



Town of Blades  
OFFICE OF MAYOR & COUNCIL  
20 W Fourth Street  
Blades, Delaware 19973-4122  
(P) 302.629.7366 (F) 302.629.0199

## RESOLUTION 2012.01.09 R01

### **RESOLUTION AUTHORIZING THE ISSUANCE OF UP TO \$375,000 MAXIMUM PRINCIPAL AMOUNT OF A GENERAL OBLIGATION BOND IN ORDER TO FINANCE INSTALLATION OF A THIRD BACK-UP WELL AND ANCILLARIES ALONG WITH A NEW RAW WATERLINE FOR THE TOWN OF BLADES AND ESTABLISHING THE TIME AND PLACE FOR A PUBLIC HEARING THEREON.**

**WHEREAS**, The Town of Blades (the “Town”) pursuant to Section 19 of 73 Del. Laws Ch. 210 and 74 Del. Laws Ch. 407, as amended (the “Charter”) proposes to issue up to \$375,000 maximum principal amount of the Town's general obligation bond (the “Bond”) in order to: (i) finance the installation of a third back-up well and ancillaries along with a new raw waterline; and (ii) pay the costs of issuance of the bond (collectively, the “Project”);

**WHEREAS**, the Town has applied for a loan through the Delaware Drinking Water State Revolving Fund (the “Fund”), acting by and through the Delaware Department of Health and Social Services (the “Department”), in order to provide funds to pay for the Project;

**WHEREAS**, the Department will issue a commitment letter to lend the Town, from the Fund, up to \$375,000 in the aggregate principal amount for the Project at an annual interest rate of one percent (1%); and

**WHEREAS**, to authorize the borrowing of up to \$375,000 through the issuance of the Bond for the Project and in order to comply with the requirements of Section 19 of the Charter, the Town Council, through its adoption of this Resolution, hereby gives notice to the electors of the Town that the Town Council proposes to borrow an amount of money, not to exceed \$375,000 principal amount, to fund the Project, which is a permitted purpose under Section 19 of the Charter and hereby establishes that a public hearing on the matter be fixed on **January 30, 2012, at 7:00 p.m., prevailing time**, at Hardin Hall located at 20 West Fourth Street, Blades, Delaware 19973.



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**NOW, THEREFORE, BE IT RESOLVED** by the Town Council of The Town of Blades as follows:

1. The Town Council of The Town of Blades, hereby gives notice to the electors of the Town that the Town proposes to borrow an amount of money, not to exceed \$375,000 principal amount to fund the Project.

2. Pursuant to Section 19(a) of the Charter:

**Amount of Borrowing:** Total principal amount not to exceed \$375,000.

**Purpose for Borrowing:** The Town Council hereby finds that the Project constitutes the following, which are permitted purposes for which money may be borrowed under Section 19 of the Charter:

Financing the installation of a third back-up well and ancillaries along with a new raw waterline.

**Manner of Securing the Same:** the Town will borrow the funds through the issuance of a general obligation bond of the Town to finance the Project and the full faith, credit and taxing power of the Town will be pledged to pay the principal and interest on the bond.

**Other Facts Deemed Pertinent by the Town Council and in its Possession at the Time of This Resolution:** The Town anticipates that the Department will lend the Town the aggregate principal amount of up to \$375,000 for a period of thirty (30) years at an annual interest rate of one percent (1%). This loan will finance the Project.

It is anticipated that up to \$160,500 of the amount drawn on the loan will be forgiven by the Department.

3. The Town Council hereby establishes that a public hearing on this Resolution and the proposed borrowing described herein shall be held on **Monday, January 30, 2012, at 7:00 p.m.**, prevailing time, at Hardin Hall located at 20 West Fourth Street, Blades, Delaware 19973, and hereby directs that notice of such hearing be published and/or posted as required by Section 19(b) of the Charter, by:

(i) publication in one (1) newspaper having a general circulation in the Town of Blades at least one week before the time set for the public hearing; and/or



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(ii) distribution in circular form at least one week before the time set for the public hearing.

4. The Town Council hereby directs that this matter be placed on the agenda for the **special meeting of the Town Council on January 30, 2012** at Hardin Hall to determine whether to proceed with the proposed borrowing described herein.

ADOPTED AND RESOLVED this 9th day of January, 2012.

By: \_\_\_\_\_

Name: Michael J. Smith

Title: Mayor

(TOWN SEAL)

Attest: \_\_\_\_\_

Name: Vikki Prettyman

Title: Town Administrator