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Resolution No. 24-008

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE BOARD OF PUBLIC WORKS OF THE CITY OF LEWES AMENDING ITS COMPILATION OF POLICIES REGARDING ESCROW STANDARDS FOR PLAN REVIEW FOR OUT OF CITY UTILITY EXTENSIONS

WHEREAS, Section 4.1, *among other provisions*, of the Charter for the Board of Public Works of the City of Lewes (the "Lewes BPW"), being Chapter 10, Volume 77, Laws of Delaware, as amended (the "Lewes BPW Charter"), grants the Lewes BPW authority, responsibility, supervision, and control over current or future utility systems established within the Lewes BPW Service Area;

WHEREAS, the Board of Directors of the Lewes BPW (the "Board") adopted a Compilation of Policies on June 29, 2022 concerning various aspects of Lewes BPW authority, responsibility, supervision, and control over its utility systems, including electric, water, sewer, and stormwater rates, pension plans, financial services, impact fees, and other rules and regulations; and

WHEREAS, the Board deems it in the best interest of the ratepayers to update its Compilation of Policies concerning escrow standards for Plan review for out of City utility extensions.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE LEWES BOARD OF PUBLIC WORKS, IN SESSION MET THIS 23RD DAY OF October 2024, THAT:

Section 1. *The Board of Public Works of the City of Lewes: Policies* is hereby amended by revising Section 4.6, Extending Services, regarding escrow standards for Plan review for out of City utility extensions, with additions shown by bold/underline and deletions shown by bold/strikethrough as follows:

4.6 Extending Services

The Lewes BPW may not extend any utility services of any utility system to any property located outside of the municipal limits of the City without obtaining the prior consent of the Mayor and City Council of the City of Lewes.

If the Lewes BPW chooses to serve such property, the applicant requesting services must accept all utility services offered by the Lewes BPW and available to that property now or in the future at the sole discretion of the Board. Available is defined as an adequate distribution or collection main/line within five hundred (500) feet of the proposed property.

The applicant proposing an extension of utility service must deposit sufficient funds in escrow with the Lewes BPW totaling 150% of the estimated cost to review plans for said utility extension, as reasonably determined by the Lewes BPW. The Lewes BPW will charge costs associated with engineering review and the Lewes BPW administrative fee against said funds and will provide a summary statement of the charges to the applicant. If this escrow balance falls below \$5,000, upon written notice from the Lewes BPW, the applicant must deposit additional funds necessary to bring the escrow fund balance to at least \$5,000 within

57 thirty (30) days' notice from the Lewes BPW. Any amounts not paid within such thirty (30)
58 day period shall incur interest at the lessor of: (i) eight percent (8%) per annum; and (ii) the
59 maximum annual interest rate permitted by law. In addition, the Lewes BPW will not review
60 any plans for said utility extension where the required escrow fund balance is below \$5,000
61 and the applicant has not replenished the escrow fund within the time allotted after written
62 notice. The Lewes BPW will return any funds remaining in escrow for this purpose to the
63 applicant upon approval of the plans for said utility service extension.

64
65 The cost of all improvements of utility service lines on or adjacent or necessary to bring a service
66 line adjacent to new subdivisions, areas to be developed or redeveloped, will be the full
67 responsibility of the developer and in accordance with the utility master plan.

68
69 The developer causing an extension of a sewer main must locate it in rights-of-way or easements
70 and pay in full the engineering, construction and inspection costs of the lines and appurtenances.

71
72 Plans and specifications must be prepared in accordance with appropriate standards established by
73 the Lewes BPW.

74
75 Each lot or parcel of land to be served with sanitary sewer service must abut a sewer main.

76
77 Each lot or parcel of land to be served with water service must abut a water main.

78
79 Each lot or parcel of land to be served with electric service must abut a distribution main.

80
81 All lines must be sized in accordance with the utility master plan, except that the General Manager
82 may increase or decrease the size of mains when requirements so dictate.

83
84 In all new developments such as subdivisions, multifamily tracts, commercial centers, shopping
85 centers, industrial facilities or other similar developments, the developer must furnish and install,
86 to Board specifications, all mains, service connections, service and main stubs and appurtenances
87 within the boundary of the development as well as the streets abutting the development, and make
88 line extensions as determined necessary by the General Manager.

89
90 Acceptance of all extensions will require the written approval of the Board Engineer.

91

92 The Board may acquire ownership of all extensions of public mains when completed, approved,
93 and accepted. The utility system must be conveyed to the Board free and clear of all clouds to title,
94 including liens and encumbrances.

95
96 Impact fees must be paid according to the fee schedule in place at the time construction of the
97 extension begins.

98
99 If utility mains/lines extended by a developer provide a means of service to property owned by
100 persons other than the developer, the developer may request the Board to enter into an agreement,
101 providing for reimbursement to the developer of a portion of such extension costs when other
102 persons receive utility service by connection to the extension. Such agreements must be executed
103 within one (1) year from date of acceptance of the main/line by the Lewes BPW and will run for a
104 period not to exceed twenty (20) years from said date of execution by the General Manager.

105
106 **Section 2.** This Resolution will take effect immediately upon its adoption by the Board
107 of Directors of the Lewes Board of Public Works.

108
109 Adopted by the Board of Directors
110 Of the Lewes Board of Public Works

111
112 _____

113
114 I, D. Preston Lee, P.E., Secretary of the Board of Public Works of the City of Lewes, do
115 hereby certify that the foregoing is a true and correct copy of the Resolution passed by the Board
116 of Directors of the Lewes BPW at its meeting on _____, at which meeting a quorum was
117 present and voting throughout and the same is still in full force and effect.

118
119 
120 _____
121 Secretary

