

CITY OF LEWES
BOARD OF PUBLIC WORKS
Regular Meeting Minutes
May 17, 2021

The Monday, May 17, 2021 regular meeting of the Lewes Board of Public Works was held at 9:00 A.M. via zoom.

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

President Lee called the meeting to order at 9:00 A.M.

2. ROLL CALL

Board Members:

D. Preston Lee, P.E
A. Thomas Owen
Robert Kennedy, III
Thomas Panetta
Earl Webb
Richard Nichols

Ex-Officio Members:

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

Others Present:

Austin Calaman, Assistant General Manager
Kristina Keller, BPW
Sharon Sexton, Administrative Assistant
Ann Marie Townshend, City Manager
Kimberly Bellare, Accountant
Dennis Reardon, Resident
Fred Buffet, Resident
Jackie Doherty, Recording secretary
Vince Luciani, GMB
Pat

3. REVISIONS AND/OR DELETIONS TO THE AGENDA

None

4. CONSENT AGENDA-

- a. **Receive Vice President Report**
- b. **Receive Secretary Report**
- c. **Receive Treasurer Report**

d. Receive Assistant Treasurer Report

Mr. Kennedy request that the Secretary Report be removed from the consent agenda and be considered individually.

ACTION: Mr. Panetta made a motion to accept the Consent Agenda with removed Secretary Report; Mr. Kennedy seconded the motion, which passed unanimously.

Mr. Kennedy stated that this will be his last meeting as a Director, and this would be his last action as the Board's Secretary. Mr. Kennedy reported that it was a privilege to serve as a Director for the past five years. He reported that his actions were based on what he thought was in the best interest of the customers. Mr. Kennedy thanked our employees for their hard work and congratulated Earl, Tom, and Richard. He wished them, the Board, and BPW continued success in meeting current and future utility needs of all our customers.

Mr. Kennedy was present for President Lee to express appreciation for his service and dedication to the BPW and is looking forward to him contributing to the meetings as a rate payer. President Lee thanked Mr. Kennedy for everything.

5. Receive the President's Report

President Lee stated that Thomas Panetta will not be on planning commission moving forward and will be appointed BPW Liaison for the BPW instead of Thomas Owen.

6. Receive the General Manager Report

Mr. Gordon stated he had nothing additional to report.

7. Open forum/general discussion of certification of the results of the May 8th, 2021 BPW election. INFORMATION/DISCUSSION/ACTION (D. Preston Lee, P.E.).

President Lee stated we an election on May 8, 2021 and the results were:

- Earl Webb-636 votes
- Thomas Panetta- 418 votes
- Richard Nichols-414 votes
- Robert Kennedy- 407 votes

President Lee stated these were the results that were received from the election inspector. Mr. Hoffman stated that results have been presented in a public meeting and all that was needed to certify results is a motion.

ACTION: Mr. Owen made a motion to accept and certify election results, Mr. Webb seconded the motion, which passed unanimously.

8. Swearing in of new directors. (D. Gordon)

- Mr. Gordon swore new Directors into office individually. Mr. Nichols, Mr. Panetta, and Mr. Webb recited the Oath of Office.
- President Lee welcomed Mr. Nichols to the Board and stated that the Board was looking forward to working with him and his contributions. President Lee acknowledged that this upcoming year, the BPW will focus on resolving the dispute with the city. The BPW will also focus on transparency. President Lee stated that he believes it will be a good fiscal year and we have new hires to contribute to the transparency of the BPW.
- Mayor Becker offered congratulations and thanks to the directors for serving the Board. Mayor Becker agreed that we are close to resolution of the dispute. Mayor Becker stated that working together is critical to address the needs of the community. President stated that the BPW agreed.
- President Lee stated that election went well and thanked all those that helped to successfully without issue.

9. Open forum/general discussion of the election of officers of the BPW for the upcoming year. INFORMATION/DISCUSSION/ACTION (F. President Lee P.E.)

ACTION: Mr. Owen nominated D. Preston Lee as President; Mr. Panetta seconded the nomination. Mr. Webb stated that elections give us more access to customer feedback. There were discussions to bring that into BPW and President Lee suggested that Directors would have an opportunity to give feedback at upcoming Board meeting.

ACTION: Mr. Webb nominated A. Thomas Owen as Vice President; Mr. Panetta seconded the nomination. No discussion.

ACTION: Mr. Owen nominated Thomas Panetta as Secretary; Mr. Webb seconded the nomination. No discussion.

ACTION: Mr. Owen nominated Earl Webb as Treasurer; Mr. Panetta seconded the nomination. No discussion.

ACTION: Mr. Owen nominated Richard Nichols as Asst. Treasurer; Mr. Webb seconded the nomination. No discussion.

President Lee stated his appreciation and is looking forward serving going forward. President commits to listening to everyone and suggestions. President thanked Directors for service.

10. Open forum/general discussion for the renewal of the current agreement with the University of Delaware wind turbine interconnection agreement. INFORMATION/DISCUSSION/ACTION (D. Gordon)

- Mr. Gordon is not seeking approval for contract on University of Delaware wind turbine and no action is required at this time. Mr. Hoffman stated that we are introducing the topic and looking for approval at next month's meeting.

- The wind turbine has been generating energy for 10 years. Mr. Gordon read Mr. Jeremy Firestone's, University of Delaware, letter to BPW that suggests that we extend purchase power agreement for another 5 years as the partnership has been fulfilling to all parties. It is advantageous to University of Delaware, as well as the BPW. Mr. Gordon recommends that we extend partnership for another 5 years with no changes.
- President Lee inquired about other options. Mr. Gordon stated that they are our customers and do not have many options to go somewhere else.
- Mr. Hoffman clarified that when this item is brought back to the Board, the amendment to the assignment is what will be signed.
- Mr. Nichols asked about renewable energy credits and what they are. Mr. Gordon explained that renewable energy credits can be applied to generated electricity. They can go to market to be sold and purchased. They are sold to DEMEC and a scholarship is created, that goes to a student at University of Delaware. Mr. Gordon stated that this is an agreement outside of the BPW.
- Mr. Panetta questioned how the pricing is set. Mr. Gordon stated that it is at our wholesale cost. BPW sells it at industrial retail cost if the turbine does not generate required energy. Mr. Panetta questioned documentation of the cost. Mr. Gordon will provide monthly billing. Mr. Panetta would like to see how much cost the turbine has saved us. Mr. Panetta suggested that the BPW to start tracking that data. Mr. Gordon stated that it is not a consistent number year to year, but it seems to be breakeven.
- There was a consensus is to give Mr. Gordon and Mr. Hoffman to continue to review documentation and bring back to the Board next month.

11. Open forum/general discussion for approval of the renewal of the land lease agreement with Comcast/General Television of Delaware. INFORMATION/DISCUSSION/ACTION (D. Gordon)

- Mr. Gordon stated timeframe for Comcast contract is not as crucial, current lease expires 2022.
- Comcast attorneys had approached BPW, in the past, to renegotiate terms of contract because of high costs to them. BPW denied that request.
- Comcast has contacted BPW again to discuss extending current ground lease. The antennas are on the well field property and Comcast has not been obtrusive. Mr. Gordon would like to continue with third extension dated 2022-2037, with a 2.5 escalator every year.
- Mr. Webb inquired about the comparisons to other municipalities. Mr. Gordon stated that this is a unique issue and other municipalities may not have comparable data. BPW currently leases to other companies and those leases are comparable to the Comcast lease.
- Mr. Panetta inquired what the antennas are used for. Mr. Gordon stated that he believed it was a repeater, but this information is not in his scope of knowledge. Mr. Panetta questioned if there will there be a potential access issue with the proposed solar farm. Mr. Gordon does not anticipate that being an issue.
- Mr. Hoffman states that there is an automatic extension currently in place for a 2nd addendum. This includes 6 months' notice for additional 5 years, which takes it to 2027.

Comcast is requesting a 3rd addendum, extending contract to 2037 with the 2.5 escalator. If the Board would like to consider a benchmark that is at the discretion of staff.

- Mr. Gordon will put a report together, comparing other municipality agreements for ground leases. President Lee would like to see report when it is presented to the Board again.
- There was a consensus to move forward with negotiations.

Old Business

12. CALL TO THE PUBLIC

None

13. CALL TO THE PRESS

The press was not present.

14. ADJOURN TO THE EXECUTIVE SESSION

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

15. RETURN TO OPEN SESSION

16. DISCUSSION AND ACTION ON ITEMS FROM EXECUTIVE SESSION, IF APPLICABLE.

17. ADJOURNMENT

The meeting adjourned at 9:45am.

Respectfully Submitted,
Sharon Sexton, Administrative Assistant
Lewes Board of Public Works