9,865,159	8,911,529	8,055,802	21,540,101	17,920,961
Total assets	16,153,016	10,766,897	16,942,145	15,078,029	33,095,162	25,844,926
DEFERRED OUTFLOWS OF RESOURCES						
Pension	223,882	223,883	277,756	277,754	501,638	501,637
Total deferred outflows	223,882	223,883	277,756	277,754	501,638	501,637

(Continued)

UNAUDITED

**Municipal Services Commission
Combining Balance Sheet by Department
As of March 31, 2026 and 2025**

	Water		Electric		Total	
	2026	2025	2026	2025	2026	2025
LIABILITIES						
Current liabilities						
Accounts payable	15,456	212,061	608,414	610,048	623,870	822,109
Accrued liabilities	46,716	20,021	57,098	24,470	103,814	44,491
Customer Deposits	-	-	1,798,114	1,792,764	1,798,114	1,792,764
Due to other funds	-	377,087	-	(377,086)	-	-
Total current liabilities	62,172	609,168	2,463,626	2,050,195	2,525,798	2,659,364
Noncurrent liabilities:						
Due within one year	24,134	24,937	140,761	84,592	164,894	109,529
Due in more than one year.	1,199,230	1,122,020	1,384,294	1,156,822	2,583,525	2,278,842
Total noncurrent liabilities	1,223,364	1,146,957	1,525,055	1,241,414	2,748,419	2,388,371
Total liabilities	1,285,536	1,756,125	3,988,681	3,291,610	5,274,217	5,047,734
DEFERRED INFLOWS OF RESOURCES						
Pension	140,839	140,839	168,708	168,708	309,547	309,547
Total deferred inflows	140,839	140,839	168,708	168,708	309,547	309,547
NET POSITION						
Net investment in capital assets	12,219,394	9,283,860	8,573,881	7,628,111	20,793,275	16,911,971
Unrestricted	2,731,130	(190,044)	4,488,631	4,267,354	7,219,761	4,077,310
Total net position	14,950,523	9,093,816	13,062,512	11,895,465	28,013,036	20,989,281

UNAUDITED

**Municipal Services Commission
Combining Schedules of Revenues, Expenses, and Changes in Net Position by Department
For the 12 Months ending March 31, 2026 and 2025**

	Water		Electric		Total	
	2026	2025	2026	2025	2026	2025
Operating Revenues:						
Charges for services	\$ 3,021,038	\$ 2,913,737	\$10,962,125	\$10,669,031	\$13,983,163	\$13,582,768
Miscellaneous	2,617,001	39,839	238,240	74,593	2,855,241	114,432
Total operating revenues	5,638,039	2,953,576	11,200,365	10,743,624	16,838,404	13,697,200
Less: free service	(3,894)	(3,202)	(8,799)	(8,785)	(12,693)	(11,987)
Net operating revenues	5,634,145	2,950,374	11,191,566	10,734,839	16,825,711	13,685,213
Operating Expenses						
Purchase of water and power	28,159	21,407	7,510,552	7,507,739	7,538,711	7,529,146
Salaries and benefits	1,510,337	1,427,019	1,899,212	1,566,851	3,409,549	2,993,870
Repairs and maintenance	188,317	261,046	158,909	45,687	347,226	306,733
Professional fees	294,069	214,157	348,289	240,085	642,358	454,242
Supplies	60,841	64,467	63,035	44,864	123,876	109,331
Other purchased services	75,907	63,224	82,000	70,874	157,907	134,098
Miscellaneous	10,348	6,327	28,637	2,227	38,985	8,554
Depreciation	582,703	501,791	778,039	787,090	1,360,741	1,288,881
Total operating expenses	2,750,681	2,559,438	10,868,673	10,265,417	13,619,353	12,824,855
Operating income (loss)	2,883,464	390,936	322,893	469,422	3,206,358	860,358

(Continued)

UNAUDITED

**Municipal Services Commission
Combining Schedules of Revenues, Expenses, and Changes in Net Position by Department
For the 12 Months ending February 28, 2026 and 2025**

	Water		Electric		Total	
	2026	2025	2026	2025	2026	2025
Noncapital subsidies						
Intergovernmental	74,872	-	88,492	-	163,364	-
Appropriations to Mayor & Council of New Castle:						
Ordinary	(171,669)	(149,563)	(636,549)	(580,272)	(808,218)	(729,835)
City Services	(46,733)	(45,089)	-	-	(46,733)	(45,089)
Special	-	-	(4,300)	(12,706)	(4,300)	(12,706)
Total noncapital subsidies	<u>(143,530)</u>	<u>(194,652)</u>	<u>(552,357)</u>	<u>(592,978)</u>	<u>(695,887)</u>	<u>(787,630)</u>
Operating income (loss) and noncapital subsidies	<u>2,739,934</u>	<u>196,284</u>	<u>(229,464)</u>	<u>(123,556)</u>	<u>2,510,471</u>	<u>72,728</u>
Nonoperating revenues (expenses):						
Investment earnings	65,993	49,653	147,954	204,256	213,947	253,909
Gain(loss) on disposal of fixed assets	-	-	35,100	(47,298)	35,100	(47,298)
Grant revenue - restricted for capital assets	-	1,925,924	-	35,259	-	1,961,183
Capital contributions	3,067,232	-	1,236,184	-	4,303,416	-
Interest expense	(16,452)	(5,965)	(22,727)	(17,168)	(39,179)	(23,133)
Total nonoperating revenues (expenses)	<u>3,116,773</u>	<u>1,969,612</u>	<u>1,396,511</u>	<u>175,049</u>	<u>4,513,284</u>	<u>2,144,661</u>
Increase (decrease) in net position	5,856,707	2,165,896	1,167,047	51,493	7,023,755	2,217,389
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>\$14,950,523</u>	<u>\$ 9,093,816</u>	<u>\$13,062,512</u>	<u>\$11,895,465</u>	<u>\$28,013,036</u>	<u>\$20,989,281</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

April 16, 2026

Prepared by: Jay Guyer on April 8, 2026

1. Developer Projects

A. Riverbend Subdivision

1. WUM Guyer continues working on completing the Rail Pros Flagging and Signaling Track Control Coordination application. Operator Schlecht is performing inspection and testing of Phase II services as required. Lennar Builders continues construction on Phase II lots. Freedom Developer's (FD) contractor continues fill/grading work on Phase 3 with plans for Ryan Homes to start building in June 2026. WUM Guyer completed review of the Phase 3 and Phase 4 Water main plans and returned comments to FD's engineering firm Civil Engineering Associates.

B. Deemers Landing and Helm Apartment Complexes

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

C. 610 West 7th Street – 396 Unit Apartment Complex

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

D. 6, 8, and 12 Arbutus Avenue – 6 New Homes by Feather Group

1. MSC is waiting for the builder to request bacteria samples be collected from the homes.

E. Delaware Street Railroad Crossing and 8th Street – Del DOT

1. Preliminary Water Plans were submitted to MSC for review. Comments were returned to Kleinfelder Engineering (KE). Final plans will be submitted to Delaware Office of Engineering (OOE) for an Approval to Construct and Del DOT Utility Section for a Utility Construction Permit. WUM Guyer discussed the water main work for the project with Norfolk Southern's contractor Atlantic Contracting Materials (ACM) who is interested in providing a proposal for performing the work. The water work needs to be completed by the end of May.

F. 713 East Basin Road - William Penn High School Sports Complex

1. Preliminary project plans were reviewed and WUM Guyer has scheduled a meeting on April 8th with Becker Morgan Group Engineers (BM) to review comments. Several options related to the water main design and new alignment of the 20ft wide water utility easement will be presented. WUM Guyer is completing the New Castle County Water Capacity Certification Form for the project.

G. Wilmington Road Railroad Track Crossing – 900 Block

1. WUM Guyer received from Norfolk Southern's (NS) Contractor Atlantic Contracting Materials (ACM) the proposal to perform the water main work abandoning the 8" water main that runs parallel to the railroad tracks. WUM Guyer signed and returned the proposal valued at \$10,250.00. MSC Operators planned, tested, confirmed the

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Water Department Commission Meeting Report

April 16, 2026

Prepared by: Jay Guyer on April 8, 2026

shutdown on the affected section of main. ACM performed the excavation and water main work on March 30th. MSC provided all pipe materials to ACM to complete the work. MSC is waiting to be invoiced by ACM for their work.

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

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

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

1. WUM Guyer received the domestic and fire system design and estimated demands, reviewed them, and drafted a Water Commitment letter confirming MSC has system capacity to serve the 152 Unit Apartment Complex. The final draft was forwarded to the engineer on March 23rd.

2. MSC Projects

A. Cross Connection Control Program – Hydro Corp

1. Cross Connection Control (CCC) Program - WUS Jaeger and Operator Schlecht met with the Centerpoint Point (CP) Representative to review the CCC device replacement at Building 200 which will be scheduled coordinating with the tenant.

B. School Lane Water Treatment Facility PFAS Treatment System Improvements

1. KMP Mechanical (KMP) submitted a preliminary and revised Construction Schedule and material cut sheets for review and approval. WUM Guyer and WUS Jaeger are working with KMP and Pennoni Associates (PA) to coordinate the project. MSC will start School Lane Site preparation the week of April 6th for the ground protection matting and planned placement of the temporary filter vessels on April 14th. GAC sample results collected from both test canisters were received and show the Lead vessel carbon has to be disposed of due to radiation levels and the lag vessel can be reactivated. The next Progress meeting is scheduled for April 24th.

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

1. Work will resume on this project identifying 20% of MSC's water services identified using our predictive modeling to maintain our compliance as time permits.

D. 14th Street Water Main Extension to Johnson Way – 8” Main Install

1. MSC received Approval to Construct from the Office of Engineering. Customer Notices discussing the project details were distributed to customers in the work area on March 4th and 5th. The project started on March 9th at the dead end on 14th Street with plans to complete the loop and tie into 13th And Oak Street. Operators are keeping As-Built installation notes to update our GIS Mapping. WUM Guyer is revising the Utility

MUNICIPAL SERVICES COMMISSION

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Water Department Commission Meeting Report

April 16, 2026

Prepared by: Jay Guyer on April 8, 2026

Easement Agreement and will forward to MSC's attorney with the updated Easement Exhibit. A draft copy will be sent to McConnell Development for review when ready.

3. Operations

A. Outages

1. There were 2 planned and no unplanned water outages for the month of March 2026. See attached Outage Report.

B. Reporting

1. Calgon Carbon Corporation (CCC) Pilot Study – Pilot Study Rigs 1 and 2 are both out of service until the System Improvements Project is completed then they will be put back in service. No update don this project.
2. STRIDE Group EPA Grant – STRIDE's Scientists have reached out to schedule picking up additional supply of MSC water for the Rapid Small Scale Column Testing (RSSCT). MSC scheduled water supply collection for April 8th.
3. US EPA East Basin Road Groundwater Superfund Site – Tetra Tech completed sample collection from Artesian on January 13th and MSC on the 14th. MSC collected our compliance, confirmation, and raw water sampling at the same time. EPA's preliminary and MSC's results have been received and are under review.
4. ARC GIS Pro Water System Mapping and Water Modeling Project - WUS Jaeger and WUM Guyer are waiting on additional information for the Arc GIS licensing from MSC's Electric Department Engineers PSE. WUS Jaeger updated the Matching Planning Grant Application to include MSC Resolution 2026-01 and submitted it on April 8th.
5. PFAS Litigation (Executive Session) – WUM Guyer continues following the 3M / DuPont and Tyco / BASF communications related to the suit and settlements.
6. Delaware State and Local Cybersecurity Grant Program (DSLCCG) - WUM Guyer has no update on closing the grants pending FEMA releasing the required training for grant recipients.
7. 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. Radiation testing results at the vessels have remained consistent throughout the 11 months of monitoring.

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

April 16, 2026

Prepared by: Jay Guyer on April 8, 2026

C. System Repairs and Maintenance

1. Water Operator Projects / Tasks worked on during the Month:
 - a. Operators collected March Monthly Bacteria Samples (10 per month) and Anion Samples as required by ODW for compliance.
 - b. All Long-Term Water Cuts for March were verified to be turned off.
 - c. Water Operators completed the Water Inventory counts on March 23rd and 24th then worked on reconciliations the 25th. WUS Jaeger met with the auditors on March 30th to conduct their control / confirmation counts.
 - d. Water Operator Schlecht is reviewing historical MSC Water As-Built paper plans and updating MSC ESRI Mapping software. Paperwork is also being organized into distribution system zone folders.
 - e. Water Operators installed a new water service for the new Hoop Houses owned by Toby Hagerott of Colonial School District. The Project was reconciled and the Trustees were invoiced for the materials used.
 - f. Material Storage Bins - Operators and Linemen cleaned up, graded, and added crusher run fill material to the area in front of the material storage bins in the back field. This area was identified on the 1st quarter facility wet inspection performed by KCI for City compliance with MS4 requirements.
2. Riverbend Subdivision - Flushed on March 12th and 24th to maintain Chlorine residual.

D. Equipment

1. No Equipment issues to report.

E. Personnel and Training

1. Facilities Person Jay D. Jones retired from MSC effective March 31st after more than 22 years of dedicated service to MSC. Jay's commitment and contributions to the MSC benefited the overall operation of the MSC.

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 – The next meeting is scheduled for April 21st at the Kent County Public Safety Building.

4. Local, State, and Federal Agencies

A. WSCC - Water Supply Coordinating Council

1. The next WSCC Full Council meeting is scheduled for May 6, 2026.

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2. The next New Castle County WSCC Subcommittee meeting is pending.
3. The next WSCC Drought Advisory Subcommittee meeting is pending as the Subcommittee monitors water conditions and will restart meetings when needed.

B. WRA – Water Resource Agency

1. WUM Guyer sends 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 be scheduled in April to include election of officers.

D. Water Operator Advisory Council

1. The April 2nd Council Meeting went well. Council reviewed content for 3 new Short Courses and discussed with Del-Tech Representatives options for updating exam questions.
2. The next Advisory Council Meeting is scheduled for May 7th as a Regular Council Meeting.

E. WIAC - Water Infrastructure Advisory Council

1. The next WIAC meeting is scheduled for March 25, 2026.

End of Report

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Monthly Water Works Report
March 1 - 31, 2026
 Prepared By: Jay Guyer on April 8, 2026

Water Production		FT 300		Gallons	
Month	Year	Raw	Adjusted	Raw	Finished
March	2025	12,164,800	Total Gallons	12,236,900	12,167,322
March	2026	12,236,900	12,040,812	12,167,322	12,167,322
	Difference	72,100	126,510	-69,578	
	Percentage Difference	0.6	1.0		0.6

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

Water Quality	MSC Average	Goal	Range
Average Chlorine Residual	1.34 ppm	1.40 ppm	1.0 - 4.0 ppm
Average pH	7.4	7.5	6.5 - 8.5 on a 0 - 14 Scale
Average Fluoride Residual	0.73 ppm	0.80 ppm	0.60 - 1.00 ppm

General Water System Report	# Collected	# Absent	# Present
Routine Bacteria Sampling		10	0
(Office of Drinking Water)	Results	10	0

Miss Utility Locate Requests	# Received	# Completed	# of Damages
(Water and Electric Locates)	113	113	0

Building Permit Review	# Reviewed	# Approved	# Not Approved
(Water Related Conflicts)	26	26	0

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Monthly Water Outages / Interruptions Report

March 1 - 31, 2026

Prepared By: Jay Guyer on April 8, 2026

Planned Outage / Interruptions

Approximate
Duration

Date

Location

No. of
Customers

Comments

3/9/2026
9:00am to 12:30pm
3 Hours 30 minutes

W 14th Street - 6" Dead End Water Main

3 - Res.
0 - Comm.
Outage to connect the existing 6" main to the new 8" main being installed to loop 14th St to 13th St.

3/9/2026
9:00am to 1:30pm
4 Hours 30 minutes

900 Block of Wilmington Road - 8" Water Main Abandonment

3 - Res.
1 - Comm.
Outage to remove the old 8" Tee abandoning the 8" cast iron water main running parallel to the Norfolk Southern Railroad Tracks across Wilmington Road.

Unplanned Outage / Interruptions

Approximate
Duration

Date

Location

No. of
Customers

Comments

No Unplanned Outages or Interruptions for the Month of March 2026.

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ELECTRIC DEPARTMENT COMMISSION REPORT

April 16, 2026

Prepared by Artie Granger on April 8, 2026

1. Developer Projects:

A. Riverbend Subdivision:

- I. MSC has been providing inspections for Lennar's contractor who is making connections.
- II. MSC will install meters as requested.
- III. MSC will continue to install infrastructure as materials and weather permits.
- IV. MSC will continue to work with the developer to get material and coordinate the installation of manholes and the directional drill under the wetlands.

B. 2,4,6,8,10 & 12 Arbutus

- I. MSC has provided estimate for the installation of electric to the new houses on Arbutus.
- II. The developer has paid and this is scheduled to be done the week of 4/6/26

C. The Battery Apartments

- I. MSC Electric as been asked to provide a capacity to serve letter. MSC provided this and we will wait to see what happens next.

2. Capital Projects:

a. Electric Mapping System

- I. PSE has begun data conversions. MSC has received recommendations for the mapping software from ESRI. PSE is working with Assurance Media to get server requirements to determine ongoing costs. MSC will decide what we feel that best fit for software will be.

b. Electric SCADA System

- I. MSC has schedule progress meetings for this project. At this time materials have been ordered and SEL is working with our engineers to make sure that all of the SCADA points will be pointed to the correct outputs.
- II. MSC will continue to provide required information to either SEL or our engineers to keep this project moving.

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c. Wilmington Road Substation Upgrades

- I. MSC is continuing to work on the plan to get the foundations removed for the proposed underground. MSC is working with Cirrillo Brothers to dispose of concrete as well as waiting for a proposal from Cirrillo Brothers for the demo of foundations should we want to go that route.
- II. Utility Engineering is planning on having updated plans for review sometime shortly.
- III. MSC is planning on beginning some site demolition to allow for the proposed underground cable trough to be installed.
- IV. MSC is preparing to take Wilmington Road Substation off line for some needed upgrades. This is scheduled to take place in FY 2026/2027 The general scope of this project will be:
 - Relay replacement
 - This is due to the existing relays being out of warranty and continued serviceability issues.
 - Control wiring
 - This is due to the wiring in place has been installed since the transformer was installed. We have multiple challenges with the existing wiring.
 - Distribution Breakers
 - Scheduled replacement to maintain reliability.
 - 138KV Breaker
 - Scheduled replacement to maintain reliability.
 - Cable Trough and Raceways
 - Cable trough has been installed for the original substation and made work. This replacement will improve installation and maintenance.
 - Install Nitrogen system on transformer.
 - Automates the nitrogen blanket for the transformer.
 - Scada upgrades
 - Update SCADA system to replace unserviceable equipment. Separate SCADA system from the water departments system.
 - Buss Structure cleaning and inspections
 - Make sure additional repairs are not needed.
 - Transformer Inspections
 - Repair nitrogen leak in transformer
 - Transformer has a small nitrogen leak that needs located and repaired.

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- Testing and Inspections of substation

3. Outages :

MSC had no outages this past month.

SAIDI (minutes)	SAIFI (number of interruptions)	CAIDI (minutes)	ASAI (percent)
11.13608	0.120351	91.25314	99.9978

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.

4. Repairs and Maintenance:

A. Capacitor Controller Replacement

- I. MSC has begun to work on replacing our existing auto capacitor controllers. At this time we have eight auto capacitor banks. As part of the 25/26 FY we have ordered 3 replacement capacitor controllers. Materials are beginning to be received and we will install when we get all of the components.

B. Wilmington Road Substation:

- I. One Monday 4/6 we had a lighting arrestor fail on the 320 circuit. This caused a trip and reclose on this circuit. MSC Electric removed an arrestor from a spare circuit and replaced the failed one.
- II. MCS recommends that we add the arrestor replacement to the substation update project.
- III. The electric department has performed the monthly inspections at this location.

C. Dobbinsville Substation:

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

D. System

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- I. MSC Electric was informed of a transformer that showed signs of leaking. MSC will be replacing the transformer and working on getting the transformer repaired.
- II. This transformer has been replaced. MSC is working on getting it sent out to be repaired / replaced.
 - MSC has ordered a couple of replacement transformers and the same company will coordinate the delivery of the new with the pick up of the old units.
- III. MSC has begun conversations with Verizon to work on getting them to replace poles in Washington Park. We plan on starting with our transformer poles and then we will prioritize replacement of additional pole. MSC met Verizon on site to discuss this.
 - MSC has been informed that this project is in engineering and we are waiting to hear more on the scheduling.
- IV. MSC has been doing routine street light cleaning and maintenance. MSC will be repainting some of the street light poles that need it.
- V. MSC has cleaned and repainted some of our stock transformers that were showing signs of fading and rusting.