

**Resolution No. 25-003**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE BOARD OF PUBLIC WORKS OF THE CITY OF LEWES, DELAWARE, AUTHORIZING THE BORROWING OF \$1,000,000 FROM THE DELAWARE DRINKING WATER STATE REVOLVING FUND, ACTING BY AND THROUGH THE DELAWARE DEPARTMENT OF HEALTH AND SOCIAL SERVICES, FOR THE PURPOSE OF FINANCING THE SUPPLEMENTAL ELEVATED STORAGE TANK PROJECT; AND AUTHORIZING OTHER NECESSARY ACTION**

**WHEREAS**, the Board of Public Works of the City of Lewes (the “Board”) has previously issued its \$5,250,000 Revenue Bond (Elevated Storage Tank Project), Series 2023A-DWSRF on September 22, 2023 (the “2023A Bond”) to secure a loan (the “2023A Loan”) from the Delaware Department of Health and Social Services (“DHSS”) to finance the costs associated with the installation of a new 750,000 gallon to 1,000,000 gallon elevated water storage tank at the Jones Farm site off Kings Highway in the City of Lewes and the replacement of aging, cast iron wellfield header pipe in the vicinity of the new tank (the “Project”); and

**WHEREAS**, due to an increase in the bid for the Project, the Board requested a supplemental loan from DHSS, in the amount of \$1,000,000, to the 2023A Loan to finance increased costs of the Project; and

**WHEREAS**, the Board received a Binding Commitment Letter dated March 3, 2025 (the “Commitment Letter”) from the Delaware Drinking Water State Revolving Fund, acting by and through DHSS, offering a loan in the amount of \$1,000,000, for a term equal to the term of the 2023A Bond being supplemented, such date being April 1, 2056, at an annualized interest rate of 2.0%, to fund the Project, said loan (the “Supplemental Loan”) to be secured by a revenue pledge of the Board pursuant to Section 4.14.1.1 of the Charter of the Lewes Board of Public Works, being Chapter 10, Volume 77, Laws of Delaware as amended (the “Board Charter”); and

**WHEREAS**, the Board desires to (i) accept the Supplemental Loan under the terms provided in the Commitment Letter; (ii) enter into a financing agreement for the Supplemental Loan with DHSS (the “Financing Agreement”); and (iii) issue its revenue bond to secure the Supplemental Loan (the “Bond”); and

**WHEREAS**, the Board further desires to authorize any and all actions necessary or desired to execute the Financing Agreement, the Bond and any other documents which are deemed necessary or appropriate to carry out the intent of this Resolution; and

**WHEREAS**, pursuant to Section 4.14.1.1 of the Board Charter, the Board “shall have the authority to borrow money and issue bonds...and to secure the payment thereof by pledging the revenues derived from the operation of any project for which bonds are issued pursuant to Section 4.14 of the Board Charter” so long as the Board obtains the prior consent of the Mayor and City Council of the City of Lewes, Delaware; and

**WHEREAS**, the Mayor and City Council of the City of Lewes, Delaware is scheduled to consider next month the Board's request for Mayor and City Council consent to the Board's proposed borrowing under the terms provided in the Commitment Letter.

**NOW, THEREFORE, BE IT RESOLVED** BY THE BOARD OF PUBLIC WORKS OF THE CITY OF LEWES, IN SESSION MET THIS 23RD DAY OF APRIL, 2025, THAT:

Section 1. Authorization of Borrowing, the Financing Agreement, the Bond and the Pledge of Revenues. The Board hereby approves and authorizes: (i) the borrowing of \$1,000,000 from DHSS to fund the Project, under the terms provided in the Commitment Letter; (ii) the execution and delivery of the Financing Agreement and the Bond; and (iii) the pledge of revenues to DHSS, pursuant to Section 4.14.1.1 of the Board Charter to secure the Board's obligations under the Financing Agreement and the Bond.

Section 2. Officers Authorized to Act. The President or Vice President and Secretary or Treasurer are hereby authorized and directed to execute, on behalf of the Board, and take such action deemed necessary or appropriate to effectuate the intent of this Resolution. In the event that the President or Vice President or the Secretary or Treasurer of the Board shall be absent or otherwise unavailable for the purpose of executing documents, or for the purpose of taking any other action which they may be authorized to take pursuant to this Resolution, the General Manager of the Board is hereby authorized and directed to execute documents, or otherwise to act on behalf of the Board in their stead.

Section 3. Further Action. The proper officers of the Board are hereby authorized and directed to take all such action, execute, deliver, file and/or record all such documents, publish all notices, if required, in order to consummate the transactions described in this Resolution.

Section 4. Repealer. All resolutions and parts of resolutions heretofore adopted to the extent that the same are inconsistent herewith are hereby repealed.

Section 5. Effective Date. This Resolution shall take effect on the earliest date permitted by law.

*[REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]*

**THE CITY OF LEWES  
BOARD OF PUBLIC WORKS**

**CERTIFICATION OF RESOLUTION**

The undersigned do hereby certify that the foregoing Resolution is a true and correct copy of the Resolution duly adopted by a majority of the Board of Public Works of the City of Lewes at a duly called regular meeting on April 23, 2025.

**VOTE ON RESOLUTION**

Thomas S. Panetta, President  
Barbara Curtis, Vice President  
D. Preston Lee, P.E., Secretary  
Richard Nichols, Treasurer  
Robert Heffernan, Assistant Treasurer

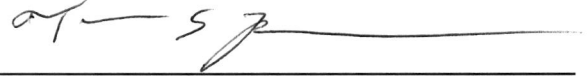
Aye

Nay

✓  
✓

ABSTAIN

✓  
✓



\_\_\_\_\_  
President

Attest:

  
\_\_\_\_\_  
Secretary