

RESOLUTION NO. R 020 93

RESOLUTION APPROVING ISSUANCE OF CERTAIN BONDS OR NOTES BY THE LAUREL FIRE DEPT., INC.

WHEREAS, the Laurel Fire Dept., Inc., (the Department) is a volunteer fire department organized and existing under the laws of the State of Delaware; and

WHEREAS, the Department has provided and continues to provide fire fighting services to an area within Sussex County, Delaware, (the "County"); and

WHEREAS, the Department has advised the Sussex County Council (the "Council") that the Department proposes to issue up to \$350,000 of bonds or notes of the Department (the "Bonds") for the purpose of purchasing a new pumper fire truck for the Department (the "Project"); and

WHEREAS, it is the intent of the Department that the interest on the Bonds qualify for exclusion from gross income of the owners thereof for federal income tax purposes pursuant to Section 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 applicable elected representative of a governmental unit with which the Department has entered into an agreement, after a public hearing to consider the issuance of the Bonds has been conducted, following reasonable public notice; and

WHEREAS, the County and the Department entered into an Agreement dated November 2, 1993 (the "Agreement") pursuant to which the Department agreed, among other things, to provide exclusive fire fighting services to the area of the County described therein; and

WHEREAS, notice of the requisite public hearing was published on Friday, October 15, 1993, in the State Register, Delaware State News, and the News Journal, three (3) newspapers of general circulation in the County; and

WHEREAS, on November 2, 1993, after approving the Agreement, the Council conducted a public hearing on behalf of the Department for the purpose of considering the issuance of the Bonds;

NOW THEREFORE, BE IT RESOLVED that the Sussex County Council, for the sole purpose of qualifying the interest payable on the Bonds of the Department for exclusion from the gross income of the owners thereof for Federal income tax purposes pursuant to Section 103 of the Code, does hereby approve the issuance of bonds or notes by the Department in a maximum aggregate principal amount not to exceed \$350,000 for the purpose of financing a portion of the costs of the Project provided that such bonds or notes shall be an obligation of the Department and shall never be a debt of the County and the County shall not be liable for any payment of the principal of or interest on such bonds or notes.

I DO HEREBY CERTIFY THAT THE FOREGOING IS A TRUE AND CORRECT COPY OF RESOLUTION NO. R 020 93 PASSED BY THE COUNTY COUNCIL OF SUSSEX COUNTY ON THE 2ND DAY OF NOVEMBER, 1993.



Robin A. Griffith  
Clerk of the County Council



## AGREEMENT

THIS AGREEMENT made this 2nd day of November, 1993, by and between Sussex County, Delaware, (the "County"), a county and political subdivision of the State of Delaware and the Laurel Fire Department, Inc. (the "Department"), a non-profit corporation of the State of Delaware.

WHEREAS, the Department has provided fire protection and prevention services to the portion of the County as shown on the attached Exhibit A (the "Area"); and

WHEREAS, the County and the Department both desire to continue in this relationship; and

WHEREAS, the County has recognized the relationship between the Department and the County by making a donation to the Department each year; and

WHEREAS, the Department desires to borrow funds to pay a portion of the costs of the construction of an extension to its firehouse and for the purchase of a new pumper rescue truck, and

WHEREAS, under Section 150 of the Internal Revenue Code in order for the borrowing to be accorded favorable Federal income tax treatment, the Department must have a written agreement with the County to furnish fire fighting services to the Area.

NOW THEREFORE, in consideration of their mutual promises and obligations, the parties thereto, intending to be legally bound, hereby agree as follows:

1. The Department shall continue to provide and furnish fire protection, fire prevention and fire fighting services to the Area from the date of this Agreement on a volunteer basis.

2. The County shall continue to allow the Department to provide and furnish fire protection, fire prevention and fire fighting services to and within the Area from this date.

3. The County acknowledges that the Department is the exclusive fire department for the Area established pursuant to State of Delaware ("State") law by the State Fire Prevention Commission and shall not enter into a written agreement with any

other person or entity for the provision of fire fighting services to or within the Area except in compliance with mutual aid agreements with the Department or in compliance with applicable State of Delaware law.

4. The parties hereto agree that the Area shall automatically change and conform if any changes are required thereto pursuant to 16 Del.C. § 6619.

5. The parties hereto acknowledge that 16 Del.C. § 6619 vests in the State Fire Prevention Commission the power and the authority to determine whether any new fire companies or substation shall be authorized in the State, to prohibit the suspension of fire protection services in the State, to confirm the established geographical boundaries of areas served by all existing fire companies in the State and to resolve boundary disputes between or among such fire companies in the State. Notwithstanding anything in this Agreement to the contrary, the County is not hereby assuming any power, authority or responsibility with respect to any of the aforementioned powers or authority of the State Fire Prevention Commission.

6. The provisions of this Agreement shall be binding on the successors of the parties hereto.

7. The rights, privileges and obligations of the parties hereto shall not be assignable.

8. This Agreement shall not be nor be implied to be a waiver of any limitation of the liability of the Department or the County as provided by statute or otherwise.

9. This Agreement shall continue in effect for a period of 10 years from the date hereof. Thereafter, it shall continue on a year to year basis unless and until terminated by either party in writing delivered to the other party at least 30 days before the expiration of that current term.

10. The Department hereby agrees to defend, indemnify and save the County and its officers, employees and agents harmless from and against, all liabilities, losses, damages, costs and expenses



(including reasonable attorney fees), causes of action, suits, claims, demands and judgments of any nature arising from or in connection with any injury to or death of any person or damage to property resulting from the provision by the Department of fire fighting services to the Area (or the failure by the Department to so provide such fire fighting services to the Area).

IN WITNESS WHEREOF, the parties hereto have hereunder set their Hands and Seals the day and year first above written.

SUSSEX COUNTY, DELAWARE

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

Attest: \_\_\_\_\_ (SEAL)  
Clerk of Council

Approved as to form:

By: \_\_\_\_\_  
County Attorney

LAUREL FIRE DEPT., INC.

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

Attest: \_\_\_\_\_ (SEAL)  
Secretary