

RESOLUTION NO. R 016 90

RESOLUTION AUTHORIZING A \$425,000 LINE OF CREDIT WITH THE BANK OF DELAWARE AND THE ISSUANCE OF A SUSSEX COUNTY, DELAWARE PROMISSORY NOTE TO THE BANK OF DELAWARE IN AN AMOUNT NOT TO EXCEED \$425,000 FOR FINANCING FOR THE COUNTY'S SHARE OF EXPENSES INCURRED BY THE STATE OF DELAWARE FOR REPLENISHING THE COASTAL BEACHES WITHIN THE COUNTY, AND TO PAY FOR ADDITIONAL EXPENSES IN CONNECTION WITH SUCH REPLENISHMENT, AND COSTS ASSOCIATED THEREWITH, AND AUTHORIZING ALL OTHER ACTION NECESSARY OR DESIRABLE IN CONNECTION THEREWITH.

WHEREAS, the County of Sussex (the "County") is a county and political subdivision of the State of Delaware (the "State") with home rule powers; and

WHEREAS, the County is required to pay the costs of replenishing the coastal beaches located within the County; and

WHEREAS, the County hereby determines that the replenishment of the coastal beaches located within the County will have a useful life of three (3) years or more; and

WHEREAS, the County Council adopted Ordinance No. 597 on July 11, 1989 (the "Ordinance") on authorizing a \$1,750,000 Line of Credit with the Bank of Delaware (the "Line of Credit") and the issuance of the County's promissory note (the "Promissory Note") to the Bank of Delaware in an amount not to exceed \$1,750,000 for financing to reimburse the State for the County's share of expenses incurred by the State for replenishing the coastal beaches in the County and to pay for additional expenses in connection with such replenishment and costs associated therewith; and

WHEREAS, the County Council adopted Resolution No. R 021 89 on July 11, 1989, for the same purposes as the Ordinance; and

WHEREAS, the County Council anticipates that the amount necessary for such financing will not exceed \$425,000, and now determines to reduce the amount of the Promissory Note to an amount not to exceed \$425,000; and

WHEREAS, the County Council in its discretion may determine to issue the County's bonds in the future to replace such financing.

NOW, THEREFORE, THE COUNTY OF SUSSEX HEREBY RESOLVES:

1. Obligations. The County authorizes the acceptance of the Bank of Delaware Line of Credit Bid Proposal dated May 1, 1989 (the "Line of Credit Bid Proposal"), on the conditions set forth therein, except for the amount thereof, which shall be reduced to an amount not to exceed \$425,000, for the public purpose of financing the expenses of replenishing the coastal beaches located within the County, and pursuant to Chapter 70

of Title 9 of the Delaware Code, and the Constitution of the State, the County authorizes the execution, issuance, and delivery of its Promissory Note to the Bank of Delaware in an amount not to exceed \$425,000 for and on account of such expenses.

2. Terms, Security. The terms of the Promissory Note shall be as set forth in the Line of Credit Bid Proposal or as determined by the County Administrator.

The Promissory Note shall be an unsecured obligation of the County, and the County pledges its full faith and credit or taxing power to the payment thereof and the interest thereon. The Promissory Note shall not be a debt, liability, or obligation of the State or any political subdivision thereof other than the County.

3. Purposes. (a) The amounts borrowed pursuant to such Line of Credit Bid Proposal and the Promissory Note shall be used for the public purpose of financing the expenses of replenishing the coastal beaches located within the County, as set forth in the recitals hereto and in Section 1 hereof.


(b) The County Council, in its discretion, may determine whether to issue the County's bonds in the future to pay for such expenses.

(c) Notwithstanding any provision of the Ordinance or this Resolution to the contrary, the Promissory Note and the amounts borrowed thereunder are not issued for the purpose of the payment of (i) any item of operating expense or any judgment resulting from the failure to pay any such item or (ii) any equipment or any public improvements of a normal life of less than three (3) years.

4. Execution, Delivery, Performance, Further Action. The President and Vice-President of County Council, the County Administrator, and the County Director of Finance, as the case may be, are hereby authorized and directed to execute and deliver by and on behalf of the County the Line of Credit Bid Proposal dated May 1, 1989, the Promissory Note in an amount no to exceed \$425,000, and any other documents necessary or desirable in connection therewith or herewith, to the extent consistent herewith. The Clerk of The County Council is authorized to affix the seal of The County Council on each such document and attest the signatures of the authorized officers thereon.

5. Effective Date. This Resolution shall be effective immediately upon its adoption.

I DO HEREBY CERTIFY THAT THE FOREGOING IS A TRUE AND CORRECT COPY OF RESOLUTION NO. R 016 90 PASSED BY THE COUNTY COUNCIL OF SUSSEX COUNTY ON THE 24TH DAY OF APRIL, 1990.

  
DORIS E. ROGERS - CLERK OF THE  
COUNTY COUNCIL