

RESOLUTION NO. R 020 06

RESOLUTION APPROVING A WRITTEN AGREEMENT FOR FIREFIGHTING SERVICES WITH GEORGETOWN FIRE COMPANY, INC. AND THE ISSUANCE OF CERTAIN BONDS BY GEORGETOWN FIRE COMPANY, INC.

WHEREAS, the Georgetown Fire Company, Inc. (the "Company") is a fire company organized and existing under the laws of the State of Delaware; and

WHEREAS, the Company has historically provided and continues to provide firefighting services to an area within Sussex County, Delaware (the "County"); and

WHEREAS, the Company has advised the County, that the Company proposes to issue up to \$2,000,000 of bonds of the Company (the "Bonds") to fund renovations (including major HVAC systems) to the Company's firehouse located at 100 S. Bedford Street, Georgetown, Delaware 19947 (the "Project"); and

WHEREAS, it is the intent of the Company that the interest on its Bonds qualify for exclusion from gross income of the owners thereof for federal income tax purposes pursuant to Sections 103 and 150 of the Internal Revenue Code of 1986, as amended (the "Code"); and

WHEREAS, pursuant to Sections 103 and 147 of the Code, interest on the Bonds will not qualify for exclusion from gross income of the owners thereof for federal income tax purposes unless the issuance of the Bonds is approved by the elected representative of the governmental unit with which the Company has entered into an agreement, after a public hearing to consider the issuance of the Bonds has been conducted by such governmental unit following reasonable public notice, whereby the Company will continue to provide volunteer firefighting services within such governmental unit; and

WHEREAS, the Company desires to enter into a written agreement with the County (the "Agreement") for such purpose and to confirm the provision of such firefighting services to such area;

NOW THEREFORE, BE IT RESOLVED, that the Sussex County Council hereby approves the form of Agreement to be entered into between the County and the Company, a copy of which is attached hereto, and hereby authorizes and directs the County Administrator to execute and deliver the same on behalf of the County.

NOW THEREFORE, BE IT RESOLVED, that the Sussex County Council, for the sole purpose of qualifying the interest payable on the Company's Bonds for exclusion from gross income of the owners thereof for federal income tax purposes pursuant to Section 103 of the Code, does hereby approve the issuance of the Bonds by the Company in a maximum aggregate principal amount of \$2,000,000 for the purpose of financing a portion of the costs of the Project provided that the Bonds shall be an obligation of the Company and shall never be a debt of the County and the County shall not be liable for any payment on the Bonds and is not pledging its credit as security for the bonds or notes to be issued by the Company.

I DO HEREBY CERTIFY THAT THE FOREGOING IS A TRUE AND CORRECT COPY OF RESOLUTION NO. R 020 06 ADOPTED BY THE SUSSEX COUNTY COUNCIL ON THE 26TH DAY OF SEPTEMBER 2006.


ROBIN A. GRIFFITH
CLERK OF THE COUNCIL