

RESOLUTION NO. R 069 84

BOND AUTHORIZATION RESOLUTION, DATED SEPTEMBER 18, 1984, AUTHORIZING THE ISSUANCE OF \$2,726,000 COUNTY SEWER BONDS - 1984 (FENWICK ISLAND SANITARY SEWER DISTRICT) OF SUSSEX COUNTY, DELAWARE, AND PRESCRIBING THEIR DETAILS AND FORM AND PROVIDING FOR THE SALE THEREOF

WHEREAS, the County Council of Sussex County, located in The State of Delaware now desires, by the adoption of a bond authorization resolution, to authorize the issuance of its negotiable bonds for specific public and corporate purposes, and to prescribe the details and form and provide for the sale of such bonds,

NOW, THEREFORE,

BE IT RESOLVED by the County Council of Sussex County, Delaware (herein, the "County"), as follows:

(1) The County shall issue its negotiable bonds of the aggregate principal amount of \$2,726,000, in registered form to the United States of America, acting through Farmers Home Administration, pursuant to and in accordance with Chapter 65 of Title 9 of the Delaware Code, as amended, to finance the construction and acquisition of sanitary sewer improvements to serve the Fenwick Island Sanitary Sewer District (the "improvements"), as set forth in a Loan Agreement hereinafter referred to. The full faith and credit of Sussex County is hereby pledged to the payment of such bond and the interest thereon. The probable useful life of the improvements for which such bond is issued is a period of forty (40) years. The moneys raised by the issuance of such bond, after the payment of the charges and expenses connected with the preparation and sale thereof, shall be expended only for purposes set forth in Chapter 65 of Title 9 of the Delaware Code, as amended and set forth in the Loan Agreement hereafter referred to. Such bond to be issued pursuant to this paragraph in the aggregate principal amount of \$2,726,000 shall bear interest from the date thereof at the rate of 5.00% per annum on the unpaid principal balance, payable in

75 equal consecutive semi-annual principal installments of \$35,869.00 each, and one final principal payment of \$35,825.00, plus interest, payable on March 20 and September 20 in each year commencing March 20, 1987 and ending September 20, 2024, and that interest only shall be payable on such bond semi-annually on March 20 and September 20 in each year commencing March 20, 1985 and ending September 20, 1986 as follows:

<u>Payment Date</u>	<u>Principal Amount</u>	<u>Payment Date</u>	<u>Principal Amount</u>
March 20, 1985	Interest Only	March 20, 2005	\$35,869.00
September 20, 1985	Interest Only	September 20, 2005	35,869.00
March 20, 1986	Interest Only	March 20, 2006	35,869.00
September 20, 1986	Interest Only	September 20, 2006	35,869.00
March 20, 1987	\$35,869.00	March 20, 2007	35,869.00
September 20, 1987	35,869.00	September 20, 2007	35,869.00
March 20, 1988	35,869.00	March 20, 2008	35,869.00
September 20, 1988	35,869.00	September 20, 2008	35,869.00
March 20, 1989	35,869.00	March 20, 2009	35,869.00
September 20, 1989	35,869.00	September 20, 2009	35,869.00
March 20, 1990	35,869.00	March 20, 2010	35,869.00
September 20, 1990	35,869.00	September 20, 2010	35,869.00
March 20, 1991	35,869.00	March 20, 2011	35,869.00
September 20, 1991	35,869.00	September 20, 2011	35,869.00
March 20, 1992	35,869.00	March 20, 2012	35,869.00
September 20, 1992	35,869.00	September 20, 2012	35,869.00
March 20, 1993	35,869.00	March 20, 2013	35,869.00
September 20, 1993	35,869.00	September 20, 2013	35,869.00
March 20, 1994	35,869.00	March 20, 2014	35,869.00
September 20, 1994	35,869.00	September 20, 2014	35,869.00
March 20, 1995	35,869.00	March 20, 2015	35,869.00
September 20, 1995	35,869.00	September 20, 2015	35,869.00
March 20, 1996	35,869.00	March 20, 2016	35,869.00
September 20, 1996	35,869.00	September 20, 2016	35,869.00
March 20, 1997	35,869.00	March 20, 2017	35,869.00
September 20, 1997	35,869.00	September 20, 2017	35,869.00
March 20, 1998	35,869.00	March 20, 2018	35,869.00
September 20, 1998	35,869.00	September 20, 2018	35,869.00
March 20, 1999	35,869.00	March 20, 2019	35,869.00
September 20, 1999	35,869.00	September 20, 2019	35,869.00
March 20, 2000	35,869.00	March 20, 2020	35,869.00
September 20, 2000	35,869.00	September 20, 2020	35,869.00
March 20, 2001	35,869.00	March 20, 2021	35,869.00
September 20, 2001	35,869.00	September 20, 2021	35,869.00
March 20, 2002	35,869.00	March 20, 2022	35,869.00
September 20, 2002	35,869.00	September 20, 2022	35,869.00
March 20, 2003	35,869.00	March 20, 2023	35,869.00
September 20, 2003	35,869.00	September 20, 2023	35,869.00
March 20, 2004	35,869.00	March 20, 2024	35,869.00
September 20, 2004	35,869.00	September 20, 2024	35,825.00

(2) Every semi-annual installment of principal and interest shall be applied first to interest computed to the effective date of payment and then to principal.

(3) Such bond to be issued pursuant to paragraph (1) hereof, shall be issued as a single bond, in registered form, which shall

bear the designation "County Sewer Bond - 1984 (Fenwick Island Sanitary Sewer District)" and shall be of the aggregate principal amount of \$2,726,000, numbered R-1.

(4) Such bond is hereby sold to the United States of America, Farmers Home Administration, Department of Agriculture, pursuant to Section 6516 of Chapter 65 of Title 9 of the Delaware Code, as amended.

(5) Such bond shall be dated the date of delivery thereof expected to be on or about September 20, 1984 and shall bear interest from said date at the rate of five per centum (5.00%) per annum.

(6) Both principal of and interest on said bond shall be payable without presentation or surrender thereof at the District Office of Farmers Home Administration, at 300 South New Street, Room 1108, Dover, Delaware 19901, or such other address as the Farmers Home Administration may designate, in any coin or currency of the United States of America as at the time of payment shall be legal tender for the payment of debts due the United States of America.

(7) Such bond shall be issued in registered form as to both principal and interest, in substantially the form set forth in Appendix A hereto, in the name of the UNITED STATES OF AMERICA, FARMERS HOME ADMINISTRATION.

(8) Such bond shall contain a recital that it is issued pursuant to Chapter 65 of Title 9 of the Delaware Code, as amended. Such bond shall be executed in the name of Sussex County, The State of Delaware, and signed by the President of the County Council of the County by his facsimile signature and the official seal of the County shall be affixed thereon and said seal shall be attested by the Clerk of the County Council of the County by her manual signature.

(9) Such bond is subject to prepayment, at the option of the County, in whole, on any date, or in part, on any payment date of principal and interest, in inverse order of maturity of

the principal amounts maturing in each year as set forth in paragraph (1) hereof, upon 30 days written notice to Farmers Home Administration prior to the next succeeding semi-annual payment date of principal and interest, without premium, plus accrued interest to the date of payment.

(10) The full faith and credit of Sussex County is hereby pledged to the payment of the principal of and interest on such bond in accordance with its terms.

(11) The County hereby agrees that if Farmers Home Administration assigns such bond and insures payment of principal and interest thereof at any time said bond is outstanding, the County shall continue to make payments to Farmers Home Administration as collection agent for the then holder of such bond.

(12) The County hereby agrees that if at any time such bond is outstanding it shall appear to United States of America, acting through Farmers Home Administration, that the County may be able to obtain a loan from another authorized source of credit at reasonable rates of interest for loans of similar purposes and periods of maturity, the County shall, at the request of the United States of America, acting through Farmers Home Administration, apply for and accept such loan at an amount sufficient to repay such bond in full to United States of America, acting through Farmers Home Administration.

(13) Such bond may be assigned provided that upon such assignment the assignor shall promptly notify the County by registered mail and the assignee shall surrender the same to the County for transfer on the registration records of the County, and provide that such assignee shall take such bond subject to such condition.

(14) The County hereby agrees that default under any instrument evidencing a debt or other financial obligation of the County to United States of America, acting through Farmers Home Administration, including a Loan Resolution (Public Bodies) duly

adopted by said County Council, dated July 24, 1984 shall constitute default under the terms of said bond. Upon any default, the County agrees that United States of America, acting through Farmers Home Administration at its option upon 30 days written notice to the County may declare said bond immediately due and payable on the next succeeding semi-annual payment date of principal and interest, without premium, plus accrued interest to the date of payment.

(15) It is hereby certified that bonds issued for the purpose of constructing sewer improvements are exempt from the legal limitation on the indebtedness of the County contained in Section 6102, Chapter 61, Title 9, Del. Code, as amended, by the terms of Section 6518, Chapter 65, Title 9, Del. Code, as amended.

(16) The principal of and interest on such Bond are to be paid by ad valorem taxes on real estate, tangible personal property and intangible property subject to taxation by the County without limitation as to rate or amount.

(17) The President of the County Council is hereby authorized and directed to provide a suitable bond register for the registration of said bond and to act as Bond Registrar in registering said bond. The President of the County Council shall maintain a Payment Record, in substantially the form attached hereto as Appendix B, of the installments of principal and interest made with respect to such bond. The President of the County Council shall also maintain a Prepayment Schedule, substantially in the form attached hereto as Appendix C, of principal installments of said bond which have been prepaid prior to maturity.

(18) The power to prescribe the terms, form and contents of such bond, and the power to sell, issue and deliver such bond subject to the provisions of this bond authorization resolution, is hereby delegated to the President of the County Council of Sussex County. The power to execute any documents, and the power to take any further action and do all things necessary, with respect to the sale, issuance and delivery of such bond is hereby delegated to the President of the County Council, the Treasurer, the Director

of Finance, and the County Attorney of the County, subject to the provisions of this bond authorization resolution.

(19) This bond resolution shall take effect immediately upon its adoption by a three-fifths vote of all of the members of the County Council of Sussex County, Delaware.

(20) All bond resolutions heretofore adopted with respect to said bonds are hereby expressly rescinded.

I DO HEREBY CERTIFY THAT THE FOREGOING IS A TRUE AND CORRECT COPY OF RESOLUTION NO. R 069 84 PASSED BY THE COUNTY COUNCIL OF SUSSEX COUNTY ON THE 18TH DAY OF SEPTEMBER, 1984.


EMOGENE P. ELLIS
CLERK OF THE COUNTY COUNCIL

UNITED STATES OF AMERICA
THE STATE OF DELAWARE
SUSSEX COUNTY
\$2,726,000 COUNTY SEWER BOND - 1984
(FENWICK ISLAND SANITARY SEWER DISTRICT)

No. R-1

SUSSEX COUNTY (herein called the "County"), a county of The State of Delaware, acknowledges itself indebted and for value received, hereby promises to pay to the UNITED STATES OF AMERICA, acting through the FARMERS HOME ADMINISTRATION OF AMERICA, or its registered assigns (herein called the "Government") the principal sum of \$2,726,000.00 plus interest on the unpaid balance thereof at the rate of five per centum (5.00%) per annum, payable from the date of this bond on March 20, 1985 and thereafter semi-annually on March 20 and September 20, in each year. The principal of this bond shall be payable in amounts and on dates set out on the attached Payment Schedule. Principal and interest shall be paid in any coin or currency of the United States of America which at the time of payment shall be legal tender for the payment of debts due the United States of America.

Payment of the installments of principal and interest then due and payable on this Bond without presentation or surrender hereof shall be made at the District Office of the Farmers Home Administration, at 300 South New Street, Room 1108, Dover, Delaware 19901, or at such other address as the Government may designate. The County shall be fully discharged of the obligation on this Bond to the extent of the payments so made. Upon final payment of principal and interest this Bond shall be surrendered to the County for cancellation.

This Bond is subject to prepayment, at the option of the County, in whole, on any date, or in part, on any semi-annual payment date of principal and interest in inverse order of maturity, upon 30 days written notice to Farmers Home Administration prior to the next succeeding semi-annual payment date of principal and

interest, without premium, plus accrued interest to the date of prepayment.

If the Government at any time while this Bond is outstanding assigns this Bond and insures the payment of principal and interest hereof, the County shall continue to make payments to the Government as collection agent for the then holder of this Bond.

The County hereby certifies that it is unable to obtain sufficient credit from other sources to finance the costs of the projects for which this Bond is issued at reasonable rates of interest, taking into account the rates of interest offered by commercial lending institutions in or near the County prevailing at the time this Bond is issued for loans for similar purposes and period of maturity.

If at any time this Bond is outstanding it shall appear to the Government that the County may be able to obtain a loan from another authorized source of credit at reasonable rates of interest for loans of similar purposes and periods of maturity, the County shall, at the Government's request, apply for and accept such loan in an amount sufficient to repay this Bond in full to the Government or the then holder thereof.

Default under any instrument evidencing a debt or other financial obligation of the County to the Government, including a Loan Resolution (Public Bodies) duly adopted by the County Council of the County on July 24, 1984 shall constitute default hereunder. Upon any such default, the Government at its option upon 30 days written notice to the County may declare this Bond immediately due and payable on the next succeeding semi-annual payment date of principal and interest, without premium, plus accrued interest to the date of payment.

This Bond is authorized pursuant to Chapter 65 of Title 9 of the Delaware Code, as amended, and issued pursuant to a bond authorization resolution, dated September 18, 1984, to finance, in whole or in part, the construction and acquisition of sanitary sewer improvements to serve the Fenwick Island Sanitary Sewer District.

This Bond may be assigned and upon such assignment (unless insured by Farmers Home Administration) the assignor shall promptly notify the County by United States registered or certified mail, and the assignee shall surrender the same to the County for transfer on the registration records, and every such assignee shall take this Bond subject to such condition.

The full faith and credit of the County is hereby pledged to the payment of the principal of and interest on this Bond in accordance with its terms.

IT IS HEREBY CERTIFIED AND RECITED that all conditions, acts and things required by the Constitution or statutes of The State of Delaware to exist, be performed or happen precedent to or in the issuance of this Bond, exist, have been performed and have happened, and that this Bond is within every limitation prescribed by said Constitution or statutes.

IN WITNESS WHEREOF, the County has caused this Bond to be executed in its name and to be signed by the President of the County Council and the Clerk of the County Council of Sussex County, and the official seal of the County to be affixed hereon and attested by the Clerk of the County Council of Sussex County, and this Bond to be dated September 20, 1984.

(SEAL)

President of the County Council,
Sussex County

Clerk of the County Council,
Sussex County

Payment Schedule

<u>Payment Date</u>	<u>Principal Amount</u>	<u>Payment Date</u>	<u>Principal Amount</u>
March 20, 1985	Interest Only	March 20, 2005	\$35,869.00
September 20, 1985	Interest Only	September 20, 2005	35,869.00
March 20, 1986	Interest Only	March 20, 2006	35,869.00
September 20, 1986	Interest Only	September 20, 2006	35,869.00
March 20, 1987	\$35,869.00	March 20, 2007	35,869.00
September 20, 1987	35,869.00	September 20, 2007	35,869.00
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March 20, 2000	35,869.00	March 20, 2020	35,869.00
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March 20, 2001	35,869.00	March 20, 2021	35,869.00
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March 20, 2002	35,869.00	March 20, 2022	35,869.00
September 20, 2002	35,869.00	September 20, 2022	35,869.00
March 20, 2003	35,869.00	March 20, 2023	35,869.00
September 20, 2003	35,869.00	September 20, 2023	35,869.00
March 20, 2004	35,869.00	March 20, 2024	35,869.00
September 20, 2004	35,869.00	September 20, 2024	35,825.00

(Form of Assignment)

For value received United States of America, acting through
Farmers Home Administration, United States Department of Agriculture
hereby sells, assigns and transfers said Bond unto _____
_____.

DATED _____

Payment Record

\$2,726,000 County Sewer Bond - 1984
(Fenwick Island Sanitary Sewer District)

<u>Date</u>	<u>Principal</u>	<u>Interest</u>
March 20, 1985		
September 20, 1985		
March 20, 1986		
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September 20, 2011		

Date

Principal

Interest

March 20, 2012
September 20, 2012
March 20, 2013
September 20, 2013
March 20, 2014
September 20, 2014
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September 20, 2015
March 20, 2016
September 20, 2016
March 20, 2017
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September 20, 2021
March 20, 2022
September 20, 2022
March 20, 2023
September 20, 2023
March 20, 2024
September 20, 2024

Prepayment Schedule

\$2,726,000 County Sewer Bond - 1984
(Fenwick Island Sanitary Sewer District)

Date

Amount Paid