

BOARD OF PUBLIC WORKS

Vision

The Board of Public Works exists to improve the quality of life of the customers we serve.

Mission

We are dedicated to providing our current and future customers with utility and other value added services in a safe, reliable, and economical manner consistent with sustainable growth, community involvement, and environmental stewardship.

**Regular Meeting of the Board of Public Works was held in Lewes City Hall, Council Chambers, 114 East Third Street, Lewes, Delaware on Wednesday, April 27, 2011 at 7:00 p.m.
[Reception with Board for services of President Stabley and Director Gayhardt at 6:15 p.m.]**

Board Members Present:

*C. Wendell Alfred
James (Jay) Carmean
James Gayhardt
Gary W. Stabley*

Board Member Absent:

James N. Richmann

Ex-Officio Members Present:

*James L. Ford III, Lewes Mayor
Kenneth D. Mecham, General Manager
Darrin Gordon, Assistant General Manager
Glenn C. Mandalas, Legal Council*

Others Present:

*David Fink – Severn Trent
Andrew M. Haynie – PKS & Company, P.A.
Ginger Heatwole – PKS & Company, P.A.
Lester Guthorn – Public Advisory Consultants
Carl and Doris Schirmer – BPW
Tim Crowley – Resident
Barry Simmerman – Resident*

1. Welcome, Call Meeting to Order and Pledge of Allegiance

At 7:00 p.m., President Stabley welcomed everyone, called meeting to order and led Pledge of Allegiance.

2. Roll Call

President Stabley stated all Board Members [except James Richmann], Mayor James Ford, General Manager Ken Mecham, Assistant General Manager Darrin Gordon, Glenn Mandalas, Legal Counsel and are present.

3. Revisions and/or deletions to the Agenda.

Mr. Alfred motioned to strike Item #10, Mr. Gayhardt seconded, and motion carried.

4. Secretary Report

- a) Approval of minutes dated March 23, 2011 and Special Meeting March 30, 2011.
Mr. Alfred motioned to approve March 23, 2011 and March 30, 2011 minutes, Mr. Gayhardt seconded, and motion carried.
- b) Correspondence
Mr. Alfred told everyone tonight is last time President Stabley and Mr. Gayhardt will represent the Board as their positions will be filled as part of the May 14, 2011 election. President Stabley was given a picture taken at well field as a keepsake for his time and services. Mayor Ford and Board Members thanked President Stabley and Mr. Gayhardt for their dedication and contributions to BPW; both responded it was honor to work on the Board and they appreciate everyone's support and professionalism.

5. Receive the Treasurer's Report

Mr. Mecham said as of February 28, 2011 Proceeds and Change in Net Assets are \$1.658 million [\$1 million more than same period in 2010. Current Cash is \$23 million plus a few hundred thousand [up about \$2 million]. Water and Wastewater are currently profitable; UD wind mill, electric rates and wholesale electric prices were discussed.

6. Reports

- a) Receive the General Manager's Monthly Report.

Mr. Mecham presented General Manager's Monthly Report plus two additional items for consideration.

- 1) Update on the evidence based analysis for cost-effectively providing utility services to BPW customers by J. W. Wilson & Associates, Inc.

J. W. Wilson & Associates, Inc.'s Initial Interim Progress Report dated April 19, 2011 was presented covering what has been accomplished so far. A draft final report will be submitted for consideration at June 2011 Board Meeting.

- 2) Recognition of the Electric Department and the American Public Power Association national 1st place award for Safety.

Mr. Alfred stated APPA has recognized BPW Electric Department again. Carl Schirmer went to Nashville to receive the APPA first place safety award covering 15,000 man hours. Mr. Mecham also presented an OSHA summary indicating no cases of death, injury or illness. BPW is very proud of the significance of these achievements.

Mr. Mecham asked if anyone had questions on his report; no questions.

- b) Receive Severn Trent's Report for March.
David Fink reviewed the Severn Trent Report and expressed his congratulations and best wishes to President Stabley and Mr. Gayhardt.
- c) Receive Principals Reports
No reports received.

OLD BUSINESS

7. **It is recommended that the Board of Public Works adopt Resolution 11-004, returning General Obligation Bond proceeds to the City of Lewes and transferring debt service obligation for same and establishing an escrow account for deposit of the remaining Board of Public Works General Obligation funds and rescheduling debt services on same. (Mandalas)**

Mr. Mandalas read Resolution 11-004 into the record. President Stabley thanked everyone and said he is very proud of all Board Members who participated. Mr. Alfred motioned to adopt the resolution and Mr. Carmean seconded. Roll Call Vote: President Stabley – Yes; Mr. Carmean – Yes; Mr. Alfred – Yes; Mr. Gayhardt – Yes; Mr. Richmann – Absent. Resolution 11-004 was unanimously approved.

8. **It is recommended that the Board of Public Works appoint election officials. (Stabley)**

President Stabley presented names of election officials: (1) Bill Landon of 105 Shipcarpenter Street; (2) Ann Moore of 119 Beebe Avenue; and (3) Dave Bernheisel of 66 Sussex Drive.

President Stabley motioned to accept appointed election officials; Mr. Carmean seconded, and motion carried.

NEW BUSINESS

9. **Open forum/general discussion on our current and former policies regarding vacations for our employees. (Gayhardt)**

Mr. Gayhardt said there is nothing in Personnel policy saying Board will pay for *unused* vacation. After discussion, decision is made to review policy and then add as an agenda item for discussion at a future meeting.

10. **Open forum/general discussion on the employment of an accounting firm. (Gayhardt)**

Item #10 was stricken from agenda.

11. MEETINGS ATTENDED BY BOARD MEMBERS OR STAFF.

Mr. Carmean attended a Wholesale Energy meeting in Ocean City sponsored by Delmarva Power covering impact of pending legislation and green energy.

12. BOARD OR STAFF REQUESTS FOR AGENDA ITEM(S).

- a) It is requested that the regular Board Meeting May 25, 2011 be set as the annual meeting of the Board of Public Works and in accordance with Section 3: ORGANIZATION, of the Charter of the Board of Public Works as follows:

“The Board of Directors, at its annual meeting, held in the same month as the election but not less than seven (7) days after the election, shall swear in newly-elected Directors and organize by the election, from among the Directors of the Board, of a President, Vice President, Secretary, Treasurer and Assistant Treasurer, each to serve for one (1) year and until their successors are chosen...”

The two (2) year terms of the newly elected Directors shall begin upon being sworn in.
(Charter Section 2.1) (Staff)

Mr. Carmean said BPW will have a new Board after May 14, 2011 election, budget was recently approved, and the draft Final Report of J. W. Wilson & Associates, Inc. will be presented for review in June 2011. Board should have a presentation of the 2011/2012 budgets at June 2011 Board Meeting and an agenda item should be added to discuss the electric rates.

Carl Schirmer told everyone today is his last day working for BPW and it has been a pleasure working with everyone. President Stabley and everyone thanked Mr. Schirmer for his excellent work performance.

Mr. Alfred read "Office of the Mayor, The City of Lewes Proclamation for Drinking Water Week, May 1-7, 2011 dated April 11, 2011" into the record.

13. Call to the Public.

No questions.

14. Call to the Press

No questions.

15. Executive Session.

Mr. Alfred motioned to move to Executive Session at 8:10 p.m., Mr. Gayhardt seconded, and motion carried unanimously. *Board went into Executive Session.*

Recorded by: Rosemary Shannon

16. Return to open session.

17. Approve the Executive Session Minutes of March 23, 2011.

18. Open forum/general discussion and/or action on any item from the Executive Session.

19. Adjournment.