

**A RESOLUTION PRESCRIBING THE DETAILS, FORM OF
AND PROVIDING FOR THE SALE BY THE COMMISSIONERS OF BRIDGEVILLE
OF ITS \$807,039 AND \$1,156,162 GENERAL OBLIGATION BONDS TO FINANCE
CERTAIN REFINANCINGS OF OUTSTANDING DEBT**

WHEREAS, the Commissioners of Bridgeville, Delaware (the "Town"), a municipal corporation of the State of Delaware, pursuant to 51 Del. Laws Ch. 237, as amended (the "Town Charter") and a resolution adopted by the Commissioners of the Town on December 12, 2016 (the "Resolution") (collectively, the Town Charter and the Resolution are referred to herein as the "Authorizing Acts") authorized the borrowing of two loans from the Delaware Water Pollution Control Revolving Fund, acting by and through the Delaware Department of Natural Resources and Environmental Control ("DNREC") in the aggregate maximum principal amounts of \$807,039 and \$1,156,162 in order to refinance two USDA Rural Development loans currently outstanding (the "Refinancings"); and

WHEREAS, the Town, through this Resolution, wishes to formally authorize the issuance of two of its general obligation bonds; specifically, its (i) General Obligation Bond (WW Treatment Plant Upgrade Refinancing) Series 2017A-SRF, in a maximum aggregate principal amount not to exceed \$807,039 (the "2017A Bond") in order to (a) refinance the remaining balance of a USDA Rural Development loan that was used to finance the construction of a wastewater treatment plant upgrade and (b) pay the costs of issuing the 2017A Bond, and (ii) General Obligation Bond (Tatman Farm Irrigation Refinancing) Series 2017B-SRF, in a maximum aggregate principal amount not to exceed \$1,156,162 (the "2017B Bond" and, together with the 2017A Bond, the "Bonds") in order to (a) refinance the remaining balance of a USDA Rural Development loan that was used to finance the construction costs associated with the Tatman Farm irrigation project and (b) pay the costs of issuing the 2017B Bond; and

WHEREAS, the Town has received and accepted a commitment offer dated November 10, 2016 from DNREC to loan the Town up to \$807,039 and \$1,156,162 for the Refinancings through the purchase of the Bonds; and

WHEREAS, pursuant to the final paragraph of Section 29 of the Town Charter, the Town may authorize the issuance of bonds or other obligations in order to refinance current outstanding debt and pay the costs of issuing the refunding bonds, without the need of a public hearing or special election; and

WHEREAS, the Town now wishes to establish the details and forms of the Bonds, the times of payment with respect thereto, the interest rates thereon, the respective series thereof, the respective maturities thereof, the registrations therefor, the call features thereon and all other relative and appurtenant matters pertaining thereto, and to authorize the issuance of the Bonds as provided herein.

NOW THEREFORE:

THE COMMISSIONERS OF BRIDGEVILLE IN SESSION MET, A QUORUM PERTAINING AT ALL TIMES HEREBY RESOLVES as follows:

Section 1. The Commissioners of Bridgeville shall issue two of its general obligation bonds; specifically, its (i) General Obligation Bond (WW Treatment Plant Upgrade Refinancing) Series 2017A-SRF, in a maximum aggregate principal amount not to exceed \$807,039, for the purpose of refinancing the remaining balance of a USDA Rural Development loan that was used to finance the construction of a wastewater treatment plant upgrade, and (ii) General Obligation Bond (Tatman Farm Irrigation Refinancing) Series 2017B-SRF, in a maximum aggregate principal amount not to exceed \$1,156,162, for the purpose of refinancing the remaining balance of a USDA Rural Development loan that was used to finance the construction costs associated with the Tatman Farm irrigation project.

Section 2. The full faith and credit of the Town shall be pledged to the punctual payment of the principal of and interest on the Bonds. The principal of, premium, if any, and interest on the Bonds, if not paid from other sources, shall be paid by ad valorem taxes levied on all real property subject to taxation by the Town without limitation as to rate or amount.

Section 3. The Bonds shall be dated as of the date of closing on the sale of the Bonds (the "Closing") and shall be designated as follows: (i) "Commissioners of Bridgeville, \$807,039 General Obligation Bond (WW Treatment Plant Upgrade Refinancing) Series 2017A-SRF," and (ii) "Commissioners of Bridgeville, \$1,156,162 General Obligation Bond (Tatman Farm Irrigation Refinancing) Series 2017B-SRF." Interest and administrative fee on the loan will be at the rate of one percent (1.00%) per annum for interest and an administrative fee at the rate of one percent (1.00%) per annum. The first semi-annual loan payments of principal and interest shall be due six months after the Closing. The 2017A Bond has a repayment term of twenty (20) years and the 2017B Bond has a repayment term of thirty (30) years. If the Town has not (i) drawn from the loan proceeds 100% of the Project costs as set forth in the Financing Agreements between the Town and DNREC to be dated as of the Closing on the loans (the "Financing Agreements"), or (ii) provided written correspondence explaining any delay in drawing loan proceeds, as required by the Financing Agreements, a penalty of 1% of the total principal amount of the loans may be imposed at the discretion of DNREC.

Section 4. The Bonds shall be in fully registered form and the Bonds shall contain a recital that it is issued pursuant to 51 Del Laws, Chapter 237, as amended. The Bonds shall be signed by the President of the Commissioners by her manual signature or a facsimile thereof and countersigned by the manual signature of the Secretary or Assistant Secretary of the Town. The official seal of the Town shall be imprinted in facsimile or impressed on the Bonds.

Section 5. The Bonds shall be prepayable or redeemable in whole or in part at any time without penalty. In the event that the Bonds are called for redemption prior to maturity, notice thereof shall be given by first class mail, postage prepaid to the registered owner thereof at the address shown on the registration books not more than (60) days nor less than (30) days prior to the date fixed for redemption. The Bonds will cease to bear interest on the specified redemption date

provided funds for its redemption are on deposit at the place of payment on the redemption date as more fully set forth in the form of bonds attached hereto as Exhibit A.

Section 6. The Bonds and the provisions for the registration of the Bonds to be endorsed thereon, shall be in substantially the forms set forth in Exhibit A hereto, and the President of the Commissioners is hereby authorized and directed to cause said Bonds to be prepared and to execute said Bonds in accordance with their terms when they have been sold.

Section 7. The money raised by the issuance of the Bonds, after the payment of charges and expenses connected with the preparation, sale and issuance thereof, shall be expended only for the purposes authorized in the Authorizing Acts and herein.

Section 8. The power to negotiate any other forms of documents, execute any documents, and the power to take any further action and do all things necessary, with respect to the sale, issuance and delivery of the Bonds is hereby delegated to the President of the Commissioners, the Secretary or Assistant Secretary of the Town and the Town Manager subject to the provisions of the Authorizing Acts and this Resolution.

I, THE UNDERSIGNED, President of the Commissioners of Bridgeville, do hereby certify that the above resolution was passed at a meeting of the Commissioners of Bridgeville, duly called and convened, held on the 13th day of March, 2017, at which a quorum was present and voting throughout and that same is still in full force and effect and the same has not be amended, revoked or rescinded.

COMMISSIONERS OF BRIDGEVILLE

By: Patricia M. Correll
Patricia M. Correll
President

Adopted by the Commissioners of Bridgeville,
Delaware on March 13, 2017

Lawrence Tassone
Lawrence Tassone
Secretary