

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding (MOU) made this 22 day of June, 2021 is entered into between the CITY OF LEWES ("CITY"), a municipal corporation of the State of Delaware and the BOARD OF PUBLIC WORKS OF THE CITY OF LEWES, a chartered utility of the State of Delaware ("BPW").

WHEREAS, in the interest of CITY residents and BPW ratepayers, the City and BPW desire to memorialize their agreement to collaborate and cooperate concerning a number of issues impacting both entities.

NOW THEREFORE, in consideration of the covenants and agreements herein contained, the CITY and BPW hereby agree to the following:

Section 1. Charter Amendment – Extension of Utility Services Outside City Boundaries

The CITY and BPW agree to pursue an amendment to the BPW Charter to require the CITY's consent before the BPW may extend utility services to areas outside the corporate boundaries of the City of Lewes.

Section 2. Charter Amendment – BPW Authority to Sue and Be Sued

The CITY and BPW agree to pursue an amendment to the BPW Charter to provide BPW with the general authority to sue and be sued. The CITY and BPW further agree that this amendment shall, to promote collaboration and dialogue between the City of Lewes Mayor and City Council and the BPW Board of Directors, also prohibit either entity from suing the other until July 1, 2026.

Section 3. Waiver of Building/Construction Permit Fees and Inspection Fees

BPW agrees to comply with the CITY's building and street repair permitting requirements for all BPW projects. The CITY agrees to not charge BPW a building/construction permit fee and to not charge BPW for CITY inspections. BPW agrees to not charge the CITY plumbing permit and inspection fees for CITY projects.

Section 4. Reestablishment of Capital Projects Committee

The CITY agrees to reestablish its previous Capital Projects Committee by September 1, 2021 which will include representation by BPW. The Capital Projects Committee shall work collaboratively to coordinate work activities on projects such as streets rehabilitation and building construction or renovation involving the CITY and the BPW.

Section 5. Waiver of Fees

BPW agrees to not charge the CITY fees directly related to the construction of public restroom and shower facilities. BPW further agrees to not charge the CITY fees directly related to the construction of facilities "beneficial" to City residents and visitors. The CITY will have the burden of demonstrating to BPW, and the BPW will have the discretion to determine, that the project is beneficial to City residents and visitors and therefore a waiver of fees is warranted.