

**CITY OF HARRINGTON**

**RESOLUTION 16-R-19**

**A RESOLUTION AUTHORIZING FUNDING OF UP TO \$2,115,000 OF A GENERAL OBLIGATION BOND TO FINANCE THE COST OF WATER SYSTEM IMPROVEMENTS AND ESTABLISHING THE TIME AND PLACE FOR A SPECIAL ELECTION THEREON**

**WHEREAS**, the City Council of the City of Harrington has determined that it is in the City's best interest to make improvements to the City's water system; and

**WHEREAS**, the City Council has determined that it would be advantageous to finance a portion of the water system improvements in order to accept the offered United States Department of Agriculture (USDA) grant of two hundred one thousand dollars (\$201,000); and

**WHEREAS**, the City pursuant to Section 16.3 of 69 Del. Laws Ch. 115, as amended, (the "Charter") proposes to issue up to two million one hundred fifteen thousand dollars (\$2,115,000) maximum principal amount of the City's general obligation bonds in order to pay costs of the design and construction of improvements to the water system including larger water mains, fire hydrants, water connections, service laterals, valves, meters, and connections on Liberty Street, South DuPont Highway, and Clark Street; a new supply well, elevated storage tower, and associated control and disinfection systems; and pay the costs of issuance of the bond (collectively, the "Project"); and

**WHEREAS**, the City has applied for and the USDA has offered the City a grant and loan package for the Project in the amount of a grant for two hundred one thousand dollars (\$201,000) and a loan for two million one hundred fifteen thousand dollars (\$2,115,000); and

**WHEREAS**, the Charter of the City of Harrington allows for long-term borrowing for certain projects with voter approval under § 16.3; and

**WHEREAS**, the City Council adopted Resolution 16-R-16 on August 15, 2016 (the "Initial Resolution"), which gave notice to the residents and property owners that the City proposed to issue up to two million one hundred fifteen thousand dollars (\$2,115,000) maximum principal amount through the issuance of a general obligation bond (the "Bond") of the City to complete the Project and pay the costs of issuance of the bonds and provided the following information regarding the loan:

Amount of Borrowing: Total principal amount not to exceed two million one hundred fifteen thousand dollars (\$2,115,000).

Municipal Purpose: Improving the City's water system qualifies as a municipal purpose for which the City Council may make long-term borrowings with voter approval under Section 16.3.1 of the Charter because the Project is for the following purposes:

(1) Erecting, extending, enlarging, maintaining, or repairing any plant, building, machinery, or equipment for the handling, production, manufacture, supply, treatment or distribution of water and the condemning or purchasing of any lands, easements, and rights-of-way which may be required therefore (Section 16.3.1 (b)); and

(2) Paying all expenses deemed necessary for the issuance of said bonds (Section 16.3.1 (e)).

Manner of Securing: The funds are to be borrowed through a general obligation bond of the City of Harrington issued to the USDA 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 loan is part of a principal forgiveness/grant and loan package from both DNREC and the USDA and the City must issue the debt in order to receive the principal forgiveness/grant of an aggregate amount of two million sixty-seven thousand one hundred dollars (\$2,067,100).

**WHEREAS**, pursuant to the Initial Resolution, notice of a public hearing on September 6, 2016 on the proposed borrowing was published and posted as required in § 16.3.4 (b) of the Charter as follows:

- Published August 21, 2016 in the Delaware State News
- Published August 24, 2016 in the Harrington Journal
- Posted August 24, 2016 at City Hall, Harrington Public Library, Harrington Parks & Recreation, Post Office, and Byler's (Liberty Plaza)
- Posted on August 26, 2016 on the City's website

**NOW, THEREFORE, BE IT RESOLVED** that having conducted the public hearing, after notice, in accordance with § 16.3.4 (c) of the Charter, the City Council hereby determines to proceed with the proposed borrowing and issuance of the Bond in an amount not to exceed two million one hundred fifteen thousand dollars (\$2,115,000) maximum principal amount to fund the Project; and

**BE IT FURTHER RESOLVED** that the City Council hereby orders that a special election be held on October 25, 2016 (the "Special Election") for the purpose of voting for or against the proposed borrowing. 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.; and

**BE IT FURTHER RESOLVED** that at such Special Election, any person entitled to vote in the regular municipal election if it were held on the date of the Special Election shall be entitled to one vote. Pursuant to § 6.2 of the Charter, those entitled to vote in a regular municipal election shall include 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. A "resident" shall mean any person who has been residing in the City prior to the date of the election; and

**BE IT FURTHER RESOLVED** that 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; and

**BE IT FURTHER RESOLVED** that the City Council hereby directs that notice of such Special Election be published and posted as required by the Charter, § 16.3.4(d)(1)-(2) by:

- (i) publication once a week for three successive weeks prior to the date of the Special Election in a newspaper of general circulation in the City; and
- (ii) posting in at least three (3) public places in the City.

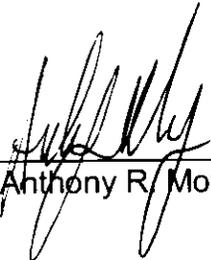
**BE IT FURTHER RESOLVED** that pursuant to § 16.3.4(g), the Mayor, by and with the advice and consent of the majority of the City Council, shall appoint three (3) persons to act as a Board of Special Election (the "Board of Special Election") with respect to the Special Election; and

**BE IT FURTHER RESOLVED** that the Board of Special Election shall keep a true and accurate list of all person voting in the Special Election and shall count the votes for and against the proposed borrowings and shall announce the results thereof. The Board of Special Election shall make a certificate of the number of votes cast for and against the proposed borrowings and the number of void votes and shall deliver the same to the City Council. The certificate shall be retained with the papers of the City; and

**BE IT FURTHER RESOLVED** that pursuant to § 16.3.4 of the Charter, the City Council hereby directs that the Clerk of Council cause the notices of the Special Election to be published and posted as provided herein and by the Charter and to take such other actions as are necessary or appropriate and in

the best interest of the City to effectuate the resolutions adopted above and the requirements of the Charter.

**NOW, THEREFORE, BE IT FURTHER RESOLVED** that this Resolution was passed by a majority of the City Council of the City of Harrington on this 6<sup>th</sup> day of September 2016.

  
\_\_\_\_\_  
Anthony R. Moyer, Mayor

Attest:   
\_\_\_\_\_  
Kelly Blanchies, Clerk of Council

September 6, 2016  
\_\_\_\_\_  
Date

<u>Council Member</u>	<u>Vote</u>
Vice Mayor Duane E. Bivans	<u>Yes</u>
Charles W. Bauger, Jr.	<u>Yes</u>
Robert Dean Helsel	<u>Yes</u>
Eric Marquis	<u>Yes</u>
Amy L. Minner	<u>Yes</u>
Micah Parker	<u>Yes</u>