

**CITY OF LEWES  
BOARD OF PUBLIC WORKS  
Regular Meeting Minutes  
August 28, 2024**

**The Wednesday, August 28, 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 (Via Zoom)  
Charlie O'Donnell, GMB  
Jeffrey Kerin, Inframark  
Nathan Laucks, Inframark Regional Manager  
Ben Hearn, GMB  
Sharon Sexton, BPW Special Projects Coordinator (Via Zoom)  
Jackie Doherty, Recording Secretary (Via Zoom)

President Panetta stated Agenda Item 11 is deleted from the agenda today.

President Panetta apologized to the residents for the disruption in water service last week and the electrical outage today. BPW has been proactive in looking for redundancies and planning for the future. Regarding the water service disruption due to the broken pipe under the canal, we began speaking with the designer through GMB last year about installing the canal crossing, and the design work was 95% complete. Applications were submitted for permits, and contractors were consulted about the actual boring under the canal. The plan is to have a 16" canal crossing by Spring 2025 and check if one of the existing failed lines can be rehabbed for additional redundancy.

President Panetta commended the entire BPW Staff for their quick response. Thank you to GMB for their efforts during the event and in looking for alternatives. Dive teams mobilized the next day to inspect the line and determine a path forward. The City of Lewes sent the message to everyone by email blast and their website. This was a team effort to have the water on in less than 24 hours. We also thank the residents for their outpouring of concern for Staff who were working for an extended period of time.

Ms. Curtis stated the boil water notice was a precaution, and the water was fine.

Mr. Calaman stated samples of the water were taken from the beach side and this side of town and driven to Smyrna for an 18-hour test by the State. Results were received Wednesday morning. The last time there was a watermain break was during a blizzard when the Front Street Project was ongoing.

### **3. CONSENT AGENDA**

- a. Receive Vice President Report**
- b. Receive Secretary Report—Review January 29, 2024 Special Meeting minutes and June 26, 2024 revised Regular Meeting minutes**
- c. Receive Treasurer Report**
  - **July R&E**
  - **YTD R&E**
  - **2024 Cash Graph**
- d. Receive Assistant Treasurer Report**

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

### **4. Receive the Inframark Report.**

Mr. Kerin reported:

- Headworks Project update: Both screens have been replaced; compactor is in place; waiting for alarms to be tied into the RTU on Thursday to have all equipment online; waiting for vent fans to complete process upgrades.
- Kubota Report recommended certain cleaning cycles be done in different pattern than traditional and estimate a three-to-five-year life expectancy left for the membranes; membranes are recommended for five years in the thickening process (these were installed in 2019).
- Quote to fix electric manhole drains going to the storm drain, Mr. Calaman stated he will consider doing this in-house.
- Will try a fogger above the digester to spray for odor control.
- Slightly elevated phosphorus number on last DMR due to a broken alum alarm, not above permit limits at 1.78; after repairs, 85 was the phosphorus level this month.

Mr. Kerin explained what occurred when the pH test ran on a Sunday was a contaminated sample and below the limit at 5.94, continuous monitoring was 7.48. Samples are taken every day and processed in-house. He was contacted by the operator, but it was past the timeline for another sample test by the time Mr. Kerin was able to respond. DNREC was contacted and stated they were not concerned.

In answer to Mr. Heffernan's question, Mr. Calaman stated funding is available through Hazard Mitigation Funds because BPW is doing a floodplain study. Funds are being used to review all pump stations in the floodplain for a final design to bring them all up to standard by installing stainless steel, replacing electrical cabinets high enough to be outside the floodplain.

Mr. Kerin spoke about the work by Inframark to replace internal piping in the pump stations that need repairs instead of doing patch work, as was done in Drake Knoll. The 40-year-old pipes in Pump Station #17 have been rebuilt several times due to difficulties in replacement because of the electrical station location. This is also a problem in Huling Cove.

President Panetta requested a report be provided to the Board listing all pump stations and actions taken or plans to be taken.

## **5. Receive the President's Report**

President Panetta reported BPW continues discussions with Sussex County and Rehoboth Beach. On Monday, September 9, 2024, we will be giving a presentation to Rehoboth Beach Commissioners at their workshop meeting that begins at 9:00 A.M. We are not the first agenda item. Those attending will be President Panetta, Ms. Curtis, Mr. Calaman, Hans Medlarz, and Todd Lawson. Because this is a workshop meeting, no action will be taken until the next Commissioners' meeting two weeks after. We attended an APPA sponsored case study discussion on grid hardening.

President Panetta continued stating he attended the BPW/City Leadership meeting that included discussion about Hoornkill. There was a BPW Special Board meeting last week regarding the canal crossing.

Mr. Calaman stated the APPA meeting included four utilities in coastal communities across the country and their issues with resiliency and reviewing plans to date and challenges they will face in the future.

## **6. Receive the General Manager's Report**

Mr. Calaman reported:

- Teal Construction continues work on Donovan Smith with all residents to be connected to water and sewer by Labor Day.
- Work for the Headworks Project continues with Inframark; GMB has provided information to DHSS and DNREC to finalize questions regarding the SRF applications for Hoornkill and the Fourth Street projects.
- Members of our BPW Staff are attending a TRICON conference this week in Ocean City; there is a presentation on Friday about our work with the EPA.
- Continue meeting with GMB and the City to discuss grants to apply for as a group.
- Mailings on the Lead and Copper Rule will be sent next week, the deadline is October 16<sup>th</sup>.
- Visited Newark's Water Treatment Facility to see their Activated Carbon and Reverse Ion Exchange, Rehoboth Beach also attended.

Maya Krasker, Energy Service Manager for DEMEC, was present and began with a review of the services provided by DEMEC. Ms. Krasker invited everyone to the DEMEC annual dinner on September 18<sup>th</sup>. They will be hosting a panel of industry professionals to provide their personal insight into the state of the energy market and its future including APPA, AMP, ACES, and the Sierra Club Delaware Chapter. DEMEC will also be celebrating 45 years of service.

## **NEW BUSINESS**

### **7. Open forum/general discussion on the development agreement(s) for Mitchell's Corner. INFORMATION/DISCUSSION/ACTION (Austin Calaman and Michael Hoffman)**

Mr. Hoffman stated the Board has been provided with the development agreement for Mitchell's Corner residential. Since it is located outside the City, this is a utilities only agreement. Updates and edits have been noted, and Mr. Hoffman will make these corrections. Exhibit A states the location of an easement for monitoring wells for saltwater intrusion must be provided.

Mr. Calaman stated our original location for the saltwater intrusion well in the Wolfe Neck area was denied. After working with the developer and DNREC, it was decided the BPW well would be placed in the area of their two shallow monitoring wells, required as part of their approval process with Sussex County. This location is very close and adjacent to BPW wellfields. This is only one of several wells to be placed strategically around Lewes including the Canary Creek area and the canal. The cost of the wells is the responsibility of BPW.

**ACTION:** *Ms. Curtis made a motion to approve the Mitchell's Corner Development Agreement with the markup as shown on Page One; Mr. Nichols seconded the motion, which passed unanimously.*

### **8. Open forum/general discussion on the Appointment of two Board members to serve on a City and BPW ad-hoc steering committee that will discuss the planning and development of the municipal complex at Army Reserve Center, Schley Avenue Master Plan as it relates to City and BPW owned properties and the current City Hall. INFORMATION/DISCUSSION/ACTION (Thomas Panetta)**

President Panetta stated the purpose of the committee is to take a 100,000-foot look at the properties, and not for design work, to choose a contractor or an architectural engineer. This will include feasibility and what we need for future discussions. Mayor Williams, President Panetta and Mr. Lee will be on the committee to present all discussions to the Board for feedback.

**ACTION:** *Mr. Nichols made a motion to approve the appointment of two Board members to serve on the City and BPW ad-hoc steering committee; Mr. Heffernan seconded the motion.*

*Mr. Nichols, Mr. Heffernan, Mr. Lee, and President Panetta voted yes to the motion to approve. Ms. Curtis voted no to the motion to approve. With four (4) yes votes and one (1) no vote, the motion passed.*

**9. Open forum/general discussion on the updated Strategic Plan.  
INFORMATION/DISCUSSION/ACTION (Thomas Panetta)**

President Panetta stated now that comments have been received by Mr. Calaman, a workshop may be scheduled for public review.

Mr. Lee requested that input from ratepayers be included and to form a committee as part of the process. The ratepayers should be given the opportunity to meet with key people for input and to discuss all issues. We have been responding to the original every year with an upgrade.

After discussion, it was decided to schedule the meeting for October 7<sup>th</sup> beginning at 4:00 P.M. in City Hall or the Rollins Center.

President Panetta stated most of the original Strategic Plan has been completed, and this would be considered a rewrite. Surveys were provided to customers and specific high-volume users for their input. These results are part of the comments that will be presented to the public at the workshop meeting followed by a comment period.

Mr. Hoffman suggested inviting the key accounts to the meeting for their comments. Copies of the draft will be provided before the meeting.

Ms. Sexton stated the intent for this Strategic Plan was as a continuation of the original, which was a 10-year plan in 2019.

Mr. Lee said he did not recall this being a 10-year plan, it was for 5 years. Many organizations will begin with the 5-year plan, and at the end, will start at the beginning for the next.

Following discussion, it was the consensus of the Board to try and schedule the workshop at the Rollins Center, if available on October 7<sup>th</sup>, to allow more people to attend and to identify those individuals we want to participate. The Board will present the draft with discussion, review the results of the survey publicly, and invite key accounts. The Board may then decide whether to update the existing plan or create a new plan as a step to move forward.

**10. Open forum/general discussion on a resolution related to the AFFF Settlement.  
INFORMATION/DISCUSSION/ACTION (Austin Calaman and Michael Hoffman)**

Mr. Calaman gave a review regarding the PFAS testing through DNREC in 2021 with letters sent following the test. There are many contributors related to PFAS and settlements have begun. What is being presented today is the ability for the Board to confirm its place within the settlement for any future investment involving PFAS. Milton and Rehoboth Beach are doing the same.

Mr. Hoffman stated because the Board was proactive and has the test results data, BPW is eligible for Phase One claims. Milton, Rehoboth Beach, and other municipalities in and outside of Delaware are also filing claims. There is a specific settlement on Tyco and BASF, and the Board has the choice to opt in and take advantage of the settlement process. If the decision is to opt out, action may be pursued against Tyco and BASF by the Board on its own. The formula is similar to other settlements.

Mr. Hoffman advised the Board to opt in, and if this is the decision, a resolution is being presented for adoption through the resolution approval process. The only cost would be attorney fees, which will come out of the reward. This specific resolution is for Tyco and BASF.

**ACTION:** *Mr. Nichols made a motion to have Resolution #24-004 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 #24-004 by title only into the record.

**ACTION:** *Mr. Nichols made a motion to adopt Resolution #24-004, Mr. Lee seconded the motion, which passed unanimously.*

**11. DELETED: Open forum/general discussion on the acceptance of Olde Town at Whites Pond BPW improvements. INFORMATION/DISCUSSION/ACTION (Austin Calaman, Michael Hoffman and GMB)**

**12. Open forum/general discussion on proposals to add additional offices to the BPW upstairs space. INFORMATION/DISCUSSION/ACTION (Austin Calaman and Robin Davis)**

- **Kuhn Quote**
- **EDIS Quote**
- **Douglas and Company Quote**
- **Second Floor Renovation**

Mr. Calaman stated he and Mr. Davis worked with the architect from GMB on plans to modify the second floor of the BPW office space. Four proposals were received with the lowest from Douglas and Company for \$30,000. Work will include creating three offices. The fourth proposal from One Call Services was provided today.

Mr. Davis stated the fourth proposal by One Call Services did not include moving the sprinkler heads if needed and was higher than the lowest bid. Douglas and Company are currently doing residential remodeling work in Pilottown Village and have stated they are familiar with commercial work.

In answer to Ms. Curtis' question, the plans were revised to include two hardware door sets for the interior doors to be installed.

Mr. Calaman reviewed the changes for each person's office and the new conference room after the additional offices are completed.

**ACTION:** *Mr. Nichols made a motion to accept the quote from Douglas and Company for the upstairs space renovations; Ms. Curtis seconded the motion, which passed unanimously.*

## **OLD BUSINESS**

### **13. 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 stated he spoke to City Manager McCabe who said the funds need to be contractually obligated by the end of 2024 and spent by 2026. The discussion was to allocate \$900,000 to the Water Tower Project. The goal date to receive bids for the project is October 1<sup>st</sup>. This would allow an increase in storage from 750,000 to 1,000,000 gallons, or to offset the cost of the 750,000-gallon project, or to do a change order to the Common Header Project.

Mr. Hoffman advised that approval would be given when the contract comes forward. The Board would give direction for this to happen.

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

Mr. Hoffman stated this was a request from the Board members specifically regarding allowing two members to submit a request for an agenda item.

**ACTION:** *Mr. Lee made a motion to have Resolution #24-005 read into the record by title only for consideration and adoption by the Board; Mr. Nichols seconded the motion, which passed unanimously.*

Mr. Hoffman read Resolution #24-005 by title only into the record.

**ACTION:** *Mr. Lee made a motion to adopt Resolution #24-005; Ms. Curtis seconded the motion, which passed unanimously.*

### **15. Open forum/general discussion on the approval of the 23/24 FY Audit. INFORMATION/DISCUSSION (Kimberly Bellere and Austin Calaman)**

Ms. Bellere reviewed the edits requested by Ms. Curtis that were noted and approved.

In answer to Mr. Heffernan's question regarding \$9M as construction in progress, Ms. Bellere explained construction in progress is any project underway that will become an asset but has not been completed.

Ms. Bellere will provide a document with additional information on the amounts spent on construction in progress, as recorded in the accounting system, to the Board.

Mr. Heffernan questioned why the non-operating revenues are positive this year after being negative for the last two years.

Mr. Calaman stated the Finance Committee has reviewed investments to have accounts invested to have returns based on capital return needs.

**ACTION:** *Ms. Curtis made a motion to adopt the 23/24 FY audit as presented with the noted changes; Mr. Nichols seconded the motion, which passed unanimously.*

**16. Open forum/general discussion on the new watermain canal crossing update.  
INFORMATION/DISCUSSION/ACTION (Austin Calaman)**

President Panetta stated the confusion in communications reported was not between individuals but was between software computers. The errors between computers were initiated by the break in the canal and would not have happened if the break had not occurred. The BPW IT Group is working to rewrite that portion of the software. The Lewes Chamber of Commerce offered to help BPW with public communications moving forward regarding the canal crossing watermain failure.

Mr. Calaman reported that BPW and GMB have met with three contractors to review plans and locations. He has spoken to DNREC regarding their public process, which should be completed in the next 20 days for the permit. Other agencies contacted were the Army Corps of Engineers, DelDOT, DHSS, and SCD. The goal is to make a decision about the quotes in the next week, continue talks with GMB, and present the information to the Board at the September 25<sup>th</sup> meeting, or sooner if possible.

Mr. O'Donnell stated permit applications with DelDOT, SCD, Office of Drinking Water, and State Fire Marshal will be submitted next week. The contractors have until September 13<sup>th</sup> to send their proposals. At that time, all will be reviewed to make a recommendation to the Board. Bids were to include SRF requirements and prevailing wages or not. Contracts state there are 126 days from the notice to proceed for substantial completion to complete the water system part of the project with approval to operate from the Office of Drinking Water. Another two months is allowed for completing the restoration. If the 126-day deadline is not met for the watermain contractually, damages are assessed at \$1,500 per day. There is no bonus date for early completion stated in the contracts.

Mr. Calaman reported he sent a letter to DHSS on Monday asking if an emergency exemption would be allowed. This will be reviewed by the EPA for their feedback. If approved, contractors will be chosen who will allow the prevailing wages. If not approved, BPW will be funding without prevailing wages. The contractors asked if it was possible to work 24/7 but the noise and location of the drill would be too loud. Also, the City's working schedule is 7/7.

Ben Hearn of GMB was present stating contractors were asked what the earliest onsite construction commencement would be given a Notice to Proceed date of October 15<sup>th</sup>.

In answer to Ms. Curtis' question regarding drilling in the American Legion area and if it is known how many full-time residents would be present in October, Mr. O'Donnell stated the noise will be heard even from the Wastewater Treatment Plant. When set up in the easement, it will back up to several homes with one being a full-time resident.

Mr. Calaman and Mr. Hoffman spoke about the findings by the dive team regarding the condition of the pipes the day after the water service disruption. Based on feedback received and progress to date, we are confident that this will be a quick construction.

President Panetta stated there have been discussions with GMB for an emergency back up plan.



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

President Panetta reported the City of Lewes, and the County will give a presentation to the Rehoboth Beach Commissioners on September 9<sup>th</sup> to answer questions from the previous workshop. No action will be taken at that time. Two new Commissioners will not be seated until September 9<sup>th</sup> later in the afternoon, but they are invited to ask questions and participate from the audience. This will be an agenda item for the meeting two weeks after to decide if there will be continued negotiations and decide on details for the agreement between Lewes, the County, and Rehoboth Beach.

**18. Board or Staff Requests for Agenda Item(s).**

Ms. Curtis requested a review of the Dark Sky Initiatives and asked if this will be a joint discussion with the City.

Mayor Williams questioned BPW's plans for dark sky lighting in developments, as has been reviewed by the Lewes Planning Commission.

President Panetta stated BPW maintains but has no jurisdiction over streetlights.

Mr. Calaman reviewed BPW's plans to GIS all streetlights in the City to include pictures, light fixture type and condition. Savannah Road and Kings Highway are also included. After the inventory is complete, a demonstration project on low-level lighting will be considered.

Joshua Gritton was present via Zoom stating the streetlight inventory is 50% complete. The weather and budget priorities are factors, but we are working to have all data to Mr. Calaman by mid-to-late September.

Mr. O'Donnell stated as part of the new Subdivision Code, dark sky requirements are included. Every new subdivision will need to meet those requirements when making a presentation to the Planning Commission and Mayor and City Council. It is important for BPW to provide input to the Planning Commission Environment Subcommittee for installing new types of dark sky streetlights.

**19. CALL TO THE PUBLIC**

Brenda, 418 Park Avenue, was present representing Citizens and Friends of The Burton Subdivision to thank Mr. Calaman for his response to her questions about the amendment. If the amendment is passed and the funds granted, will their work be delayed due to the recent problems with water and electrical outages. Can any of the ARPA funds be used for their cause instead of being spent on the water tower. Is there a rainy-day fund available in the budget, and what are the decisions made in regard to how the funds are spent. Addressing the issue with communication during the water outage, many people did not hear from BPW for a long period of time. She was able to contact the 80 Burton Subdivision families three hours before BPW, who were concerned because of the problems with concentration of iron when their water is boiled. Also, language used to communicate with the public should be age appropriate for a better understanding. How many people are on the email listing. How many survey responses were received regarding the Strategic Plan. She never received any information about this survey.

Mr. Calaman answered that he does not anticipate any delays. In reference to the ARPA funds for the water tower, he explained how funds cannot be taken away from an already funded amount according to contracts. The reserve account is considered the rainy-day fund. Mr. Calaman reviewed how these funds are used to re-invest restricted impact fees. The BPW email blast is 4,100 and was sent a little before 10:00 A.M. Facebook and the website were updated at 6:18/6:19 A.M. The email blast was held until speaking with DHSS to be sure if the boil water notice was needed. The survey was sent by email blast, and he will check to provide the number of responses received.

Bill Schmidt, 423 Park Avenue, spoke by CHAT stating he agrees with Brenda regarding comments about the \$900,000 in ARPA funds being used for the Water Tower Project and questioning why it cannot be used for the Burton Subdivision Project. Because he worked for a public utility company in the past, he is aware of the extra money available.

## **20. CALL TO THE PRESS**

Bill Shull of the Gape Gazette notified President Panetta that he would not be able to attend tonight, and he would view the meeting video to provide his article for publication. President Panetta stated that Mr. Shull was present at the site this morning and we will keep him informed.

## **21. Executive Session**

**ACTION:** *Mr. Nichols made a motion to adjourn to the executive session at 6:07 P.M.; Mr. Lee seconded the motion, which passed unanimously.*

## **22. Return to open session.**

**ACTION:** *Mr. Heffernan made a motion to return to the open session at 6:34 P.M.; Mr. Nichols seconded the motion, which passed unanimously.*

## **23. Discussion and action on items from Executive Session, if applicable.**

**ACTION:** *Mr. Heffernan made a motion to approve the executive session minutes from June 26, 2024, July 1, 2024, July 18, 2024, and July 24, 2024; Mr. Nichols seconded the motion, which passed unanimously.*

## **24. ADJOURNMENT**

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

The meeting was adjourned at 6:35 P.M.

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