

**CITY OF LEWES
BOARD OF PUBLIC WORKS
Regular Meeting Minutes
July 24, 2024**

The Wednesday, July 24, 2024 regular meeting of the Lewes Board of Public Works was held at 4:00 P.M. in Lewes City Hall and via Zoom.

1. WELCOME, CALL MEETING TO ORDER AND PLEDGE OF ALLEGIANCE

President Panetta called the meeting to order at 4:00 P.M. and led the Pledge of Allegiance and a moment of silence.

2. ROLL CALL

Board Members:

Thomas Panetta
Barbara Curtis
D. Preston Lee, P.E.
Richard Nichols
Bob Heffernan

Ex-Officio Members:

Andrew Williams, Mayor
Austin Calaman, General Manager
Robin Davis, Assistant General Manager
Michael Hoffman, Legal Counsel

Others Present:

Kimberly Bellere, BPW Finance Director
Jackie Doherty, Recording Secretary (via Zoom)
Jeffrey Kerin, Inframark
Nathan Laucks, Inframark Regional Manager

3. CONSENT AGENDA

- a. Receive Vice President Report**
- b. Receive Secretary Report-Review February 28, 2024 Regular Meeting Minutes and June 26, 2024 Regular Meeting Minutes.**
- c. Receive Treasurer Report**
 - June R&E**
 - Quarter 1 Report**
 - YTD R&E**
 - Quarterly Budget Adjustment**
 - 2024 Cash Graph**
- d. Receive Assistant Treasurer Report**

ACTION: *Mr. Nichols made a motion to accept the consent agenda including the meeting minutes from February 28, 2024; Ms. Curtis seconded the motion, which passed unanimously.*

Mr. Lee requested the following correction to the June 26, 2024 minutes on Page 4, fourth bullet under the item that reads “Review and discussion included” to state:

Mr. Lee said he and Mr. Davis would prepare a list of items that could impact BPW’s assets that are in the City’s building code. We would provide these to the BPW’s Board members who serve on the City’s Planning Commission Environmental Subcommittee, so that the City can coordinate with the BPW to address the issues.

The June 26, 2024 minutes will be revised and reviewed at the regular August meeting.

4. Receive the Inframark Report

- **Attachments**

Mr. Kerin reported:

- Headworks Project update: 5-millimeter screen has been completed and is back in production; the 2 millimeter will be completed on August 19th, there was a mistake on the order for the washers with the wrong size delivered and cannot be used; bearings also need to be replaced.
- The technician stated these were the smallest screens he has worked on and in the worst condition he has ever seen; he also stated the reason the bearings need replacement is because these have been in operation for 15 years and will be damaged when removed.
- The pump for the 2-millimeter has been tested and is operational; the JWC compactor was tested, and there was an issue with an electrical component in the panel that will need to be replaced.
- Work on the Drake Knoll pump station was completed; a new above ground junction box was added, all new floats, and new wiring back to the control panel.
- Daily Report noted that peak flow was 2.05 million gallons on the 1st, which is incorrect; there has been an issue when stabilizers do not reset on the first of the month, and this was a combination of the 31st and the 1st.
- Digester rolls are being washed on the weekends; an odor control spray will be applied weekly; the odor control spray will also be applied at Pump Station #4; there was an upset in the digester process at Pump Station #4 last week when the VFD had to be replaced along with the pump, and all are now operational.
- LEAP air has been high for a few days due to the high flow days based on the TMPs; these numbers will be doublechecked.

Mr. Kerin stated regarding repairs to the 5-ton crane, Mr. O’Donnell of GMB will speak to Americrane about their report to see if it can be repaired. M2 has reported it is beyond repair and cannot be certified due to the bend in the structure. The entire structure would need to be replaced to be certified as safe to use.

5. Receive the President's Report

President Panetta reported there was a joint executive session with the City, leadership meeting with Mr. Calaman and the City, attended Sussex County planning meetings for the Rehoboth Beach presentation. BPW and Sussex County gave a presentation to Rehoboth Beach City Commissioners on July 8th on strategic planning. Comments received will be an agenda item for discussion at our regular August meeting.

President Panetta stated residents in the 19958 zip code may have received a notice about nitrogen testing. This has nothing to do with BPW. Lewes BPW testing is performed according to State and Federal Guidelines on a routine basis.

Mr. Lee said the notice was misleading by implying wells in Lewes contain nitrates, which they do not.

6. Receive the General Manager's Report

Mr. Calaman reported:

- Work continues in Donovan Smith with goal dates for completing the sewer in mid-August and water in mid-September.
- Work also continues at the wastewater treatment plant; the Fourth Street and Hoornkill applications are being updated to submit to the State for WE ACT final approval in September.
- Met with Rehoboth Beach Commissioners; continue to work on LCR items, and there is a very educational video available for residents on the website; the inventory of BPW and private items will be submitted before the October 16th deadline to meet federal requirements.
- Will visit Newark's water treatment plant, with the City of Rehoboth Beach, for information on their installation of an activated carbon and reverse iron exchange system.
- Met with Sargent and Lundy to discuss electric and the battery program.
- Continue working on NPDES permit renewal.

Ms. Bellere stated there is a new projection included in today's packet with the actuals stating the expectation for net income to be 9.2% higher than originally budgeted.

NEW BUSINESS

7. Open forum/general discussion on the report from the BPW Mitigation Committee. INFORMATION/DISCUSSION/ACTION (D. Preston Lee, P.E. and Robin Davis)

Mr. Lee provided a copy of the Mitigation Committee's recommendations and associated documents for consideration by the Board.

Recommended Design Parameters for Consideration

1. Planning Design Year: 2050
2. Projected Sea Level Rise: FEMA 2015 100-year Flood, Elevation of site + Projected 2050 Eustatic Sea Level Rise of 1.38 feet + Projected 2050 Coastal Subsidence of 0.26 feet + Freeboard of 3.0 feet.
3. Design Wind Load: 120 mph

Associated Documents and Actions by the Mitigation Committee

1. Identified BPW Assets Susceptible to Climate Change
2. Developed map locating BPW Assets
3. Prepared asset spreadsheet listing:
 - Type of Asset
 - Location
 - 2015 FEMA Flood Zone Designation
 - X-Y and Lateral-Longitude Coordinates
 - Site elevations
4. Schedule for Implementation of Mitigation Design Improvements
5. Reviewed existing WWTP and City Emergency Response Plans

President Panetta noted this is about sea level rise and subsidence and not coastal storms, either hurricanes or Nor-Easters. Storm events cannot be predicted and are protected by barriers and sand dunes. FEMA does not have flood maps to represent storms.

Mr. Lee stated the schedule for implementation of mitigation design improvements:

- Items in 87 Zone—2030
- Items in 88 Zone—2040
- Items in 89 Zone—2050

Mr. Hoffman advised the Board to make a motion to direct Staff to provide a plan on how to implement the schedule for implementation to include budget implications.

ACTION: *Ms. Curtis made a motion to accept the report as presented and direct Staff to develop a recommendation on how to implement the mitigation design improvements with a report provided to the Board in one year; Mr. Nichols seconded the motion, which passed unanimously.*

Further discussion regarding the motion included that any new infrastructure construction within the year will be built to these criteria.

ACTION: *Ms. Curtis made a motion to direct Staff that any future BPW projects be consistent with these recommendations; Mr. Heffernan seconded the motion, which passed unanimously.*

8. Open forum/general discussion on an update from the Finance Committee. INFORMATION/DISCUSSION/ACTION (Richard Nichols, Kim Bellere and Austin Calaman)

Mr. Nichols reported the Committee met on July 22nd and included review of the following:

1. Debt ratio coverage policy for Board review with this information to follow.
2. Developers' agreement, which has been drafted but will need further work.
3. Financial framework for each of the four utilities over a 10-year projection to better forecast the financial picture of what BPW is planning, and how it can be financed to individually add a picture of each utility's financial stability and sustainability.

Mr. Nichols stated there will be a presentation at the next regular Board meeting to provide a progress report.

Ms. Bellere stated next year's audit will be reviewed by the Finance Committee. The information will then be presented to the Board either by the Committee or the auditors.

**9. Open forum/general discussion on the 2023/2024 fiscal year audit.
INFORMATION/DISCUSSION/ACTION (Z+A, Kimberly Bellere and Austin Calaman)**

Auditor Kayla DeMar was present via Zoom to review the draft audit stating the opinion on the financial statements is this is an unmodified opinion, which is the cleanest opinion for an audit with no modifications. The GASB statements 94, 96 and part of 99 had no impact on the financials or the footnotes.

Ms. DeMar continued with her review to include the financial statements, footnotes, and internal control over financial reporting, which also was an unmodified opinion with no findings. There were no discrepancies with management.

In answer to Ms. Curtis' question, Ms. DeMar stated there should be no problem implementing the GASB statements next year.

President Panetta stated this will be an agenda item for the August meeting.

10. Open forum/general discussion on the acceptance of Tower Hill Phase 6 and 7 water and sewer. INFORMATION/DISCUSSION/ACTION (Austin Calaman, Michael Hoffman, and GMB)

Mr. Hoffman stated the resolution, as drafted, is conditioned on recordation of the easement, which will start the clock for the one-year maintenance period and the ability to reduce the guarantee.

ACTION: *Mr. Nichols made a motion to have Resolution #24-002 read into the record by title only for consideration and adoption by the Board; Ms. Curtis seconded the motion, which passed unanimously.*

Mr. Hoffman read Resolution #24-002 into the record.

ACTION: *Ms. Curtis made a motion to adopt Resolution #24-002 and to authorize the President to sign the deed for the easement; Mr. Nichols seconded the motion, which passed unanimously.*

**11. Open forum/general discussion on the review of BPW Bylaws.
INFORMATION/DISCUSSION/ACTION (Michael Hoffman)**

Mr. Hoffman stated it is required to do an annual review of the bylaws to request changes.

Discussion of the review and changes included:

- Section 2.6--Board members are not compensated but serve as a way of giving back to the community.

- Section 4.1 Item #5—Required number of members to overrule the President’s decision regarding agenda items; FOIA guidelines to be observed when members discuss requests for agenda items; the requests may be given to Mr. Calaman and forwarded to President Panetta.
- Section 5.3—All agree the President is responsible for controlling order and discussion during meetings but may be overruled by a majority of the vote if there is a difference of opinion regarding rules and procedures.

Mr. Hoffman will make the requested changes for review and a written proposal for adoption at the regular meeting in August.

12. Open Forum/general discussion on the potential uses for the ARPA funds allocated from the City of Lewes totaling \$900,000. INFORMATION/DISCUSSION/ACTION (Austin Calaman, Thomas Panetta, and Robin Davis)

Mr. Calaman provided a list of options for potential uses, which includes the U.S. Department of the Treasury’s intended use of ARPA funds. Mr. Calaman’s list includes street projects, wellfields, water tower, canal crossing project, pump station modifications, stormwater infrastructure. The current agreement with the City states funds are to be used for water and sewer.

Discussion included:

- The money needs to be allocated by the end of the calendar year and spent by the end of the next calendar year 2026.
- Consider funds for projects without grants or loans.
- Address the issue of ratepayers who do not know what the piping is going into their house; EPA ruling on lead and copper and what other municipalities are doing regarding the replacement process; concern that homeowners will need to pay for pipe replacement and the investigation to find the type of pipe material; Federal government wants to give funds to a municipality to allocate to homeowners for the cost of replacing pipes.
- Use ARPA funds to accelerate projects that are without funding and are scheduled within the valid ARPA timeframe.
- Review of the work needed to reline the old clay pipe located at Alaska Avenue, which is the main sewer line on that side of town, through the marsh to Pump Station #8; project needs to be coordinated with the State Park.
- Consideration of AMI.

Mayor Williams stated there is an MOU with the City that is specific regarding how the funds are to be spent. He does not want to make use of City Staff resources or time changing this agreement. BPW requested the funds a year ago for the Headworks Project, which is still in the red zone according to the report from Inframark. We are five months away from the allocation timeline, and now time is being spent on discussions about other uses and free cash flow for other things.

President Panetta explained that delays in the Headworks Project are due to supply chain issues.

Mr. Calaman will provide an updated list for review and discussion at the August meeting.

13. Open forum/general discussion on a pole attachment policy and resolution updating the compilation of policies. INFORMATION/DISCUSSION/ACTION (Austin Calaman, Thomas Panetta and Michael Hoffman)

Mr. Calaman stated the purpose is to update policies and add a section to address the pole attachment agreement specific to any abandoned infrastructure.

Mr. Hoffman explained the language in this agreement matches the previous going forward. This resolution is to have a new signed agreement for poles that have been abandoned.

ACTION: *Ms. Curtis made a motion to have Resolution #24-003 read into the record by title only for consideration and adoption by the Board; Mr. Lee seconded the motion, which passed unanimously.*

Mr. Hoffman read Resolution #24-003 by title only into the record.

ACTION: *Mr. Nichols made a motion to adopt Resolution #24-003; Ms. Curtis seconded the motion, which passed unanimously.*

OLD BUSINESS

14. Open forum/general discussion on the WWTP long-range plan update. INFORMATION/DISCUSSION (Thomas Panetta)

President Panetta stated BPW and the County gave a presentation to Rehoboth Beach Council on July 8th for a high-level discussion on whether they would proceed with discussions and develop more details. The meeting was well attended and the reception from Rehoboth was positive.

The meeting is available for review on the Rehoboth website, and we have added a link on our front page under wastewater treatment plant.

Mr. Heffernan noted that four people spoke at the meeting, pro and con, who are candidates for the Rehoboth Beach City Council. The elections are in August.

President Panetta said BPW and the County have asked Rehoboth for a decision by the end of 2024, and Rehoboth Mayor Stan Mills agreed on the timeline and to continue discussion.

A joint meeting with the City is scheduled for Monday, July 29th at 1:00 P.M.

15. Board or Staff Requests for Agenda Item(s).

As noted throughout the meeting.

16. CALL TO THE PUBLIC

None

17. CALL TO THE PRESS

Bill Shull of the Cape Gazette questioned if the ARPA \$900,000 is shared with the City.

Mayor Williams explained that the City of Lewes received \$1.6M, and the \$900,000 was allocated by the City to BPW since the funds are only given to municipalities.

18. Executive Session

19. Return to Open Session

20. Discussion and action on items from Executive Session, if applicable.

21. ADJOURNMENT

ACTION: *Ms. Curtis made a motion to adjourn; Mr. Nichols seconded the motion, which passed unanimously.*

President Panetta adjourned the meeting at 5:30 P.M.

Respectfully submitted,
Jackie Doherty, Recording Secretary
Lewes Board of Public Works