

**CITY OF LEWES  
BOARD OF PUBLIC WORKS  
Regular Meeting Minutes  
September 20, 2017**

**The Wednesday, September 20, 2017 regular meeting of the Lewes Board of Public Works was held at 1:00 P.M. in Lewes City Hall, 114 East Third Street, Lewes, Delaware.**

**1. WELCOME, CALL MEETING TO ORDER AND PLEDGE OF ALLEGIANCE**

President Alfred called the meeting to order at 1:00 P.M. and led the Pledge of Allegiance. A moment of silence was observed for our troops serving our country, first responders and police officers.

**2. ROLL CALL**

Board Members Present:

C. Wendell Alfred  
D. Preston Lee, P. E.  
Jack Leshner  
A. Thomas Owen  
Robert J. Kennedy, III

Ex-Officio Members Present:

Theodore Becker, Mayor  
Darrin Gordon, General Manager  
Michael Hoffman, Legal Counsel

Others Present:

Austin Calaman, Assistant General Manager  
Ann Marie Townshend, City Manager  
City Councilman Fred Beaufait  
City Councilman Dennis Reardon  
City Councilman Rob Morgan  
Jackie Doherty, Recording Secretary

Mr. Gordon introduced Vaughn McCabe and Scott Walls as new BPW employees.

**3. REVISIONS AND/OR DELETIONS TO THE AGENDA**

Mr. Gordon requested review of one item in the General Manager's Report. President Alfred stated Agenda Item #9 will be presented after #5 on the agenda.

**4. CONSENT AGENDA**

- a) Receive the General Manager Monthly Report
- b) Receive the White Marsh Environmental Systems, Inc. Report
- c) Receive President Report

- d) Receive Vice President Report
- e) Receive Secretary Report approval of Minutes dated August 23, 2017
- f) Receive Treasurer Report
- g) Receive Assistant Treasurer Report

**ACTION:** *Mr. Lesher made a motion to approve the consent agenda as presented; Mr. Owen seconded the motion, which passed unanimously.*

**5. Open forum/general discussion on the approval to form the agreement between the BPW and Sussex County for the partnering of the entities in constructing the County Sewer Interconnection Phase 1 Project. INFORMATION/DISCUSSION/ACTION (D. Gordon)**

Mr. Gordon stated the agreement has been provided to the Board for review.

Mr. Hoffman stated he has provided a memo stating his thoughts and analysis to the Board. The general manager and attorney for Sussex County have been involved with our discussions of the agreement, and those conversations are included in the analysis.

Mr. Gordon stated his recommendation is for approval of the agreement to then be sent to Sussex County Engineer Hans Medlarz and Todd Lawson who will forward to Sussex County Council for their approval.

Mr. Owen stated BPW should be well protected by the insurance because BPW will be made additional insurer on the contractor's policy. If BPW requested bids for another contractor to dig this type of depth to install the pipes, the project would be delayed; therefore, I am in favor of this agreement.

President Alfred agreed stating he is also in favor of the agreement.

**ACTION:** *Mr. Lee made a motion to approve the agreement between Lewes Board of Public Works and Sussex County for the partnering in construction of the County Sewer Interconnection Phase 1 Project; Mr. Owen seconded the motion, which passed unanimously.*

Mayor Becker questioned when the request for bids for the next phase of the project would be posted.

Mr. Gordon stated the bids will be posted next week.

**6. Open forum/general discussion for the adoption of a Lien Agreement Policy. INFORMATION/DISCUSSION/ACTION (D. Gordon)**

Mr. Gordon stated residents of Savannah Place have requested help with costs for water and sewer services. According to the Charter, BPW has the right to place a lien on property which can be given to the next homeowner if the property is sold.

Mr. Hoffman stated the question from residents is what happens to the lien when the property is sold, and have requested a policy for when the new owner enters into an agreement to assume the lien. The lien on property is automatic according to the BPW Charter and will stay in place with the policy to state BPW will extend the same courtesy to the buyer to allow a payment plan.

Mr. Lee questioned if there would be a problem with homeowner's insurance for the buyer.

Mr. Hoffman stated this should not be a problem and would be listed as an exception to the insurance policy.

Mr. Kennedy questioned what obligations would be placed on BPW Staff for a financial review or accounting work for the change in ownership and the lien. Also, what happens in the case of default.

Mr. Hoffman stated there will be administrative work needed in reference to the policy agreements and monthly payments. If the property owner defaults, the lien will remain in place according to the forbearance agreement.

Mr. Leshner stated as additional developments receive services and require loans, administrative work for Staff will increase.

Mayor Becker questioned if the lien could be applied to those with existing loans since there may be cross-ownership between Savannah Place and Highland Acres.

Mr. Gordon stated this is a policy that would apply to all BPW customers.

President Alfred stated everyone agreed the draft will be presented to the Board at the October meeting.

**7. Open forum/general discussion of a Utility Construction Reimbursement Policy.  
INFORMATION/DISCUSSION/ACTION (D. Gordon)**

Mr. Gordon stated a draft has been presented to the Board for review. This policy will allow reimbursement to the first group of homeowners that invested in the sewer system for the entire area after the additional groups come on-line. An example is Savannah Place. This policy will also help with the annexation efforts. Reimbursements will be based upon existing costs to service the initial group vs. the cost of adding the additional with the differential being paid to be determined with the engineer.

Mr. Leshner questioned if the residents of Savannah Place will be paying the entire cost of the oversized pumping station.

Mr. Gordon stated the entire cost will be billed to Savannah Place residents. The policy statement by the Board will state that new customers will pay for their own services without burdening existing customers. The impact areas will remain as designed and supported by engineering with each group, as they come in, to be divided with a plan for each one to be in a sewer planning district. This requires a calculation specific to each property.

Mr. Gordon requested everyone to review the policy and send their comments and changes requests to be forwarded to Mr. Hoffman for review at the meeting in October.

**8. Open forum/general discussion of current DEMEC Energy Efficiency Program.  
INFORMATION/DISCUSSION/ACTION (D. Gordon)**

Mr. Lee stated he has received information from the Energize Delaware Program that seems to mimic

the program from DEMEC. The Energize Delaware Program offers rebates for heating systems, hot water systems, insulation, geothermal; supply lightbulbs; energy-usage audits for approximately \$200. The only difference in DEMEC seems to be there are no rebates for appliances.

President Alfred stated he had an audit by Energize Delaware two years ago for \$300 and a major energy leak was discovered. The leak repair has made a difference in energy savings over the Winter and agrees that the program needs to be researched for evaluation.

Mr. Owen stated the concern is the \$210,000 cost for DEMEC and suggested follow-up to determine what services Lewes residents want and if there is an ending date for Energize Delaware in 2017.

Mr. Calaman stated DEMEC is more for commercial and industrial customers for their energy audits. If a customer requests an energy audit for the home, it will need to be added to the program. Energize Delaware seems to be more towards residential services.

Mr. Gordon will check with DEMEC today to see if it would be possible to cancel at this time.

Mr. Lee will check for more information on the source of funds and if there is a closing date for Energize Delaware.

**9. Open forum/general discussion of a presentation of the City of Lewes Annexation Committee efforts and direction. INFORMATION/DISCUSSION/ACTION (D. Gordon, Councilman Fred Beaufait, Annexation Committee)**

Mr. Beaufait stated in addition to his serving as Chairman of the Committee other members include: City Councilman Dennis Reardon, City Manager Ann Marie Townshend, and Mr. Kennedy. City Planner Tom West and Mr. Calaman also serve as ex-officio members for the Committee.

Mr. Beaufait spoke of how the committee began by working on incentives to provide to property owners with the focus primarily on undeveloped lands. One of the concerns from the homeowners was about the issue of how many children (possibly young adults in college) at the home address could vote and possibly sway the election. The State has approved the change to Chapter 3 of the Charter that only the property owners will vote in the annexation election.

The policy sent to Mayor and City Council was adopted to include the following incentives:

- Undeveloped land annexed into the City will have no taxes for seven (7) years
- Taxes would be assessed if the land is sold within seven years
- If property is developed, taxes would start on the whole development when the first parcel is sold; this would give the developer the opportunity to establish the infrastructure within the seven-year period when taxes are waived

If there is an interest in an undeveloped property for annexation, the developer would have two choices:

1. Stay in the County to develop under County ordinances
2. Come into the City to follow the more restrictive heights, etc.

Mr. Beaufait stated plans now are to have two different zones for property to be annexed into that would be compatible with the County to create an incentive for the developer to come into the City. The two zones being considered are Annex Residence Zone and Annex Mixed Zone with the restrictions and inclusions being discussed including height restrictions, setbacks, and to allow three-story structures. The Committee plans to send a recommendation to Mayor and City Council for their November meeting. If the recommendation is approved, it would be sent to the Lewes Planning Commission for their review and opinions with the goal to be completed within 120 to 180 days.

Mr. Beaufait explained that the only property eligible for the two new zones will be those annexed into the City after January 1, 2018. A Use Table was developed for the transition on what the difference is between what the City and the new zones would require. Element Design, an engineering architectural firm in Lewes, is also working with the Committee for their input on the recommendation for the matrix being used.

Mr. Lee questioned how the number of meetings, workshops and hearings could be reduced, which was a complaint from the developers of Showfield.

Mr. Reardon stated the difference is this is undeveloped land being annexed. Showfield filed for annexation and a major subdivision at the same time creating problems that caused the delays. The annexation process for undeveloped property, without the process for a major subdivision, could be completed within six months. Once annexation is complete and development is requested, the applicant will need to comply with that zoning district.

Ms. Townshend stated she and Mr. West have had discussions with developers about their complaints of the process. Mr. West is working with the Planning Commission and Glenn Mandalas on procedures.

Mayor Becker stated the parcel for Showfield was half in the City and zoned R-2 and the other half was outside. The developers requested a complete rezoning of all land in the City and the land to be annexed. This is the reason why the process was so complicated and lengthy.

Mr. Leshner stated he is concerned that the new annexation heights would be below the height of Ocean House.

Mr. Beaufait stated the annexed-land zoning heights would be less than the heights for the County.

**10. Open forum/general discussion of Public Power Week, October 1-7, 2017.  
INFORMATION/DISCUSSION/ACTION (D. Gordon)**

Mr. Gordon there were no outages reported for last month. Plans for Public Power Week celebration include bucket truck rides and snacks provided on Friday, October 7<sup>th</sup>.

Mr. Kennedy stated there needs to be more information provided during Public Power Week to make the community aware of the different services provided by BPW including the website to answer questions; BPW is locally owned; quick response time and high reliability for all services. The American Public Power Newsletter provided information on a software program that discusses animal-caused outages and steps for prevention.

Mr. Kennedy suggested having free shredding for the Hazardous Waste Collection Day. Delaware Solid Waste stated to Mr. Kennedy that they need to be called for Lewes to be placed on the schedule.

Mr. Lee will check about the cost for shredding to be scheduled for the Spring collection day.

Mr. Leshner requested discussion of the financial statements reported in Agenda Item #4, Line 21, Operating Income with the amounts being doubled and the Administration amounts being lower.

Mr. Gordon will check on these statements to report to Mr. Leshner.

**11. Open forum/general discussion of the Household Hazardous Waste and Electronic Collection Day on October 28, 2017 in conjunction with the Lewes Police Department Drug Take Back Day. INFORMATION/DISCUSSION/ACTION (D. Gordon)**

Mr. Lee stated Delaware Solid Waste is holding the collection day again this year. The drug take-back will be from 10:00 A.M. to 2:00 P.M.

Mayor Becker requested the drug take-back be stressed due to the rise in opioid addiction with Delaware being #15 in the country. Walgreens in Lewes will also accept drug take-back all year.

**12. MEETINGS ATTENDED BY BOARD MEMBERS OR STAFF**

Mr. Lee attended the Mayor and City Council meeting.

President Alfred attended the meeting with Mayor Becker, Ms. Townshend, and Mr. Gordon.

All Board members attended the ribbon-cutting ceremony for the electric car station.

Mr. Kennedy attended the meeting with the Sussex County engineer and the Sussex County Council meeting with Mr. Gordon.

**13. BOARD OR STAFF REQUESTS FOR AGENDA ITEM(S)**

None

**14. CALL TO THE PUBLIC**

Dale Ervin, 138 S. Washington Avenue, spoke of the problem last week with the Lewes whistle alarm sounding for 20 minutes. The whistle now sounds three times a day beginning at 7:00 A.M. Ms. Ervin also stated her neighbors have concerns and requested that possibly the 7:00 A.M. time be stopped.

President Alfred reviewed the history of the whistle alarm in Lewes.

Mr. Owen stated although he appreciates the history of the horn, it is no longer needed in the area. Other neighbors in the area have also complained about the horn and are requesting for it to be stopped.

President Alfred suggested the horn be stopped and only be sounded for five days during Public Power Week each year.

**15. CALL TO THE PRESS**

Nick Roth of the Cape Gazette was present.

**16. EXECUTIVE SESSION**

**ACTION:** *Mr. Owen made a motion to adjourn to executive session; Mr. Leshar seconded the motion, which passed unanimously.*

The meeting adjourned at 2:30 P.M.

**17. RETURN TO OPEN SESSION**

**18. OPEN FORUM/GENERAL DISCUSSION AND/OR ACTION ON ANY ITEM FROM THE EXECUTIVE SESSION**

**19. ADJOURNMENT**

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