

RESOLUTION NO. R 015 87

AUTHORIZING THE RESERVATION OF \$3,800,000 FOR THE CITY OF SEAFORD FROM THE PROCEEDS OF THE COUNTY'S 1986 SERIES B LOCAL GOVERNMENT LOAN PROGRAM REVENUE BONDS AUTHORIZED BY ORDINANCE NO. 373 AND THE COUNTY'S SANITARY SEWER REVENUE BONDS SERIES 1985 AUTHORIZED BY ORDINANCE NO. 330.

WHEREAS, the County of Sussex issued \$35,000,000 Local Government Loan Program Bonds 1986 Series B on August 6, 1986 ("Series B Bonds") and \$45,000,000 Sanitary Sewer Revenue Bonds Series 1985 as of December 1, 1985 ("Sewer Bonds"); and

WHEREAS, the City of Seaford ("City") has applied for a loan from the proceeds of the Series B Bonds and Sewer Bonds in the amount of \$3,800,000; and

WHEREAS, the proceeds of the requested loan will be used for improvements in the City's electrical and water systems and the Wastewater Treatment Plant, and cover any contingency costs; and

WHEREAS, the borrowing by the City of Seaford will be secured by the general obligation of the City, or City revenues and the City has scheduled a public hearing on March 24, 1987, said public hearing to precede a referendum; and

WHEREAS, the City has requested a resolution from the County of Sussex that \$3,800,000 will be available from the proceeds of the Series B Bonds and Sewer Bonds for the purpose of making a loan to the City on the terms described in a subsequent resolution of County Council; and

WHEREAS, Saul, Ewing, Remick & Saul, bond counsel to Sussex County has examined the Charter of the City and has certified that the pledging of the full faith and credit of the City in the amount of \$3,800,000 when added to existing City general obligation indebtedness, will not violate the debt ceiling set by the Charter of the City, and that the requested borrowing is for purposes permitted by the City Charter.

NOW, THEREFORE,

THE COUNTY OF SUSSEX HEREBY RESOLVES:

1. The sum of \$3,800,000 from the proceeds of the Series B Bonds and Sewer Bonds is hereby reserved for the City of Seaford.

2. This reservation shall remain in effect until January 1, 1988, unless either of the following two events shall first occur:

(a) The City shall determine, after public hearing, not to hold a referendum approving the borrowing, unless the City shall determine to proceed with revenue bonds, as provided by Section 36 of its City Charter; or

(b) The borrowing of the requested funds is defeated at the referendum.

Upon the happening of either of the two events above specified, this reservation shall terminate.

3. The County Administrator and Clerk of the County Council are hereby authorized and directed to transmit a copy of this Resolution to Delores J. Slatcher, City Manager, City of Seaford, Seaford, Delaware 19973, in certified form.

I DO HEREBY CERTIFY THAT THE FOREGOING IS A TRUE AND CORRECT COPY OF RESOLUTION NO. R 015 87 PASSED BY THE COUNTY COUNCIL OF SUSSEX COUNTY ON THE 24TH DAY OF MARCH, 1987.


DORIS E. ROGERS
CLERK OF THE COUNTY COUNCIL