

**RESOLUTION NO. 2-2009**

**A RESOLUTION OF THE TOWN OF TRAPPE AUTHORIZING THE RENEWAL OF A PROMISSORY NOTE WITH THE TALBOT BANK IN THE PRINCIPAL AMOUNT OF \$34,584.00, THE PROCEEDS OF WHICH HAVE BEEN USED TO PURCHASE A POLICE VEHICLE FOR THE TOWN OF TRAPPE**

WHEREAS, Section 304 of the Trappe Town Charter authorizes the Town to borrow money from time to time as the Town Council shall deem advisable and in such manner and by such means as the Town Council, in its sound discretion, shall deem most advantageous to the Town; and

WHEREAS, Section 612 of the Trappe Town Charter authorizes the Town of Trappe to borrow upon the full faith and credit and tax authority of the Town such sums of money as it deems proper for municipal purposes; and

WHEREAS, on December 6, 2006, at the regular meeting of the Trappe Town Council, the Council authorized the President to execute a promissory note with the Talbot Bank of Easton, for the purpose of provide financing for the acquisition of a police vehicle for the Trappe Police Department; and

WHEREAS, on December 11, 2006, the President of the Town of Trappe executed a promissory note with the Talbot Bank in the principal amount of \$35,000, a copy of which is attached hereto as Exhibit "1"; and

WHEREAS, on January 3, 2008, at the regular meeting of the Trappe Town Council, the Council authorized the President to executed renewal of the promissory note in the principal amount of \$34,936.34, which renewal expired on December 31, 2008; and

WHEREAS, the Town has made quarterly principal payments on said note, which have been reimbursed through grant funding received pursuant to the Developers Rights and Responsibilities

Agreement for the Lakeside development; and

WHEREAS, the Trappe Town Council has deemed it desirable and in the public interest to renew the existing loan and to execute such other and further documents necessary to continue the promissory note and to extend the maturity date of said obligation by one year.

NOW, THEREFORE, be it resolved by the Town Council of Trappe as follows:

Section 1. The recitals set forth above are incorporated herein and are made a part of this Ordinance.

Section 2. The President of the Town Council is hereby authorized to execute and deliver to the Talbot Bank such documents, including a renewal or replacement note or notes, in the same or substantially similar form, as the promissory note attached hereto as Exhibit "2", with interest at 3.25%, with quarterly interest payments, and with a maturity date of December 31, 2009.

Section 3. This Resolution shall become effective upon adoption by the Town Council.

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Donald English

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Norm Fegel

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Daniel Adams

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Walter Chase

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Cheryl Lewis

I hereby certify that the above Resolution was adopted by a ye and nay vote of the Council this 7th day of January, 2009.

**UNCERTIFIED  
COPY**