

RESOLUTION AUTHORIZING THE ISSUANCE OF UP TO \$707,000.00 MAXIMUM PRINCIPAL AMOUNT GENERAL OBLIGATION BONDS TO PROVIDE FINANCING FOR THE COSTS ASSOCIATED WITH THE TOWN'S TINGLE ACRES MOBILE HOME PARK (MHP) LEAD SERVICE LINE REPLACEMENT PROJECT, SAID AMOUNT TO INCLUDE THE PAYMENT OF COSTS ASSOCIATED THEREWITH, AND ORDERING A SPECIAL ELECTION IN CONNECTION THEREWITH.

WHEREAS, the Town of Selbyville (the "Town"), pursuant to Section 20 of 73 Del. Laws Ch. 2, as amended, (the "Town Charter"), proposes to borrow up to \$707,000.00 maximum principal amount of the Town's general obligation bonds (the "Bonds") in order to fund and pay for the costs associated with the Town's Tingle Acres Mobile Home Park (MHP) Lead Service Line Replacement Project, which consists of the Town's replacement of the water service connections with proper components and removal of all lead components from the Tingle Acres MHP water system so that said water system will meet the U.S. Environmental Protection Agency (EPA) lead requirements (the "Project"); and

WHEREAS, the Town applied to the Delaware Drinking Water Revolving Fund program, administered by the Department of Health and Social Services (the "Department"), for a \$707,000.00 loan to provide funds to pay for the Project; and

WHEREAS, the Town has received a binding commitment from the Department that it will loan the Town the requested \$707,000.00 aggregate principal amount to fund the Project; and

WHEREAS, pursuant to a Resolution adopted on September 9, 2024, the Mayor and Council of the Town ("Council") gave notice of their intention to borrow up to \$707,000.00 through the issuance of general obligation bonds of the Town for the Project and established a public hearing on the matter for October 7, 2024; and

WHEREAS, having conducted the public hearing, after notice, in accordance with Section 20 of the Town Charter, the Mayor and Council have determined to proceed with the proposed borrowing and order a special election for the purpose of voting for or against the proposed borrowing, all in accordance with the Town Charter.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of the Town of Selbyville (the "Town"), as follows:

1. Pursuant to a Resolution adopted on September 9, 2024, and after a public hearing conducted on October 7, 2024, after notice, all in accordance with the requirements of the Town Charter, the Mayor and Council hereby resolve to proceed with borrowing an amount of money, not to exceed \$707,000.00 principal amount, to fund the below-described Project.

2. Pursuant to Section 20 of the Town Charter:

AMOUNT OF BORROWING: Total not to exceed \$707,000.00.

STATED MUNICIPAL PURPOSE: To provide funds to pay for the costs associated with the Town's Tingle Acres Mobile Home Park (MHP) Lead Service Line Replacement Project, which consists of the Town's replacement of the water service connections with proper components and removal of all lead components from the Tingle Acres MHP water system so that said water system will meet the U.S. Environmental Protection Agency (EPA) lead requirements.

MANNER OF SECURING THE SAME: The Mayor and Council will borrow the funds through the issuance of general obligation bonds of the Town, and the full faith and credit and taxing power of the Town of Selbyville will be pledged to pay the principal and interest on the bonds.

OTHER FACTS DEEMED PERTINENT BY THE MAYOR AND COUNCIL AND IN ITS POSSESSION AT THE TIME OF THIS RESOLUTION: The Town anticipates that the bonds will be payable over a 20 year period, with interest at 0% per annum and 100% principal forgiveness upon completion of the Project. While the Town anticipates that the financing will be accomplished as described above, the terms and conditions and form of the financing are subject to change based upon the Department of Health and Social Services availability and requirements, and the requirements of the Delaware Drinking Water Revolving Fund program.

3. The Mayor and Council hereby order that a special election be held on **December 10, 2024** (the "Special Election") for the purpose of voting for or against the proposed borrowing. The Special Election shall be conducted at the Town Hall located at 1 West Church Street, Selbyville, Delaware 19975 and the polls shall open at 9:00AM and shall close at 3:00PM. Any person who is entitled to vote in the annual election if it were held on such date shall be entitled to one (1) vote in the Special Election.

4. Pursuant to Section 20.2.4.5 of the Town Charter, the Mayor, by and with the advice and consent of the majority of the Council, hereby appoints the following three persons to act as a board of special election with respect to the Special Election: Loryn Rose, Mackenzie Long and Michael Mercillioff (the "Board of Special Election").

5. The Board of Special Election shall keep a true and accurate list of all persons voting. It shall count the votes for and against the proposed borrowing for the Project and shall announce the results thereof. The Board of Special Election shall make a certificate of the number of votes cast for and against the proposed borrowing and the number of void votes and shall deliver the same to the Mayor and Council.

6. The Special Election shall be conducted by electronic voting systems as required by law, with the following designations:

“[] For the proposed borrowing
[] Against the proposed borrowing.”

7. Pursuant to Section 20.2.4.4 of the Town Charter, the Mayor and Council hereby direct that the Secretary for the Council shall cause notice of the Special Election to be published and posted as required by the Town Charter and to take such other actions as are necessary or appropriate and in the best interest of the Town to effectuate the resolutions adopted above.

I, THE UNDERSIGNED, Secretary to the Council, do hereby certify that the above resolution was passed at a regular meeting of the Council, duly called and convened, held on the 7th day of October, 2024, at which a quorum was present and voting throughout and that same is still in full force and effect.

TOWN OF SELBYVILLE

By: Deborah L. McCabe
Deborah L. McCabe, Secretary

Dated: 10/7/24