



The Mayor and Commissioners of the Town of Elkton

Resolution R5-2022

Authorizing Loan from Sewer Fund to General Fund

A RESOLUTION of the Mayor and Commissioners of the Town of Elkton amending Resolution R4-2021 which authorized a loan from the Sewer Fund to the General Fund for the construction of the Neighborhood Community Center.

WHEREAS, the Mayor and Commissioners approved the construction of the Neighborhood Community Center, 121 Stockton Street, hereinafter the "Project," for the purpose of providing recreation and community interest programming for the residents of the town; and

WHEREAS, the Mayor and Commissioners applied for and on September 12, 2018, received a Community Development Block Grant agreement awarding \$800,000 for the construction of the Project; and

WHEREAS, the Mayor and Commissioners on December 19, 2018, accepted the construction proposal of Wickersham Construction and Engineering, Inc., Lancaster, Pennsylvania, hereinafter the "Contractor," to construct the Project for the lump sum of \$3,450,000, and subsequently contracted with the Contractor for the Project; and

WHEREAS, the Mayor and Commissioners determined that a loan from the Sewer Fund will be utilized to fund the construction of the Project supplementing the CDBG grant, providing that principal and interest payments will be made from the General Fund to the Sewer Fund for a period not to exceed 20 years.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Commissioners of the Town of Elkton, as follows:

1. That the Sewer Fund shall loan an amount not to exceed Two Million Eight Hundred Thousand Dollars (\$2,800,000) to the General Fund for the construction of the Neighborhood Community Center, 121 Stockton Street; and
2. That the General Fund shall reimburse the Sewer Fund by making Two Hundred Forty (240) equal monthly payments on the principal amount of \$2,800,000 at an interest rate of One Percent (1.0%); and
3. Payments from the General Fund to the Sewer Fund shall commence in FY 2024, unless otherwise provided by the Mayor and Commissioners.

READ AND PASSED THIS 1st DAY OF JUNE, 2022

Mayor and Commissioners
of the Town of Elkton

Mayor Robert J. Alt
Commissioner Jean A. Broomell
Commissioner Charles H. Givens, Sr.
Commissioner Robert M. Massimiano
Commissioner Earl M. Piner, Sr.