

“A Historic Past”



“A Bright Future”

CITY OF DELAWARE CITY

407 Clinton Street - P.O. Box 4159
Delaware City, Delaware 19706
302-834-4573

RESOLUTION 17-1218-01

**RESOLUTION REQUESTING THAT THE GENERAL ASSEMBLY AMEND THE
CHARTER OF THE CITY OF DELAWARE CITY**

WHEREAS, the Mayor and Council of the City of Delaware City, Delaware, (“City”) have determined that Chapter VI, Section 6-07(B) of the Charter of the City should be amended;

WHEREAS, Chapter VI, Section 6-07(B) of the Charter currently requires “that any sum of money borrowed by the Council on the full faith and credit of the City as aforesaid, shall be repaid in full, together with all interest and charges thereon, within a period not to exceed the estimated useful life of the capital asset or ten (10) years whichever is less and shall be repaid in equal annual installments”;

WHEREAS, the City intends to borrow a sum of money in relation to the Washington Street Flood Mitigation Project, a project undertaken to design, permit and construct storm water improvements to mitigate chronic flooding conditions in an area of the City that is particularly prone to flooding;

WHEREAS, the City will enjoy more favorable repayment options with regard to such borrowed money the period for repayment is greater than ten (10) years. Furthermore, a repayment period of twenty (20) years is recommended;

WHEREAS, the Mayor and Council believe that it is in the best interest of the City and its citizens if Chapter VI, Section 6-07(B) of the Charter is amended to extend the maximum loan repayment period under the Charter to twenty (20) years;

WHEREAS, a redlined copy highlighting the proposed revisions to the existing Charter is attached hereto as Exhibit A and a clean copy of the proposed revisions to the Charter is attached hereto as Exhibit B;

EXHIBIT B

Section 6-07. Borrowing for Current Expenses and Capital Expenditures.

B. The City of Delaware City shall have the full power and authority to borrow, for the exclusive purpose of financing a capital asset, upon the faith and credit of the City of Delaware City, a sum or sums of money not exceeding one and a quarter percent (1.25%) of the total assessed property value, exclusive of borrowing against current expenses referred to in subsection A hereof, when in the opinion of the majority of the Council the needs of the City demand it. The Council may secure such sum or sums of money by promissory note or notes, or certificates of indebtedness of the City of Delaware City, duly authorized by resolution of the Council, signed by the City Secretary, and by the Mayor or Acting Mayor, with or without the corporate seal of the City affixed in accordance with the request of the person or corporation advancing the money on said notes or certificates, and no officer, Mayor or Council member shall be personally liable for the payment of such note or notes, because of his signature as an officer of the Council, his membership in Council or his approval of the authorizing resolution. Provided however, that any sum of money borrowed by the Council on the full faith and credit of the City as aforesaid, shall be repaid in full, together with all interest and charges thereon, within a period not to exceed the estimated useful life of the capital asset or twenty (20) years whichever is less and shall be repaid in equal annual installments.

This provision in no way shall be intended to apply to the right of the Mayor and Council to submit to the voters for their approval major capital improvement projects to be financed by long term bond issue as provided for in this Charter.

EXHIBIT A

Section 6-07. Borrowing for Current Expenses and Capital Expenditures.

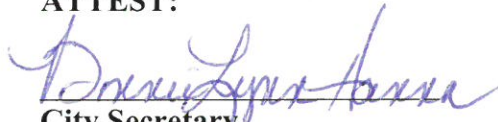
B. The City of Delaware City shall have the full power and authority to borrow, for the exclusive purpose of financing a capital asset, upon the faith and credit of the City of Delaware City, a sum or sums of money not exceeding one and a quarter percent (1.25%) of the total assessed property value, exclusive of borrowing against current expenses referred to in subsection A hereof, when in the opinion of the majority of the Council the needs of the City demand it. The Council may secure such sum or sums of money by promissory note or notes, or certificates of indebtedness of the City of Delaware City, duly authorized by resolution of the Council, signed by the City Secretary, and by the Mayor or Acting Mayor, with or without the corporate seal of the City affixed in accordance with the request of the person or corporation advancing the money on said notes or certificates, and no officer, Mayor or Council member shall be personally liable for the payment of such note or notes, because of his signature as an officer of the Council, his membership in Council or his approval of the authorizing resolution. Provided however, that any sum of money borrowed by the Council on the full faith and credit of the City as aforesaid, shall be repaid in full, together with all interest and charges thereon, within a period not to exceed the estimated useful life of the capital asset or ~~ten (10)~~ twenty (20) years whichever is less and shall be repaid in equal annual installments.

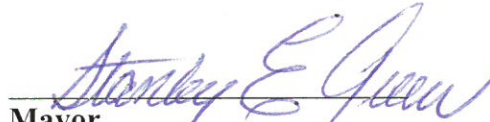
This provision in no way shall be intended to apply to the right of the Mayor and Council to submit to the voters for their approval major capital improvement projects to be financed by long term bond issue as provided for in this Charter.

NOW, THEREFORE, the Mayor and Council of the City of Delaware City hereby resolve and request that the General Assembly of the State of Delaware adopt the revised Charter attached hereto as Exhibit B forthwith and further resolve that adoption of the revised Charter is in the best interests of the City and its citizens.


This Resolution is passed by the Mayor and Council of the City of Delaware City on this 18 day of December, 2017.


ATTEST:


City Secretary


Mayor


Council Member


Council Member


Council Member

Council Member

Council Member