AN ORDINANCE AUTHORIZING THE ISSUANCE OF THE CITY'S GENERAL OBLIGATION BOND (SUPPLEMENTAL 11TH STREET PUMP STATION REPLACEMENT & UPGRADE PHASE 2 PROJECT), SERIES F OF 2026-WPCRF, TO FINANCE THE DESIGN AND INSTALLATION OF A DRY WEATHER PUMP STATION AT THE 11TH STREET PUMP STATION; PROVIDING FOR THE SALE OF THE 2026F BOND TO THE DELAWARE WATER POLLUTION CONTROL REVOLVING FUND; AND AUTHORIZING OTHER NECESSARY ACTION

#0306

Sponsor:

Council Member Harlee

WHEREAS, the City of Wilmington (the "City") has determined to undertake a project in the City to finance the design and installation of a Dry Weather Pump Station at the 11th Street Pump Station, including a wet well, four 15 MGD submersible VFD driven pumps, 72-inch force main, piping, and valving, 2,000 kVA transformers, medium and low voltage switchgear, electrical wiring, instrumentation, and controls, demolition of the existing building, and site civil upgrades within the existing site, as specified in the City's capital budgets for its Fiscal Years ending June 30, 2024 and June 30, 2026 (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 2026F Bond (as defined herein), the City has determined to issue its General Obligation Bond (Supplemental 11th Street Pump Station Replacement & Upgrade Phase 2 Project), Series F of 2026-WPCRF, in a principal amount not to exceed $19,378,555; 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 2026F 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 2026F Bond. The City hereby authorizes the issuance of its General Obligation Bond (Supplemental 11th Street Pump Station Replacement & Upgrade Phase 2 Project), Series F of 2026-WPCRF (the "2026F Bond"), or such other series designation as the Bond Committee (as defined herein) shall determine, in a principal amount not to exceed $19,378,555 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 2026F Bond shall be sold to the Delaware Water Pollution Control Revolving Fund.

The 2026F Bond shall be in such principal amount (not exceeding $19,378,555), 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's Bond Committee (the "Bond Committee") pursuant to a resolution of said committee (the "Bond Committee Resolution").

SECTION 3. Execution of the 2026F Bond. The 2026F 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 2026F Bond in definitive form may be printed, typewritten, or lithographed without steel engraved borders.

SECTION 4. Security for the 2026F 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 2026F Bond. The 2026F 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 2026F 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 2026F Bond, or any term or condition contained in any agreement relating to the 2026F Bond, shall be inconsistent with any of the provisions of the General Ordinance, the provision of the 2026F Bond, this Ordinance, and such agreement shall be controlling with respect to the 2026F 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 2026F Bond authorized hereunder.

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

First Reading..... November 5, 2026
Second Reading..... November 5, 2026
Third Reading.....

Passed by City Council,

_____
President of City Council

ATTEST:_____
City Clerk

Approved as to form this 5th day of November, 2026.

Elizabeth D. Power
Senior Assistant City Solicitor

Approved this ___ day of _____, 2026.

_____
Mayor

SYNOPSIS: This Ordinance authorizes the issuance of a General Obligation Bond (Supplemental 11th Street Pump Station Replacement & Upgrade Phase 2 Project), Series F of 2026-WPCRF, in an amount not to exceed $19,378,555 (the "2026F Bond"), which will be sold to the Delaware Water Pollution Control Revolving Fund in order to (i) finance the design and installation of a Dry Weather Pump Station at the 11th Street Pump Station, including a wet well, four 15 MGD submersible VFD driven pumps, 72-inch force main, piping, and valving, 2,000 kVA transformers, medium and low voltage switchgear, electrical wiring, instrumentation, and controls, demolition of the existing building, and site civil upgrades within the existing site, as set forth in the City's capital budgets for its Fiscal Years ending June 30, 2024 and June 30, 2026, (ii) pay administrative costs relating to such capital projects, and (iii) pay the costs of issuing the 2026F Bond.

FISCAL IMPACT STATEMENT: The Office of Management and Budget has reviewed and analyzed this Ordinance authorizing the issuance of the 2026F Bond, together with the related documentation provided by the State of Delaware. The 2026F Bond is authorized in an amount not to exceed $19,378,555 at an annual interest rate of 2.0%. The interest rate during the disbursement period is 0%.

The State's commitment letter provides that the supplemental loan will be repaid over the remaining term of the original loan, with principal and interest payments made semi-annually through the original maturity date of August 1, 2051. Because the repayment period will depend on the project completion date and the date amortization begins, the exact annual debt service cannot be determined at this time. For illustrative purposes, if the full $19,378,555 were amortized over twenty-five years at 2.0%, annual debt service would be $988,800 and total debt service would be $24,719,993. Actual payments will vary based on the remaining repayment period when the project is completed.

In addition to debt service payments, the City will incur one-time bond issuance and financing costs of up to $7,000, which are assumed to be capitalized and financed from the bond proceeds. All debt service payments and bond issuance and financing costs associated with the 2026F Bond will be paid from the Water/Sewer Fund.

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