

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.

**Special Meeting of the City of Lewes Board of Public Works and the Lewes Mayor and City Council was held in Lewes City Hall, Council Chambers,
114 East Third Street, Lewes, Delaware on Thursday, November 6, 2014 at 5:00 PM.**

BPW Board Members Present:

*C. Wendell Alfred
D. Preston Lee, P.E.
Jack Leshner
A. Thomas Owen
Nancy Levenson*

City Council Members Present:

*Theodore Becker, Mayor
Fred Beaufait, Deputy Mayor
Rob Morgan, Councilperson
Bonnie Osler, Councilperson
Dennis Reardon, Councilperson
Paul Eckrich, City Manager*

Ex-Officio Members Present:

*Darrin Gordon, General Manager
Glenn C. Mandalas, Legal Counsel*

Others Present:

*Ellen Lorraine McCabe, City of Lewes
Kim Ayvazian, 312 Pilot Town Road
Brooke Hedge, 901 Savannah Road
Doug Spellman, Samantha Drive*

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

At 5:00 PM, Mayor Becker welcomed everyone, called the meeting to order and led Pledge of Allegiance. A moment of silence was observed for our troops serving our country.

2. Roll Call.

President Alfred stated that Jack Leshner is absent. All other Board members, Darrin Gordon, General Manager, Assistant General Manager Heidi Wagner, Mayor Becker, and Legal Counsel Glenn Mandalas are present.

3. Conduct a review and discussion of the Board of Public Works, Mayor and City Council of Lewes goals and planning for the Schley Avenue property, also known as the Power Plant and Blue House properties.

INFORMATION:

President Alfred said the purpose of this meeting is to come to an understanding that has been in the works for several years regarding the Schley Avenue property. The hope is that we can come to an agreeable conclusion to move forward with this property. Either the BPW will retain the property and manage it and receive any income that we might garner from that, or the City will take it over. But the hope is that we always keep this property in the City of Lewes for the main reason that we never know if we may need that property for a sewer plant or a wastewater treatment plant or any number of purposes that would benefit both the City and the BPW. We have no intention of selling the property.

Mayor Becker said we last discussed this in June 2013. It is being used as satellite parking now and the Greater Lewes Community Village is using the Blue House and I believe some of the other parcel has been used for storage.

Darrin Gordon gives a PowerPoint presentation reviewing reports from June 2013 and 2009 and the overall history of the property. The property was being used for the wastewater treatment plant, but is no longer being utilized for utility purposes. The Blue House is being used by the Greater Lewes Community Village. Other organizations are also utilizing it as well at no cost except for insurance. Reuse categories are reviewed briefly from the 2009 study. Because it is owned by the City, it is able to be

used as an industrial site. Currently, it is not economically feasible for the property to be used for co-generation. Darrin also reviews the estimated construction costs for the different types of usage for the property from the 2009 study.

DISCUSSION:

There is clarification from Preston Lee about which parts of the property are owned and used by the BPW and the City. Darrin Gordon said the site would probably have to be treated as a brownfield in order to rehabilitate it. The study only got as far as sampling the soil and the result was a significant presence of petroleum. There was never any drilling through the bottom of the pit. There is discussion regarding the separation of lots, the dimensions of each part of the property and how they are titled. Darrin describes the inactive pipes, oil lines, and wells on the property per Bonnie Osler's request. The questions is posed to both the BPW and the City regarding getting into property management. President Alfred said the BPW is wide open, but before spending any money on the property, there must be a benefit entitlement to the BPW or to the City. Preston Lee reiterated that the BPW wants to keep the option of having future use of the property. Darrin said in its inert state, it cost less than \$10,000.00 last year to maintain the property and that included replacing the roof. The property is decaying and buildings need to either be removed or refurbished. He estimates next year that it will cost about \$40,000.00 in maintenance including removal of the aerator. There is further discussion about what the City would be able to do with the property should they take it over knowing the BPW may possibly need it in the future. President Alfred reiterates that the only reason we would need the property would be in the event of an emergency such as a natural disaster. Mayor Becker said that attracting a tenant that would want to invest in that parcel knowing in twenty years they may have to walk away from it will be a very difficult sell. Discussion continues about options that may attract tenants.

Kim Ayvazian, 312 Pilot Town Road:

You have an industrial building in a historic district. Have you looking at historic tax credits to help defray the cost of rehabilitation? This is an example of 19th century technology that should be preserved. Do what you can to preserve this building and reuse it to make Lewes even more attractive than it already is.

Darrin Gordon said no. Mayor Becker said it needs to be done as part of this process. Preston Lee said we would have to sell the tax credits. Bonnie Osler said it doesn't make sense to go to the expense of preserving it if the BPW has the right to come in and use it at any point. It is agreed that it is a shared risk.

Brooke Hedge, 901 Savannah Road:

Darrin said the acreage at the Schley property is just coming close to the minimum amount needed to replicate the waste water treatment plant. Perhaps the library should renovate it and keep the Thompson property for your waste treatment plant so that the back-up plant would not be in a residential neighborhood.

Doug Spellman, Samantha Drive:

What is the square footage?

Darrin Gordon said about 5,400 square feet, but it is a combination of four different structures tied together over time. Mayor Becker said that only one piece of this lot is a historic building.

There is discussion about who generated the report from 2009 and how it was presented. Jack Leshner thinks the citizens should be involved to think this through. Mayor Becker said we need more information about the environmental issues before any decisions can be made about the future use. President Alfred said it needs to be decided whether the BPW or the City will take this to Phase II. Bonnie Osler suggests the City sell the power plant part of the property to the BPW. Fred Beaufait said that if the City were to take it over, the City should have complete control over it. There is discussion about appraising the property. Preston Lee said any appraisal today would need to be based on an environmental report.

President Alfred said that Mayor Becker and I agree that Darrin Gordon needs to work with DNREC to see what Phase II would cost. This is the BPW's responsibility. We can do an appraisal as well and reconvene with that information and go from there.

4. Adjournment.

President Alfred adjourned the meeting at 5:55 PM.

Respectfully Submitted,
Stephanie Moyer