

COUNCIL RESOLUTION NO. 2011-10

A RESOLUTION APPROVING ISSUANCE OF CERTAIN BONDS OR NOTES BY THE ROBBINS HOSE COMPANY NO. 1 OF DOVER, DELAWARE

WHEREAS, the Robbins Hose Company No. 1 of Dover, Delaware (the "Company") is a fire company organized and existing under the laws of the State of Delaware; and

WHEREAS, the Company has provided and continues to provide firefighting services to an area within the City of Dover, Delaware (the "City"); and

WHEREAS, the Company has advised the City that the Company proposes to issue up to \$ 920,000 of bonds or notes of the Company (the "Bonds") for the purpose of financing a portion of the costs of a new Pierce Quantum 100 ft. Ladder Truck, and related equipment thereon for the Company (the "Project"); and

WHEREAS, it is the intent of the Company that the interest on the Bonds qualify for exclusion from gross income of the owners thereof for federal income tax purposes pursuant to Sections 103 and 150 of the Internal Revenue Code of 1986, as amended (the "Code"); and

WHEREAS, pursuant to Sections 103 and 147 of the Code, interest on the Bonds will not qualify for exclusion from gross income of the owners thereof for federal income tax purposes unless the issuance of the Bonds is approved by the applicable elected representative of a governmental unit with which the Company has entered into an agreement, after a public hearing to consider the issuance of the Bonds has been conducted, following reasonable public notice; and

WHEREAS, the City and the Company previously entered into an Agreement (the "Agreement") pursuant to which the Company agreed, among other things, to provide exclusive firefighting services to the City; and

WHEREAS, notice of the requisite public hearing was published in the Delaware State News, a newspaper of general circulation in the City; and

WHEREAS, on May 23, 2011 the City Council of the City of Dover conducted a public hearing on behalf of the Company for the purpose of considering the issuance of the Bonds;

NOW THEREFORE BE IT RESOLVED THAT, the Council of the City of Dover, Delaware, for the sole purpose of qualifying the interest payable on the Bonds of the Company for exclusion from the gross income of the owners thereof for federal income tax purposes pursuant to Section 103 of the Code, does hereby approve the issuance of bonds or notes by the Company in a maximum aggregate principal amount of up to \$920,000 for the purpose of financing a portion of the costs of the Project, provided, that such bonds or notes shall be an obligation of the Company and shall never be a debt of the City and the City shall not be liable for any payment on such bonds or notes.

ADOPTED: MAY 23, 2011

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CARLETON E. CAREY, SR. - MAYOR

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THOMAS J. LEARY - COUNCIL PRESIDENT

Actions History:

May 23, 2011 - Introduction and Public Hearing at Council