

Agenda #4213

**Sponsors:
Council
Member
Shabazz**

ORDINANCE AUTHORIZING CAPITAL PROJECTS OF THE CITY OF WILMINGTON RELATING TO UPGRADES AND IMPROVEMENTS TO (1) THE CITY'S PORTER FILTER WATER TREATMENT PLANT AND (2) VARIOUS WATER MAINS THROUGHOUT THE CITY; AUTHORIZING THE ISSUANCE OF TWO SERIES OF THE CITY'S GENERAL OBLIGATION BOND, SERIES OF 2016-SRF, IN ORDER TO PROVIDE THE FUNDS NECESSARY FOR SUCH PROJECTS, RESPECTIVELY; PROVIDING FOR THE SALE OF EACH SERIES OF THE BONDS TO THE DELAWARE DRINKING WATER STATE REVOLVING FUND; AND AUTHORIZING OTHER NECESSARY ACTION

WHEREAS, the City of Wilmington (the "City") has determined to undertake certain upgrades and improvements (i) to the City's Porter filter water treatment plant (the "Filter Project") and (ii) to various water mains throughout the City (the "Water Mains Project," and together with the Filter Project, the "Project"); and

WHEREAS, in order to finance the Filter Project and pay certain administrative costs relating to the Filter Project and the costs of issuing the 2016A Bond (as defined herein), the City has determined to issue its General Obligation Bond, Series of 2016A-SRF (the "2016A Bond"), in a principal amount not to exceed \$2,000,000; and

WHEREAS, in order to finance the Water Mains Project and pay certain administrative costs relating to the Water Mains Project and the costs of issuing the 2016B Bond (as defined herein), the City has determined to issue its General Obligation Bond, Series of 2016B-SRF (the "2016B Bond," and together with the 2016A Bond, the "Bonds"), in a principal amount not to exceed \$5,000,000; and

WHEREAS, the City has heretofore adopted the General Obligation Bond Ordinance, No. 83-019, Division 4 of Article VI of Chapter 2 of the Wilmington City Code (the “General Ordinance”), authorizing the City to issue general obligation bonds secured by a pledge of the City's full faith, credit and taxing power, for the purpose of, among other things, paying the costs of capital projects; and

WHEREAS, this Ordinance is a Supplemental Ordinance adopted pursuant to the General Ordinance and provides for the issuance and sale of the Bonds.

THE COUNCIL OF THE CITY OF WILMINGTON HEREBY ORDAINS:

Section 1. Defined Terms. Terms used in this Ordinance and not otherwise defined shall have the meaning specified in the General Ordinance.

Section 2. Authorization of Project. The City hereby approves the Project as described in the recitals hereto and the proper officers of the City are hereby authorized to take all action necessary to proceed with the Project. The City hereby determines that the average useful life of the Filter Project and the Water Mains Project is not less than thirty (30) years for each.

Section 3. Authorization of the Bonds. The City hereby authorizes the issuance of two series of bonds designated as (i) General Obligation Bond, Series of 2016A-SRF, or such other series designation as the Bond Committee (defined herein) shall determine, in a principal amount not to exceed \$2,500,000 and (ii) General Obligation Bond, Series of 2016B-SRF, or such other series designation as the Bond Committee shall determine, in a principal amount not to exceed \$5,000,000 pursuant to and in accordance with the General Ordinance, as supplemented by this Ordinance and the Bond Committee Resolution (as defined herein) for the purpose of financing the Project. The Bonds shall be sold to the Delaware Drinking Water State Revolving Fund.

The Bonds shall be in such principal amount (not exceeding \$2,000,000 for the 2016A Bond and \$5,000,000 for the 2016B Bond), shall bear such rate or rates of interest, shall mature in such principal amounts and on such dates, shall be subject to redemption, shall be sold at such price and in such manner, and shall be in such form and contain or be subject to

such other terms and conditions, as shall be determined by the City of Wilmington Bond Committee (the “Bond Committee”) pursuant to a resolution of the said committee (the “Bond Committee Resolution”).

Section 4. Execution of the Bonds. The Bonds shall be executed by the manual or facsimile signatures of the Mayor, the City Treasurer and the City Auditor, and by the manual or facsimile impression of the City seal, both attested by the manual or facsimile signature of the City Clerk or Deputy City Clerk. The Bonds in definitive form may be printed, typewritten or lithographed without steel engraved borders.

Section 5. Security for the Bonds. The full faith, credit and taxing power of the City is hereby pledged to the prompt payment of the principal of, premium if any, and the interest on the Bonds. The Bonds shall be the direct and unlimited obligation of the City, and unless paid from other sources, the City shall levy *ad valorem* taxes upon all taxable property in the City for the payment of the Bonds subject to the limitation contained in applicable law.

Section 6. Further Action. The appropriate officers of the City are hereby authorized and directed to take all such action, execute, deliver, file and record all such documents, publish all notices and otherwise carry out the intent of the General Ordinance and this Ordinance in the name of and on behalf of the City.

Section 7. Inconsistent Provisions. In the event that any provision of the Bonds, or any term or condition contained in any agreement relating to the Bonds, shall be inconsistent with any of the provisions of the General Ordinance, the provision of the Bonds, this Ordinance and such agreement shall be controlling with respect to the Bonds and such agreement.

Section 8. Relation to General Ordinance. This Ordinance is supplemental to the General Ordinance and all sections of the General Ordinance, except as modified herein in accordance therewith, are applicable to the Bonds authorized hereunder.

Section 9. Effective Date. This Ordinance shall become effective upon its passage by Council and approval by the Mayor.

First Reading..... May 19, 2016
Second Reading..... May 19, 2016
Third Reading.....

Passed by City Council,

President of City Council

Attest: _____
City Clerk

Approved this ____ day of _____, 2016:

Mayor

Approved as to form this __ day of
May, 2016.

City Solicitor

SYNOPSIS

This Ordinance authorizes the issuance of two series of bonds designated (i) General Obligation Bond, Series of 2016A-SRF, in an amount not to exceed \$2,000,000 (the “2016A Bond”) and (ii) General Obligation Bond, Series of 2016B-SRF, in an amount not to exceed \$5,000,000 (the “2016B Bond”). Each series of bonds which will be sold to the Delaware Drinking Water State Revolving Fund in order to: (1) finance capital projects of the City, specifically, (a) certain upgrades and improvements to the City's Porter filter water treatment plant in the case of the 2016A Bond and (b) certain upgrades and improvements to various water mains throughout the City in the case of the 2016B Bond; (2) pay administrative costs relating to such capital projects; and (3) pay the costs of issuing each series of bonds.