

**CITY OF LEWES
BOARD OF PUBLIC WORKS
Regular Meeting Minutes
September 25, 2024**

The Wednesday, September 25, 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)
Jeffrey Kerin, Inframark
Sharon Sexton, BPW Special Projects Coordinator (via Zoom)
Ellen Lorraine McCabe, Lewes City Manager
Angela Davis, T-Mobile (via Zoom)
Vince Luciani, GMB
Lewes City Councilman Tim Ritzert
Jackie Doherty, Recording Secretary (via Zoom)

3. CONSENT AGENDA

a. Receive Vice President Report

b. Receive Secretary Report

- **March 28, 2024 Regular Meeting Minutes**
- **April 22, 2024 Joint Meeting Minutes**
- **June 26, 2024 Revised Regular Meeting Minutes**
- **July 1, 2024 Open Session of Executive Meeting**

- **July 22, 2024 Finance Committee Minutes**
 - **July 18, 2024 Open Session of Executive Meeting**
 - **July 24, 2024 Regular Meeting Minutes**
- c. Receive Treasurer Report**
- **August R&E**
 - **YTD R&E**
 - **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.*

ACTION: *Ms. Curtis made a motion to approve discussion of the Treasurer Report; Mr. Nichols seconded the motion, which passed unanimously.*

Mr. Heffernan stated the current year's stormwater budget shows \$150,000 collected with almost the entire amount spent on maintenance and activities. The small \$7.50 payment is being spent and used for current responsibilities. There are areas of the beach where the maintenance by BPW is not required because there is no storm sewer.

Mr. Heffernan will speak to Ms. Bellere to ask how revenues and expenses for stormwater are listed in the budget during the Winter when revenues are lower.

Mr. Calaman noted that the stormwater fund was established 15 years ago and continues to be monitored. All fees collected are put back into the system.

President Panetta stated the main purpose for stormwater management is to keep the City streets drained. In low-lying areas, such as the beach side, it would require large pumps to be built. There were discussions when the rate was increased from \$5.00 to \$7.50.

4. Receive the Inframark Report

- **Veolia Report**
- **Pump Station List**
- **Completed Work Orders**

Mr. Kerin reported:

- Work is almost completed for the Headworks Project with the new motors for the screens being installed tomorrow.
- The compactors, Pistagrit, and two new screens are online; the dumpster is no longer being utilized; it is possible that the EQ tanks will be cleaned now that there are two new screens, and we are waiting for a quote from Chesapeake Environmental.
- Pump #1 at Pump Station #4 needed to be rebuilt last month, which has increased flow to an additional 200 gallons per minute.
- Mr. Kerin and another Inframark employee attended a class in Ohio to review pump repair and maintenance; Pump Station #19 to have an aeration system installed; Staff working 24 hours per day for three days due to the cross-connection break to be sure screens were in operation; ordered new pump for non-potable system to be sure it is running correctly.

- Pump Station #15 had a failed pump, a new pump has been sent for rebuild and a quote will be provided; a backup pump is being purchased to be installed now to eliminate the lack of backup pumps for this station.
- Mr. Kerin reviewed the number rating system he uses for pump stations including grading criteria; he also reviewed why the work orders only cover preventive maintenance for Pump Station #17 and #17B; pump stations with a 6 rating need to be checked but are not considered in critical condition.
- The reason some pump stations are without backup pumps is because these were not purchased when the newer pump stations were installed; since the pumps are less than a year or two old, it is not critical to have backups, although it would be beneficial.
- Discussions continue with GMB regarding quotes for the generator for Pump Station #4 and if the new generator could be used in other stations; another meeting is scheduled for next week.

Mr. Calaman spoke about the reasons why pumps cannot be standardized and used in other stations for backup due to the need for different sizes.

Ms. Curtis questioned why the charts for effluent biological contaminant trends and effluent nutrient trends from the last 12 months are the same. Also, why is there an expense listed for a pump in the Headworks screen system.

Mr. Kerin stated it seems that the charts were posted by mistake, and he will check into this to provide Ms. Curtis with a correction. Regarding the pump expense, this was for the submersible pump needed prior to the new pump being replaced and coming online.

5. Receive the President's Report

President Panetta reported there was a Rehoboth Beach/Sussex County workshop meeting on September 9th regarding the outfall pipe. The next meeting is scheduled for October 7th at 9:00 A.M.

President Panetta continued stating he attended the Mayor and City Council scheduled meetings and special BPW meetings on the canal crossing. Thank you to all BPW employees for their work during the last month's emergencies. There was a DEMEC meeting last week that included presentations and panel discussions with the Sierra Club and American Public Power Authority. The subject was titled "The State of the Industry".

President Panetta stated we need to prioritize the demands on Staff and the Board during this busy time which includes the canal crossing, wastewater treatment plant, and the Strategic Plan. We have two individuals in Lewes from the industry interested in joining the Electrical Resiliency Mitigation Team planned for January 2025. The Strategic Plan meeting is scheduled for October 7th to discuss having outside groups participate in the meetings.

Mr. Hoffman advised that the time to discuss plans for additional outreach to be included in the Electrical Resiliency Mitigation Team is during the October 7th meeting.

6. Receive the General Manager's Report

Mr. Calaman reported:

- All Donovan Smith residents have been connected, and the paving and punch list items to continue.
- Congratulations to Sharon Sexton as the new BPW Special Projects Coordinator and on receiving her Bachelor's Degree.
- Continue to meet with consultants regarding salary survey, job descriptions and structure.
- Sent second mailings on the Lead/Copper Rule; will submit the Lead/Copper Rule report in the next two weeks.
- Went to see the wastewater treatment plant in Frederick County, Maryland with Inframark to review their facility.

President Panetta spoke about the importance of the Donovan Smith Project and the need for the residents to be provided with clean water.

Mr. Calaman explained the reasons why there was a second mailing for the Lead/Copper Rule and why some residents did not receive a notice on the first mailing but did receive one for the second. Staff are currently working on plans to contact the residents who asked for help to identify what pipes they have and the replacement requirements.

NEW BUSINESS

7. Open forum/general discussion on the acceptance of Olde Town at White's Pond BPW improvements. INFORMATION/DISCUSSION/ACTION (Austin Calaman, Robin Davis, Michael Hoffman and GMB)

Mr. Calaman stated water, sewer, stormwater, and electricity have been completed and inspected by GMB. Easements are documented and recorded. The developer has stated the maintenance bonds (amounts are included) will be procured when approved, and the originals will be relinquished. Acceptance by the City is separate from BPW.

Mr. Hoffman noted there is a condition that the one-year maintenance period does not begin until the bonds are received.

ACTION: *Mr. Nichols made a motion to have Resolution #24-006 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 #24-006 by title only into the record.

ACTION: *Ms. Curtis made a motion to adopt Resolution #24-006; Mr. Nichols seconded the motion, which passed unanimously.*

8. Open forum/general discussion on the proposed antennae design (aesthetics) for the Schley Avenue Water Tower from T-Mobile. INFORMATION/DISCUSSION/ACTION (Austin Calaman and GMB)

Mr. Calaman stated T-Mobile is here to ask the Board to consider the type of design presented today. This technology uses magnets without bolting to the tower. If the Board approves the aesthetics, they will increase engineering evaluations to be provided, and we will continue to refer to our water tower consultants. This is a request by T-Mobile to expand their network, and will be in addition to what is present now with Verizon and AT&T.

Mr. Hoffman confirmed and clarified that this is not an application before the Board for a decision. It is an opportunity to hear from a potential future applicant on a concept for feedback. Agreements may be added to include parameters and expectations, which will be separate from the franchise agreement. Compensation will be part of the agreement for renting the water tower space. Discrimination against carriers is not permitted.

Mr. Davis stated the reason for the location on top of the tower is because there is not enough room on the catwalk for their antennae.

Ms. Davis noted that the magnets have been used since 2012 in high-wind areas, data is also available for hurricane and tornado areas. The proposed new water tower will be located too far from the location needing coverage. New antennae are to be four feet higher than the existing handrail, and there will be additional support to the handrail. Alternatives may include a tripod mat but would need to be used for all future installations. Magnets can be released for tower maintenance.

Comments and concerns by the Board included:

- Antennae are high and visible; could these be lower; T-Mobile engineers will need to be consulted.
- Concern for the osprey, eagles and other birds in the area.
- Will the cables interfere with access to the hatch on top of the tower.
- Alternative to reduce volume; request is for nine antennae divided into three different sections; corral may be painted to match the water tank.

9. Open forum/general discussion on Crane 1 proposals at the WWTF. (INFORMATION/DISCUSSION/ACTION (Austin Calaman and GMB)

- **Recommendation of Award**
- **Motorization of Bridge Proposal**
- **Runway Square Proposal**

Mr. Calaman stated GMB has spoken to Crane 1 because they had done previous maintenance. They have proposed two solutions: 1) structural fastening and added stainless steel support; 2) full crane replacement with electric and hydraulic support. GMB recommended #1 at a cost of \$31,000. The cost for Option #2 would be approximately \$90,000. Other companies may be contacted for estimates if requested by the Board. Although the crane is working, the problem is that it can become dislodged during operation.

Mr. Luciani and Mr. Calaman reviewed the repairs needed for option #1 and how these will be completed by Crane 1, who has assured us this will work. We will check about any additional freight or shipping charges.

ACTION: *Mr. Heffernan made a motion to accept Option #1 for repairs by Crane 1; Mr. Lee seconded the motion.*

Concerns and discussion regarding the motion included:

- There is the possibility that the crane will become lodged in a position that cannot be dislodged.
- Will another alternative bid be more expensive; Inframark asked the contractor working on the Headworks Project to check the crane, but they were not willing to do the job.
- Concern that this is a potential danger, and for the safety of the operator, it should be repaired correctly.

Ms. Curtis and Mr. Heffernan voted no to the motion to approve Option #1 for repairs. Mr. Lee, Mr. Nichols and President Panetta voted yes to the motion. With three (3) yes votes and two (2) no votes, the motion to accept passed.

**10. Open forum/general discussion on Semi Annual Hydrant Flushing.
INFORMATION/DISCUSSION/ACTION (Austin Calaman)**

Mr. Calaman stated the dates will be Wednesday, October 30th and Thursday October 31st. Notification post cards will be sent.

11. Open forum/general discussion on Semi Annual Household Hazardous Waste and Drug Takeback. INFORMATION/DISCUSSION/ACTION (Austin Calaman)

Mr. Calaman stated the date is October 26th from 10:00 A.M. until 2:00 P.M. This is an event coordinated with the Lewes Police Department.

12. Open forum/general discussion on the Finance Committee Debt Service Coverage Ratio Policy recommendation. INFORMATION/DISCUSSION/ACTION (Richard Nichols and Kimberly Bellere)

Mr. Nichols stated included for review today are the Debt Service Coverage Ratio Rationale and Procedure fixed at 1.25 for the proper benchmark. The request is for acceptance by the Board and added to policy.

ACTION: *Mr. Heffernan made a motion to accept the Debt Service Coverage Ratio Rationale and Procedure and to approve new Section 3.12 as presented; Ms. Curtis seconded the motion, which passed unanimously.*

13. Open forum/general discussion on the Finance Committee Developer's Agreement Policy recommendation. INFORMATION/DISCUSSION/ACTION (Richard Nichols and Kimberly Bellere)

Mr. Nichols stated this is a policy recommendation reviewed by the Finance Committee attorney. This will improve the collection ability of escrow payments that are required from developers.

Mr. Hoffman reviewed the legal terms, “Commercially Reasonable’ and ‘Reasonable’ when drafting contracts. Mr. Hoffman also read Section B, regarding money deposited by a developer being retained by BPW for default, into the record for discussion. This states the developer is liable for full damages regardless of what monies are held.

ACTION: *Ms. Curtis made a motion to approve new Section 6.1.4.1 as presented; Mr. Heffernan seconded the motion, which passed unanimously.*

ACTION: *Ms. Curtis made a motion to approve new Section 6.18 as presented; Mr. Nichols seconded the motion, which passed unanimously.*

14. Open forum/general discussion on the City of Lewes ADU Ordinance.

INFORMATION/DISCUSSION/ACTION (Austin Calaman, Bob Heffernan and Thomas Panetta)

President Panetta stated Mayor and City Council discussed the ADU Ordinance and changes to City Code at their last meeting. The impact to BPW will be the 40-unit cap per year for the entire City. It would not be a worthwhile endeavor to restructure the tariffs, impact fees and rate structure for only 40 units.

Mayor Williams said what passed was the 40-unit cap for the first year only to see if it needed to be changed. What passed after recommendation from the Housing Subcommittee was ADUs may use the same sewer service and meter as the principle home. The homeowner will have the ability to separate charges with indoor meters. Eliminating impact fees and ready-to-serve fees make housing more affordable. Unless the Board strongly opposes, the City will be moving forward and no action is required by the Board.

Mr. Heffernan stated he was Chair for the Subcommittee, and the Code protects the City by not allowing an ADU in every yard. There are also restrictions in the definition.

Mr. Calaman stated the request was for an answer within 60 days. This may be an agenda item for our October meeting.

ACTION: *Mr. Lee made a motion to state the Board does support the ADU Ordinance as presented highlighting the aspect of lower-cost housing for workers; Mr. Heffernan seconded the motion, which passed unanimously.*

15. Open forum/general discussion on the Virden Subdivision Development Agreement.

INFORMATION/DISCUSSION/ACTION (Austin Calaman, Robin Davis and Michael Hoffman)

Mr. Calaman stated this standard document summarizes the agreement between the City and BPW regarding the subdivision on Kings Highway.

ACTION: *Mr. Nichols made a motion to approve the Virden Subdivision Development Agreement with the condition that it be approved by the City; Ms. Curtis seconded the motion, which passed unanimously.*

**16. Open forum/general discussion on potential change order for the caustic tank replacement under the Teal Construction Wellfield Header Pipe Project.
INFORMATION/DISCUSSION/ACTION (Austin Calaman, Robin Davis and GMB)**

Mr. Calaman reviewed the agreement with Teal for the Common Header Project and the request for a change order to include the Caustic Tank Replacement Project. GMB recommended taking the two additional options for a total of \$140,074.04. This was included in the budget for \$150,000. Gaskets have been replaced, but the caustic tank is deteriorating.

ACTION: *Mr. Nichols made a motion to approve the Teal change order for the caustic tank replacement at the wellfield in the amount of \$140,074.04 to include the two options; Mr. Heffernan seconded the motion.*

Discussion of the motion

Ms. Curtis questioned if ARPA Funds could be used for the project.

Mr. Calaman said this would not be possible and explained the process used to fund the Water Tower Project through ARPA Funds. The caustic tank would be considered included in the Common Header Project section of the \$5M water tower funding.

All meetings for the pre-bids and bid openings are scheduled to be sure the deadlines for use of the ARPA Fund are met.

After discussion, the motion to approve passed unanimously.

OLD BUSINESS

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

Mr. Calaman stated meetings were attended to award the Teal contract; scheduling approved material submittals, and the pipe has been ordered; schedule the drill rig to be set up.

Mr. Luciani spoke about the issue of there being a danger to the eagles. It was never confirmed that two eagles were seen in the osprey nest in the marsh. Information has been received stating restrictions apply during breeding season from December 15th through June 30th. Our current schedule for drilling should be completed by mid-November and would be over 330 feet from the nest. There should not be an issue regarding disturbances to the eagle's nest.

ACTION: *Mr. Nichols made a motion to approve the DelDOT agreement for the canal crossing as discussed in Executive Session; Ms. Curtis seconded the motion, which passed unanimously.*

**18. Open forum/general discussion on the Hoornkill Project update.
INFORMATION/DISCUSSION/ACTION (Austin Calaman and GMB)**

Mr. Calaman reported the Hoornkill and Fourth Street/Park Avenue Projects were approved. Regarding the Hoornkill Project, the 2%, 20-year loan was approved. There is also up to \$836,778 in principle forgiveness. Terms include that this is subject to the annexation request for 11 ADUs into the City. Mayor Williams and Ms. McCabe have agreed to coordinate this with the 11 property owners.

Mr. Calaman's request is to allow Staff to move forward with the process including the bonding commitment letters. Resolution and closing documents will be presented to the Board for approval.

ACTION: *Mr. Heffernan made a motion to approve Staff to move forward with the negotiations for the Hoornkill Project; Mr. Nichols seconded the motion, which passed unanimously.*

**19. Open forum/general discussion on Fourth Street and Park Avenue Project update.
INFORMATION/DISCUSSION/ACTION (Austin Calaman and GMB)**

Mr. Calaman reported the 2%, 30-year mortgage was approved with no principle forgiveness. The project is fully funded with the requested original and supplemental amounts approved. The amount for the project is \$8.6M. A separate agreement will be needed with the City regarding the dedicated improvements and repayment to include streets, sidewalks and curbs.

Mr. Calaman's request is to allow Staff to move forward with the process.

ACTION: *Ms. Curtis made a motion to approve Staff to move forward with the Fourth Street and Park Avenue Project; Mr. Nichols seconded the motion, which passed unanimously.*

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

President Panetta stated discussions continue with Sussex County and Rehoboth Beach. A meeting is scheduled for October 7th with Rehoboth, and a workshop will be scheduled after this meeting.

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

Ms. Curtis requested a six-month review of impact fees be included in the October agenda.

22. CALL TO THE PUBLIC

Brenda Afzal, 418 Park Avenue, was present thanking BPW for all their help with the approval of the Park Avenue Project. She also spoke about concerns for public health risks with the combination of multiple antennae installed on the water tower. There are people in the community who will need financial help through funding if pipes need to be replaced under the Lead/Copper Rule.

