

**CITY OF NEWARK
DELAWARE**

RESOLUTION NO. 18-__

ESTABLISHING A BOND AND CERTIFICATE OF INDEBTEDNESS REFERENDUM

WHEREAS, Section 407, Article IV, of the City Charter of the City of Newark, adopted on May 29, 1965, authorizes the City of Newark to incur bonded indebtedness by issuing general obligation bonds or certificates of indebtedness secured by the full faith and credit of the City of Newark to provide funds for "the erection, extension, enlargement, or repair of any plant, machinery, appliances, or equipment for the supply and distribution of electricity or gas; for the furnishing of water; for the construction, repair, or improvement of highways, streets, or lanes, or the paving, curbing, or erection of gutters along the same; for the construction or repair of sewers or sewage disposal equipment, or to defray the cost of the share of the city in the cost of any permanent municipal improvement; or to fund notes issued by the city to finance any one or more of such projects, or to replace any monies advanced from current funds of the city to finance any one or more of such projects; or to carry out any capital improvement project deemed by Council to be necessary to the proper execution of any function or power of the City," and provides also that if general obligation bonds or certificates of indebtedness are issued, the total outstanding debt secured by such bonds shall not exceed 10% of the assessed valuation of the assessable and taxable real estate located within the city, and

WHEREAS, pursuant to the requirements of Section 407, Article IV, the Council, by a vote of six to zero, passed at a regular meeting of Council on April 23, 2018, a resolution proposing a bond and certificate of indebtedness issue in the amount of \$27,625,000 to provide funds for the purchase and construction of the Rodney Stormwater Facility, the 2018-2022 Water and Sewer Capital Improvement Program (CIP) Projects and select 2018-2022 General Fund Capital Improvement Program (CIP) Projects; and

WHEREAS, pursuant to the requirements of Section 407, Article IV, of said Charter, a public hearing, at which all interested persons wishing to be heard were given an opportunity to express their views, was held in the Council Chamber in the Municipal Building, 220 South Main Street, at 7:00 PM, EST, on May 14, 2018; and

WHEREAS, the Council desires to continue with such bond and certificate of indebtedness proceedings by directing that the question be submitted to a referendum.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF NEWARK AS FOLLOWS:

a) A referendum election for the purpose of voting for or against the borrowing by the city of the sum of \$27,625,000 for the purchase and construction of the Rodney Stormwater Facility, the 2018-2022 Water and Sewer Capital Improvement Program (CIP) Projects and select 2018-2022 General Fund Capital Improvement Program (CIP) Projects shall be held in the City of Newark on Tuesday, June 19, 2018, pursuant to and as provided in Section 407, Article IV, of the City Charter of Newark. Said referendum election shall be held at polling places in each of the six voting districts of the City of Newark, and at an additional polling place for corporations, limited liability companies and partnerships and other persons owning property in the City of Newark and not otherwise qualified to vote. The polls shall be opened at 7:00 AM and will be closed at 8:00 PM.

b) The City Secretary is hereby authorized and directed by Council to publish the following notice of said referendum election in a newspaper of general circulation in the City of Newark once a week for three consecutive weeks prior to said election:

**"NOTICE OF A REFERENDUM ELECTION ON A PROPOSED BOND AND
CERTIFICATE OF INDEBTEDNESS ISSUE FOR THE CITY OF NEWARK**

Please take notice that a referendum election will be held in the City of Newark, New Castle County, and State of Delaware, on Tuesday, June 19, 2018, pursuant to and in accordance with Section 407, Article IV, of the City Charter, in order to permit the qualified voters in the City of Newark to vote for or against the borrowing by the City of Newark of the sum of \$27,625,000. The purpose for which said money is proposed to be borrowed and the approximate amount to be expended for such purposes as follows:

I.	Rodney Stormwater Facility	\$ 9,000,000
II.	2018-2022 Water/Sewer Capital Improvement Program (CIP) Projects	\$15,625,000
III.	2018-2022 Capital Improvement Program (CIP) Projects	<u>\$ 3,000,000</u>
		\$27,625,000"

c) Although the amount to be borrowed as set forth in section b) is a fixed sum of \$27,625,000, it is understood that these projects may actually cost more or less than that amount and this shall not be construed to limit the right of Council and that the Council can obligate either more or less money to fund those projects as appropriate.

d) The ballots provided for the use of voters at said referendum shall have printed thereon "FOR BOND/CERTIFICATE OF INDEBTEDNESS ISSUE" and "AGAINST BOND/CERTIFICATE OF INDEBTEDNESS ISSUE". No voting by proxy shall be permitted.

At said referendum election, all qualified voters of the City of Newark shall be entitled to one vote. In addition thereto, every person owning property in the City of Newark and who is not otherwise a qualified voter, and each corporation, limited liability company and partnership owning property within the municipal boundaries of the City of Newark, shall be entitled to one vote in said referendum election.

e) The said referendum election shall be conducted by the Election Board of the City of Newark.

RESOLVED at a Regular Meeting of Council on _____, 2018.

VOTE: __ to __.

Attest:

City Secretary


Mayor



**CITY OF NEWARK
DELAWARE**

May 7, 2018

TO: Mayor and City Council

FROM: Tom Coleman, Acting City Manager 

SUBJECT: Resolution Establishing a Bond and Certificate of Indebtedness Referendum

Section 407.2 of the City's Charter outlines the requirements necessary for scheduling the possible referendum on June 19th, 2018. Below is the schedule of steps necessary to continue toward a June 19th vote:

Timeline for June 19th Referendum:

April 23 rd	Resolution to set public hearing for referendum question(s) (Step 1) - Complete
May 14 th	Public hearing for referendum question (Steps 2 and 3)
May 15 th	Absentee ballots available for voters after the referendum questions are finalized
May 29 th through June 18 th	Newspaper advertising window for referendum; other public outreach will be ongoing after the referendum is scheduled and questions are approved (Step 4)
June 19 th	Referendum (Step 5)
June 21 st	Election results certified by Board of Elections (First half of Step 6)
July 9 th	Next Regular Council meeting where election results can be certified by Council; certification meeting can be held as early as June 28 th if desired - (Second half of Step 6)

The attached resolution defines the specific questions to be included in the referendum and outlines the formal requirements and path forward, should Council decide to continue forward with the referendum election process following the May 14th public hearing, as required by steps 2 and 3 of the City Charter.

