

PUBLIC NOTICE OF SPECIAL ELECTION

The Council of the City of Harrington (the "City") hereby gives notice to the residents of the City, pursuant to the requirements of the City Charter, that:

1. A special election will be held on September 15, 2015 (the "Special Election") on whether the City should borrow a maximum aggregate principal amount not to exceed \$2,638,902, to fund the refinance of four existing water and sewer project bonds (more fully described below). The Special Election shall be conducted at the Price Community Center, 103 Dorman Street, Harrington, Delaware, and the polls shall open at 12:00 p.m. and shall close at 7:00 p.m.

2. At such Special Election, any person who on the date of the election is a resident of the City, a United States Citizen, is eighteen (18) years of age or older, and is registered under state law shall be entitled to one vote. Absentee ballots will be accepted by contacting the Clerk of Council, or her designee, and by following the rules set forth by § 6.6.2 of the Charter of the City of Harrington and Chapter 16, Elections, of the Code of the City of Harrington

3. Pursuant to § 16.3.4(d) of the City Charter:

Amount of Borrowing: Four bonds for an aggregate principal amount not to exceed two million six hundred thirty-eight thousand nine hundred two dollars (\$2,638,902).

Municipal Purpose: Refinancing water and sewer bonds qualifies as a municipal purpose for which the City Council may make long-term borrowings with voter approval under § 16.3.1 of the Charter because the project is for the following purposes:

- (1) Refinancing the Debt, which the Debt was for enlarging, maintaining, or repairing any plant, building, machinery, or equipment for the handling, production, manufacture, supply, treatment or distribution of water and sanitary sewer system (§ 16.3.1 (b)); and
- (2) Paying all expenses deemed necessary by the City Council for the issuance of said bonds or certificate of indebtedness (§ 16.3.1 (e)).

Manner of Securing: The funds are to be borrowed through four general obligation bonds of the City of Harrington issued to the Clean Water Advisory State Revolving Fund and secured on the full faith and credit and taxing power of the City to pay the principal and interest on the bond.

Other Facts Deemed Pertinent: The bonds will allow the City to refinance four existing bonds with current interest rates of 3.25% to 4.5% to a lower interest rate of 2% in order to save money on debt service. The terms of the existing bonds will not be extended. The annual debt service savings will be used for water and sewer system infrastructure projects.

Further details are available on the City's website, <http://harrington.delaware.gov>, and in City Hall, 106 Dorman Street. If you have any questions, please contact the Clerk of Council, Kelly Blanchies, at (302) 398-4476.