

Town of Milton
115 Federal St
Milton, DE 19968



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RESOLUTION 2020-020

**TO PROPOSE BORROWING OF UP TO \$1,670,000
TO FINANCE PUBLIC WATER SYSTEM IMPROVEMENTS
(Interim interest-only payments with 100% principal forgiveness at construction completion)
AND TO
ORDER THE REFERENDUM TO BE SCHEDULED**

WHEREAS, the Town of Milton, Delaware, owns, operates, and maintains a public water system; and

WHEREAS, the Town proposes to construct certain water system improvements, being water main replacement under Atlantic Avenue, a portion of Chestnut Street (from Front Street to Coulter Street), and a portion of Atlantic Street; and

WHEREAS, the Town has applied to the State of Delaware and has received a commitment from the Drinking Water State Revolving Fund ("DWSRF"), to finance the total cost of the project with 100% principal forgiveness at project construction completion with the town's only obligation to pay interest during construction; and

WHEREAS, Town Charter, Section 33, outlines specific procedures that must be followed before the Town may incur such indebtedness;

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Town Council of the Town of Milton as follows:

1. Notice is hereby given to the residents and property owners of the Town of Milton that the Mayor and Town Council proposes to borrow, on the full faith and credit and taxing power of the Town, an amount of money not to exceed \$1,670,000.00, to fund the water main replacement as described.
3. The DWSRF loan qualified for 100% principal forgiveness once construction is complete. The Town is required to pay semi-annual interest-only payments during construction. The loan term is a 20-year period at an annual interest rate of 2%.
4. A referendum on the proposed borrowing shall be held on Saturday the 16th day of January, 2021, from 8 am until 6 pm at the Goshen Hall, 116 Federal Street, Milton, Delaware 19968.
5. At the said special referendum, every non-resident property owner owning property within the Town of Milton, including those who have placed their property in a revocable trust, shall have one vote. Further, every partnership or corporation owning property within the Town of Milton shall have one vote. Notwithstanding how many properties are owned by a single non-resident

property owner, partnership or corporation, only one vote will be allowed for each such non-resident property owner, partnership or corporation. In addition, every person, who shall have attained the age of eighteen (18) years on the date of the special referendum and who shall be a citizen of the United States and a bona fide primary legal resident of the Town shall have one vote. Under no circumstances shall a single eligible person or entity be allowed to enter more than one vote, even if such person or entity shall qualify to vote under more than one of the applicable criteria. The votes may be cast either in person or by absentee ballot.

6. The ballot for the referendum shall read as follows:

The purpose of said referendum is for the Town to borrow funding for water system improvements which is water main replacement under Atlantic Avenue, portion of Chestnut Street (from Front Street to Coulter Street), and portion of Atlantic Street. The Town has received approval for the \$1,670,000.00 (Interim interest only payments with 100% principal forgiveness at construction completion) from the State of Delaware. Term of such loan is an interest rate of 2% and a 20-year term. The source of funding is the State of Delaware Drinking Water State Revolving Fund.

I APPROVE

I DISAPPROVE

5. Notices shall be published as required by the Town Charter.

I, THE UNDERSIGNED, Secretary of the Town Council of the Town of Milton do hereby certify that, following a public hearing noticed pursuant to Section 33(a)(2) of the Town Charter, the above Resolution was passed at the meeting of the Mayor and Town Council, duly called and convened, held on the 7th day of December, 2020, at which a quorum was present and voting throughout and that same is still in full force and effect.

TOWN OF MILTON

BY: _____

James C. Gaudin
SECRETARY OF TOWN COUNCIL

DATE: _____

12/15/20