

Lewes Board of Public Works
June 5, 2023, Minutes
10:00 am
City Hall Council Chambers

1. Welcome, Call the meeting to order.

President Panetta called the meeting to order at 10am.

2. Roll Call

Board Members

Thomas Panetta
Earl Webb
D. Preston Lee, P.E.
Richard Nichols
Barbara Curtis

Ex-Officio Members

Austin Calaman, BPW General Manger
Robin Davis, BPW Assistant General Manager
Michael Hoffman, Legal Counsel

Others

Josh Elliott, GMB
Sharon Sexton, BPW

3. Open forum/general discussion on awarding of the WWTP headworks upgrades.

Josh Elliott presented:

Officially bid out the headworks project on May 26, 2023.

Schedule A is the base – rebuilding the two screens, replacing the grit system, removing lipactor. Add alternate option is secondary a redundant fine 2 mm bar screen to be placed in the bypass channel.

There were two bids:

Contractor	Schedule A	Schedule B (add alternate)
Kuhn Construction	1,894,000	690,000
M2	1,781,183	865,906

Both base bids came in over the requested loan amount of \$1.75 million. The hope was that the \$1.75 million would also cover pump stations. Request was submitted to DNREC for additional \$500,000. DNREC unable to put on the agenda until September.

Equipment lead times are worse for GRIT system and screens, estimate 7 to 8 months. Mr. Calaman stated once the compactor is installed, that would allow BPW to remove screening dumpster. The additional \$500,000 would just cover this project, not the pump stations. The bids are just construction costs. The project was different when the loan was obtained.

Mr. Elliott stated that the HVAC work should help with the life of equipment. Flow channels are covered but not sealed and with the work completed there would be less gases in the building itself.

President Panetta questioned if there is any work that is not needed in the next five years. Mr. Elliott stated that there are some control panels in better condition than others, but GMB would need to talk with Mike Wolgemuth first. If items were removed from scope, then the project would have to be rebid. Mr. Elliott stated that the project has included what is necessary and added items from GHD report like the HVAC upgrades.

Mr. Hoffman advises against removing work without rebid.

The \$500,000 does include some contingency.

Ms. Curtis questioned if this project would serve the BPW if decided to partner with Sussex County for the long-term plan. President Panetta stated that project is needed even if the BPW goes with the county.

Mr. Webb questioned the cost for GMB. Mr. Elliott stated that construction administration is usually around 10%.

President Panetta stated that the project does not require any structural work to the building.

Ms. Curtis questioned the mitigation committee's recommendations for equipment elevation relative to the project. President Panetta stated that none of the equipment will be at risk because it is on the second and third floor.

Staff recommends moving forward with project because a rebid typically increases in price. Mr. Calaman questioned if contractors entered a bid with alternate equipment. Mr. Elliott stated that both bids were to spec and does not see a huge cost savings by using a different system. Any major changes would trigger a rebid.

Inframark made recommendation for the compactor.

Mr. Nichols questioned if WIAC was the only source of funding. Mr. Calaman reminded the Board that the BPW has a line of credit and ARPA funds are coming in as well.

Josh Elliott recommends accepting M2 Construction and do not add the alternate.

Mr. Webb questioned if GMB worked with Sussex County and their buying power. GMB did not and has not in the past. Mr. Elliott stated that the BPW could save money going in that direction, but the downside is that the equipment is purchased by county and would be on the BPW to resolve if any issue with equipment. Typically, the responsibility falls to the contractor. The contractor has the expertise and coordination risk is on the contractor. Mr. Elliott stated that if the project is rebid, then the BPW may not be able to use the state loan money to buy equipment. State does not allow for single source of equipment.

Mr. Nichols questioned if the contractors have a clear responsibility to maintain operations. Mr. Elliott stated that the contractor cannot disrupt operations. There is a coordination section in the specs.

GMB has worked with M2 Construction on many projects. Mr. Nichols questioned if M2 Construction is required to provide updated insurance at the end of the year when the current policy expires. Mr. Elliott confirmed that there is a requirement to present updated insurance through the entirety of the project. President Panetta questioned if M2 Construction has mitigation plans to ensure plant stays operational if something unforeseen during the process. Mr. Elliott stated that the contractor would not have a plan for long-term in advance.

Ms. Curtis questioned if local labor be used or if the BPW will be paying for travel accommodations. Mr. Elliott stated that typically the project manager will be from Pennsylvania, but the foreman and labor is local. This would factor into the bid.

Mr. Nichols questioned if the contractor is required to track progress report. Mr. Elliott stated that there is a monthly progress report.

Mr. Elliott does not recommend going with the add alternate. Mr. Calaman stated that he agrees since the WWTF discussion ongoing. President Panetta stated that the future of the plant is unknown.

The expected life of the new equipment is 20 years, and none can be used if going with Sussex County. President Panetta stated it would be worth discussing what salvage value.

Lead time from manufacturers are 30-34 weeks. There is work that can be started. The contract length is 270 days, including 4 months of lead time. Allow time extension for only portions impacted by equipment delays.

ACTION: *Ms. Curtis motioned to accept the base bid without the option from M2. Mr. Lee seconded the motion, which passed unanimously.*

4. Open forum/general discussion on selection of a date for the GMB presentation for the water main assessment study.

Scheduled Watermain Assessment presentation on June 22, 2023, at 9 am.

5. Executive Session.

ACTION: *Mr. Nichols motioned to executive session. Mr. Webb seconded the motion, which passed unanimously.*

Moved to executive session at 10:52pm.

6. Return to open session.

ACTION: *Mr. Nichols motioned to return to open session. Mr. Curtis seconded the motion, which passed unanimously.*

Returned to open session at 1:06pm.

7. Discussion and action on items from executive session, if applicable.

ACTION: *Mr. Nichols motioned to accept the executive minutes from May 15, 2023, and May 17, 2023. Mr. Lee seconded the motion. President Panetta, Mr. Webb, Mr. Lee, and Mr. Nichols voted yay. Ms. Curtis abstained. Motion carries.*

8. Adjournment.

ACTION: *Mr. Nichols motioned to adjourn. Ms. Curtis seconded the emotion, which passed unanimously.*

President Panetta adjourned the meeting at 1:07pm.

Respectfully Submitted
Sharon Sexton
Executive Assistant