

AN ORDINANCE AUTHORIZING THE ISSUANCE OF THE CITY'S GENERAL OBLIGATION BOND (ANNUAL WATER MAINS IMPROVEMENT PROJECT), SERIES A OF 2022-DWSRF, IN ORDER TO PROVIDE FUNDS NECESSARY TO FINANCE CAPITAL PROJECTS OF THE CITY RELATING TO VARIOUS WATER MAIN IMPROVEMENTS THROUGHOUT THE CITY; PROVIDING FOR THE SALE OF THE BOND TO THE DELAWARE DRINKING WATER STATE REVOLVING FUND; AND AUTHORIZING OTHER NECESSARY ACTION

#0126

Sponsor:

Council Member Johnson

Co-Sponsor:

Council Member Harlee

WHEREAS, the City of Wilmington (the "City") has determined to undertake a project in the City to install new drinking water mains, which will increase the reliability of services to customers by replacing aging cast iron mains and providing additional fire flows to improve public safety, all as specified in the City's capital budget for its Fiscal Year ending June 30, 2020 (collectively, the "Project"); and

WHEREAS, in order to finance the Project and pay certain administrative costs relating to the Project and the costs of issuing the 2022A Bond (as defined herein), the City has determined to issue its General Obligation Bond, Series A of 2022-DWSRF (the "2022A Bond"), in a principal amount not to exceed \$7,500,000; and

WHEREAS, the City has heretofore adopted the General Obligation Bond Ordinance, No. 83-019, Division 7 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 2022A Bond.

NOW, THEREFORE, 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 the 2022A Bond. The City hereby authorizes the issuance of its General Obligation Bond, Series A of 2022-DWSRF, or such other series designation as the Bond Committee (as defined herein) shall determine, in a principal amount not to exceed \$7,500,000 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 2022A Bond shall be sold to the Delaware Drinking Water State Revolving Fund.

The 2022A Bond shall be in such principal amount (not exceeding \$7,500,000), 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 said committee (the “Bond Committee Resolution”).

SECTION 3. Execution of the 2022A Bond. The 2022A Bond 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 2022A Bond in definitive form may be printed, typewritten or lithographed without steel engraved borders.

SECTION 4. Security for the 2022A Bond. 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 2022A Bond. The 2022A Bond 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 2022A Bond subject to the limitation contained in applicable law.

SECTION 5. 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 6. Inconsistent Provisions. In the event that any provision of the 2022A Bond, or any term or condition contained in any agreement relating to the 2022A Bond, shall be inconsistent with any of the provisions of the General Ordinance or this Ordinance, the 2022A Bond and such agreement shall be controlling with respect to the 2022A Bond and such agreement.

SECTION 7. 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 2022A Bond authorized hereunder.

SECTION 8. Effective Date. This Ordinance shall become effective upon its passage by Council and approval by the Mayor.

First Reading..... January 20, 2022
Second Reading..... January 20, 2022
Third Reading.....

Passed by City Council,

President of City Council

ATTEST: _____
City Clerk

Approved this ____ day of _____, 2022.

Mayor

SYNOPSIS: This Ordinance authorizes the issuance of a General Obligation Bond, Series A of 2022-DWSRF, in an amount not to exceed \$7,500,000 (the “2022A Bond”). The 2022A Bond will be sold to the Delaware Drinking Water State Revolving Fund in order to (i) finance capital projects of the City, specifically, the installation of new drinking water mains and replacement of aging cast iron mains as set forth in the City’s capital budget for its Fiscal Year ending June 30, 2020, (ii) pay administrative costs relating to such capital projects, and (iii) pay the costs of issuing the 2022A Bond.

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