

CITY OF HARRINGTON

RESOLUTION 15-R-05

A RESOLUTION TO PROCEED WITH FUNDING OF UP TO \$520,000 OF A GENERAL OBLIGATION BOND TO FINANCE THE COST OF INFLOW AND INFILTRATION REPAIRS TO THE SANITARY SEWER SYSTEM

WHEREAS, the City Council of the City of Harrington has determined that it is in the City's best interest to reduce inflow and infiltration in the City's sanitary sewer system; and

WHEREAS, the City has applied for and the United States Department of Agriculture (USDA) has offered the City a grant and loan package to pay for the inflow and infiltration repairs in the amounts of a grant for five hundred eighty thousand dollars (\$580,000) and a loan of five hundred twenty thousand dollars (\$520,000) maximum principal amount; and

WHEREAS, the City Council has determined that it would be advantageous to finance a portion of the inflow and infiltration repairs in order to accept the offered United States Department of Agriculture (USDA) grant of five hundred eighty thousand dollars (\$580,000); and

WHEREAS, the Charter of the City of Harrington allows for long-term borrowing for certain projects without voter approval under § 16.2; and

WHEREAS, the City Council adopted Resolution 15-R-04 on April 20, 2015, which gave notice to the residents and property owners that the City proposed to issue up to five hundred twenty thousand dollars (\$520,000) maximum principal amount of the City's general obligation bonds in order to pay costs of improvements to the sanitary sewer system and pay the costs of issuance of the bond and provided the following information regarding the loan:

Amount of Borrowing: Total principal amount not to exceed five hundred twenty thousand dollars (\$520,000).

Municipal Purpose: Fixing inflow and infiltration into the City's sanitary sewer lines qualifies as a municipal purpose for which the City Council may make long-term borrowings without voter approval under Section 16.2.3 of the Charter, because the project is for the following purposes:

- (1) Repairing or replacing any structure for the collection of sanitary sewer (Section 16.2.3 (a)); and
- (2) Paying all expenses deemed necessary for the issuance of said bonds (Section 16.2.3 (d)).

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 grant and loan package from the USDA, and the City must issue the debt in order to receive the grant of five hundred eighty thousand dollars (\$580,000); and

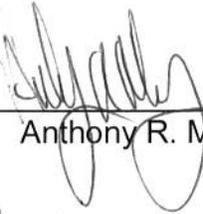
WHEREAS, notice of a Public Hearing on the proposed borrowing was published and posted as required in Section 16.2.2 (b) of the Charter as follows:

- Posted April 29, 2015 on the City's website
- Posted April 29, 2015 at City Hall, Post Office, Library, and Parks & Recreation
- Posted April 30, 2015 at Byler's store in Liberty Plaza
- Published May 3, 2015 in the Delaware State News
- Published May 6, 2015 in the Harrington Journal; and

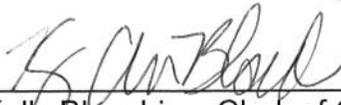
WHEREAS, a Public Hearing was held on this matter on May 18, 2015, and pursuant to Section 16.2.2 (c) of the Charter, following the Public Hearing the City Council may pass a second resolution and by the affirmative vote of at least five (5) members, proceed with the proposed borrowing.

NOW, THEREFORE, BE IT RESOLVED that pursuant to Section 16.2.2 (c) and with the affirmative vote of at least five (5) members, the City Council has determined to proceed with the proposed borrowing.

NOW, THEREFORE, BE IT FURTHER RESOLVED that this Resolution was passed by a super-majority of the City Council of the City of Harrington on this 18th day of May 2015.



Anthony R. Moyer, Mayor

Attest: 

Kelly Blanchies, Clerk of Council

May 18, 2015

Date

<u>Council Member</u>	<u>Vote</u>
Vice Mayor Cheryl J. Lahman	<u>Absent</u>
Duane E. Bivans	<u>Yes</u>
Fonda Coleman	<u>Yes</u>
Amy L. Minner	<u>Yes</u>
Charles W. Porter	<u>Yes</u>
Kenneth W. Stubbs	<u>Yes</u>