

**CITY OF LEWES
BOARD OF PUBLIC WORKS
Regular Meeting Minutes
May 28, 2025**

The Wednesday, May 28, 2025 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:

Amy Marasco, Mayor
Robin Davis, General Manager
Michael Hoffman, Legal Counsel

Others Present:

Kimberly Bellere, BPW Finance Director
Sharon Sexton, BPW Special Projects Coordinator
Kris Keller, BPW Office Manager
Jeffrey Kerin, Inframark
Hans Medlarz, Special Projects Engineer for Sussex County
Ben Hearn, GMB
Bob Palmer, Beacon Engineering
Lauren DeLuca, Attorney
Jackie Doherty, Recording Secretary

3. CONSENT AGENDA

a. Receive Vice President Report

b. Receive Secretary Report

- **Approval of minutes from March 17, 2025 Finance Committee, March 26, 2025 Regular Meeting Minutes, April 23, 2025 Regular Meeting Minutes, April 28, 2025 Joint Meeting Minutes.**

c. Receive Treasurer Report

d. Receive Assistant Treasurer Report

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

4. Receive the Inframark Report

Mr. Kerin stated they now have a licensed master electrician working onsite.

Mr. Kerin reported the following:

- The date for coating the containment area is around September 15th; they are booked for the Summer, and we are waiting for the new tanks for the replacement of the chemicals.
- Receiving quotes for the chemical replacement tanks by next week.
- Met with Teal, Mr. Davis, and Mr. Hearn about Pump Station #17 replacement options; Teal will provide cost estimates for each option to present to the Board at the June meeting.
- Plan for a test run on the alum replacement; this test is being run by NeoWater at a facility in Pennsylvania with very good data; this alum is more expensive but will have less impact on the membranes when removed.
- New pumps for the old EQ tank have been purchased to be shipped July 10th.
- New chart with the projects table was provided.
- Seals have been ordered for the membrane doors on Train #4 and should be installed next month.
- Walkthrough on the Veolia Report regarding Train #4 showed flows are dropping and spiking continuously causing an anomaly on the chart; issues with the flow meter, and the lug joys on the pump were destroyed; meter will be replaced Friday, and the lug joys replaced tomorrow.
- Effluent is not being tested for micro or nano plastics at this time; filters do remove microplastics.

5. Receive the President's Report

President Panetta reported he met with Sargent & Lundy to review the Fourth Street electrical undergrounding project. They spoke about the complexity of the project due to the closeness of buildings to the street and lack of land. A report will be provided in the next few weeks. Did a Wastewater Treatment Plant walkthrough with Ms. Curtis, Mr. Davis, GMB, and Inframark. The plant is very clean and in the best condition he has seen in his eight years on the Board.

President Panetta continued stating he attended the joint meeting with the City, and the next is scheduled for July. He and Mr. Davis met with GMB for a progress report on water tower construction. He and Mr. Davis attended the University of Delaware Stormwater Pilot Project. Discussions continue with Sussex County on the wastewater treatment agreement. Attended Mayor and City Council meetings.

Mr. Hearn reviewed the schedule for the water tower construction that will include stopping for the Summer due to the high cost of housing for workers. Construction on the tower structure will resume in September. Site work will continue during Summer.

6. Receive the General Manager's Report

Mr. Davis reported attending progress meetings for Virden Subdivision, Mitchell's Corner, Wellfield Header Project, Canal Crossing, Bob Palmer (Beacon Engineering) and Mr. Hearn for the water/sewer connections on New Road property, Finance Committee, Scott from DelDOT to coordinate the water/sewer and bridge projects on New Road.

Mr. Davis continued stating there is a DEMEC Joint Council meeting on Tuesday, June 3rd from 5:00 to 7:00 P.M. at the DEMEC facility. A Certificate of Excellence in Reliability for Electric was received by BPW from the APPA.

The Canal Crossing and Wellfield Header Projects are nearly complete, and walkthrough inspections will be scheduled. Fourth Street/Park Avenue and Hoornkill Projects loans were closed on March 14th and GMB is moving forward with concept designs and surveys. Bids and permits to be submitted in mid-2026 with Fourth Street project to begin September 2026 and completed in 2028. Hoornkill site inspections are complete for 11 connections to our system. Bids start August 2025 with construction starting November 2025.

Updated information on all projects is available on our website. When construction begins on the projects, monthly progress meetings will be held that are open to the public.

7. Receive Finance Manager's Report

- **Revenue and Expenses Report**
- **Cash Graphs**
- **Fiscal 2026 Cash Reserve**

Ms. Bellere reviewed the reports provided including April revenues and expenses stating operating revenues are 3½ % below budget, expenses 2.1% below budget, and non-operating revenues 38.2% below budget due to negative change in market value. Water residential irrigation revenue was higher because HOAs were included by mistake that should be under commercial.

Review also included repairs and maintenance purchases and supplies expenses; interest income; depreciation expense for water and sewer requires a budget adjustment report; residential electric 9% below budget; industrial water is down due to less usage by Beebe and SPI. Cash Reserve Account ending March 31, 2025 with shortage to be replenished by State reimbursement for loan renewals.

Ms. Bellere stated the Finance Committee is reviewing the Cash Reserve Policy to see if changes are needed in the policy.

Election of Officers

8. Open forum/general discussion of the election of Officers of the BPW for the upcoming year.

Current Elected

President—Thomas Panetta

Vice President—Barbara Curtis

Secretary—D. Preston Lee, P.E.

Treasurer—Richard Nichols

Assistant Treasurer—Bob Heffernan

ACTION: *Mr. Lee made a motion to nominate Thomas Panetta for President; Mr. Heffernan seconded the motion, which passed unanimously.*

ACTION: *Mr. Nichols made a motion to nominate Barbara Curtis for Vice President; Mr. Heffernan seconded the motion, which passed unanimously.*

ACTION: *Ms. Curtis made a motion to nominate Pres Lee for Secretary; Mr. Nichols seconded the motion, which passed unanimously.*

ACTION: *Ms. Curtis made a motion to nominate Richard Nichols for Treasurer; Mr. Lee seconded the motion, which passed unanimously.*

ACTION: *Mr. Nichols made a motion to nominate Bob Heffernan for Assistant Treasurer; Ms. Curtis seconded the motion, which passed unanimously.*

Old Business

9. Open forum/general discussion on the request from Parcel 335-8.00-5.04 (New Road) owner to connect to BPW water and sewer and discussion and consideration of resolution requesting CPCN. INFORMATION/DISCUSSION/ACTION (Robin Davis)

Mr. Davis stated this is a continuation of discussion from last month regarding the property owner's request for a water/sewer connection to the property. Mr. Davis gave an overview of the history of the property, information regarding service to developments on New Road provided by a temporary line and the New Road Bridge Project. The April meeting included discussion of possible locations for installation of the line, BPW does not have the rights to supply water, but can supply sewer service. There are four other parcels on the street who have not requested service.

Discussion included:

- Suggestion to install lines to provide service to the other four parcels if requested in the future.
- DelDOT has agreed there is enough room in the right-of-way for the lines, as shown on the design by Mr. Hearn.

- DelDOT stated they would cover the design costs as part of the New Road utility relocation work if the line were for one parcel. If the service is for all five parcels, they will only pay the difference.
- What are the estimated costs for the property owner.
- BPW to be responsible for maintaining the extended service line if permanent or may install a temporary line to add the other four properties in the future.
- Concerns about contamination of other properties if the water/sewer lines on the four parcels are compromised by sea level rise in the future.

Mr. Palmer stated property owner, Mr. Piorkowski, has budgeted between \$40,000 and \$60,000 to run a 2" force main for sewer service. It was determined this would be the size to also include the other four parcels vs. 1½" for the Piorkowski property only. The water service will probably be in a similar range with a 4" pipe for the five parcels.

Mr. Hoffman stated the question is whether BPW will pay the costs to install the infrastructure for service to the five parcels. The next step is a formal request from the property owner to apply for the CPCN to generate a resolution added to the Board's agenda. According to the Charter, consent is required from Mayor and City Council.

Mayor Marasco stated in the State of Virginia, adjacent properties are to be notified when there is a thought, but not a commitment, for extending a utility. Mayor and City Council will request information on due diligence in notifying the neighbors of the potential for the utility extension.

Mr. Hoffman said he is not aware of a legal notice requirement, but there is a CPCN notice that will be sent to all adjacent properties.

Mr. Davis spoke about the Mayor and City Council review of the CPCN request that will include discussions regarding possible annexation.

Mr. Palmer noted that the other four parcels are North of Mr. Piorkowski's parcel and are within the sewer CPCN. DNREC will not approve a replacement septic system since public sewer service is available. The majority of Mr. Piorkowski's parcel is not suitable for an on-site septic system, and it is his desire to connect to public utilities. There is a contingency plan approved by DNREC subject to submitting a septic permit application.

Mr. Hoffman advised action is not needed today if the consensus is to work with the applicant on the petition. When the resolution is presented, there will be discussion on whether to upsize. We now need the formal request for the CPCN petition. The timeline with the City will be reviewed, and they will be forwarded a copy of the petition.

10. Open forum/general discussion on the WWTP long range plan update.

INFORMATION/DISCUSSION/ACTION (Thomas Panetta)

President Panetta reported the goal is to have a draft agreement with the County by the end of June to hold a public workshop in mid-July and obtain input on the agreement and the process forward. Sussex County Council and the Board will decide on formalizing the agreement by September.

Mr. Medlarz gave a review of the process by the County working with their Finance Department on operational charges and agrees the draft should be ready by the end of June. He also spoke about the boat for their research team collecting samples to Rehoboth Bay; the study to determine outfall location; amendment to the agreement regarding compensation and contributions.

Mr. Hoffman stated the draft presented at the end of June will require both negotiating teams at high level to say it is ready for public discussion. The draft will then be added to the workshop agenda, public meetings, and public discussion to continue through the process.

**11. Open forum/general discussion on the Lewes BPW drug and alcohol policy.
INFORMATION/DISCUSSION/ACTION (Kris Keller and Sharon Sexton)**

Ms. Keller provided a copy of the changes made to the existing policy in the Employee Handbook to address Delaware law regarding legal marijuana.

Discussion included:

- Concern regarding testing to measure cognitive impairment for employees with safety-sensitive positions who may use marijuana over the weekends and are randomly picked for quarterly sampling; backup testing for impairment while working.
- Discussion in the policy of the Federal and State requirements; marijuana is still illegal under Federal law; paraphernalia definition cites Delaware law.
- Delaware law allows refusal of marijuana random testing, but this is not an option for those with a CDL license; most of the safety-sensitive employees have a CDL license; are safety-sensitive employees prohibited from using marijuana.

Ms. DeLuca stated this policy resembles the form and templates the Drug Free Workplace Act asks employers who receive federal funding to use. If BPW receives a federal grant of over \$100,000, it requires commitment to a drug-free workplace. Federal law considers marijuana a controlled substance, there are caveats for medical marijuana. The Board needs to consider whether there is to be a no-tolerance policy or provide flexibility with modifications. There are policies that may incorporate a second chance program.

Ms. Curtis spoke about having a policy that measures impairment with more sophisticated testing combined with cognitive tests. There are prescription drugs that may impair performance. Large companies test employees daily before starting work.

Mr. Hoffman reviewed Board considerations including:

- Follow template for federal funding with the no-tolerance policy or a more lenient policy that still follows the template.
- Staff to check about a broader fit-for-duty impairment policy.
- Advance the policy reviewed today for publication and public comments with action taken at the June meeting; the policy will not be adopted at this time.

ACTION: *Mr. Heffernan made a motion to advance the policy for publication and public comments with action to be taken at the June meeting; Mr. Nichols seconded the motion, which passed unanimously.*

**12. Open forum/general discussion on implementing credit card fees to payment transactions.
INFORMATION/DISCUSSION/ACTION (Kimberly Bellere)**

Ms. Bellere stated there is a recommendation to charge a fee lower than the amount of fee being collected due to a bill being considered making it illegal to collect more fees than are being paid. The recommendation is to charge a .5% fee or no fee until it is known if the law is passed. Debt cards cannot be charged.

After discussion, it was decided to continue review and discussion again at the meeting in July.

New Business

13. Open forum/general discussion on receiving re-delineation of Lewes-Rehoboth Beach Well Head Protection Area final report. INFORMATION/DISCUSSION/ACTION (Robin Davis)

Mr. Davis provided the June 2023 final report from the University of Delaware at the request of BPW. The total cost was \$79,000, and BPW paid 90%, DNREC paid 10%. There was a meeting in February to review the report which was sent to us in April. There have been some flow direction changes that are shown on the map. This report has helped to monitor the wells and identified wells in other locations.

**14. Open forum/general discussion on the final acceptance of Mariner's Retreat.
INFORMATION/DISCUSSION/ACTION (Robin Davis and Michael Hoffman)**

Mr. Davis requested this agenda item be postponed until the June meeting when additional issues will be addressed.

**15. Open forum/general discussion on re-establishing the Finance Committee Resolution.
INFORMATION/DISCUSSION/ACTION (Richard Nichols)**

Mr. Nichols reported the Committee reviewed the original resolution to decide on changes to better define the makeup of the Committee, including members having the right to vote on recommendations to the Board. The request is for an amendment to the resolution.

Mr. Hoffman reviewed a few technical changes to the resolution.

ACTION: *Ms. Curtis made a motion to have Resolution #25-004 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 #25-004 into the record by title only.

ACTION: *Mr. Heffernan made a motion to adopt Resolution #25-004 with the additions read into the record by Mr. Hoffman; Ms. Curtis seconded the motion, which passed unanimously.*

16. Open forum/general discussion on Finance Committee recommended amendments to the Capitalization Threshold Policy.

INFORMATION/DISCUSSION/ACTION (Richard Nichols and Kimberly Bellere)

Mr. Nichols stated there was one change that reflects a needed update from when the capital expenditure limit was \$5,000 to \$10,000. All other purchases will remain the same.

ACTION: *Ms. Curtis made a motion to accept posting the amendment to the draft Capitalization Threshold Policy; Mr. Heffernan seconded the motion, which passed unanimously.*

17. Open forum/general discussion on Finance Committee recommended amendments to the Capital Budget Policy.

INFORMATION/DISCUSSION/ACTION (Richard Nichols and Kimberly Bellere)

Ms. Bellere stated the amendment is to include that the Capital Budget must be approved by the Board before the beginning of the new fiscal year.

ACTION: *Ms. Curtis made a motion to accept posting the amendment to the draft Capital Budget Policy; Mr. Heffernan seconded the motion, which passed unanimously.*

18. BOARD OR STAFF REQUESTS FOR AGENDA ITEMS

None

19. CALL TO THE PUBLIC

Taylor Cameron, 512 Dupont Avenue, was present stating he presented a sample of the water from his home to the Board at their December 2024 meeting. His family cannot drink the water, his pets will not drink it, and it is staining their fixtures and laundry. The automatic flusher installed on the hydrant at the entrance to the Fred Thomas Building only helps in the warm months because of the issue with ice on the road in Winter.

Mr. Davis stated the flusher was re-installed on the hydrant. An automatic flusher has been purchased to be located closer to the entrance at the park that will be discharged directly into the storm drain for use all year. Water will not be running across the street. Installation of the line running under the street will start at the end of the school year.

Mr. Cameron said an 8' hole was dug in front of his house in January spending hours drilling under the main, unsuccessfully, to install the wet tap. When abandoned, the cardboard box was placed over the hole in the pipe and filled in leaving a muddy hole in front of the house.

Mr. Davis will check with the supervisor regarding this issue.

Mr. Cameron spoke about the automatic flusher running three times per day and the number of gallons of water going into the storm drain each month being equal to emptying the water tower two times per month.

President Panetta stated this is an interim measure to address the old water lines until replaced.

Mr. Hoffman advised Mr. Cameron that he had the opportunity to provide his comments, and it is not appropriate for question and answer in a combative tone. The Board will take his comments into consideration with follow-up if needed.

Mr. Cameron questioned if he will be reimbursed for damage to his home as in previous instances caused by issues with the pipes. Homeowners on Pilottown Road and other areas in town were reimbursed.

20. CALL TO THE PRESS

None

21. Executive Session

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

The meeting was adjourned at 6:30 P.M.

22. Return to Open Session.

ACTION: *Ms. Curtis made a motion to return to open session at 7:21 P.M.; Mr. Heffernan seconded the motion, which passed unanimously.*

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

ACTION: *Mr. Nichols made a motion to approve the minutes from April 17, 2025; Mr. Heffernan seconded the motion, which passed unanimously.*

24. CALL TO THE PUBLIC

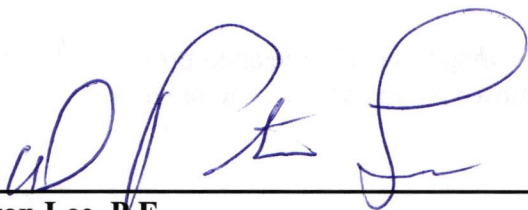
None

25. ADJOURNMENT

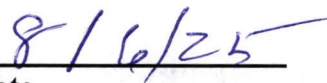
ACTION: *Mr. Nichols made a motion to adjourn; Ms. Curtis seconded the motion, which passed unanimously.*

The meeting was adjourned at 7:21 P.M.

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

A handwritten signature in blue ink, appearing to read 'D. Preston Lee', written over a horizontal line.

D. Preston Lee, P.E.

A handwritten date '8/16/25' in blue ink, written over a horizontal line.

Date