
THE VILLAGE OF COAL CITY
GRUNDY & WILL COUNTIES, ILLINOIS

ORDINANCE
NUMBER 22-31

**AN ORDINANCE AUTHORIZING ENTRY INTO A PUBLIC WATER SUPPLY LOAN
AGREEMENT WITH THE ILLINOIS ENVIRONMENTAL PROTECTION AGENCY
AUTHORIZING THE VILLAGE OF COAL CITY, GRUNDY AND WILL COUNTIES,
ILLINOIS TO BORROW \$6,106,503.90 FROM THE PUBLIC WATER SUPPLY LOAN
PROGRAM (PWSLP)**

Loan Number L17 3512

TERRY HALLIDAY, Village President
PAMELA M. NOFFSINGER, Village Clerk

SARAH BEACH
ROSS BRADLEY
TIMOTHY BRADLEY
DANIEL GREGGAIN
DAVID SPESIA
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Village Trustees

ORDINANCE NO. 22-31

AN ORDINANCE AUTHORIZING ENTRY INTO A PUBLIC WATER SUPPLY LOAN AGREEMENT WITH THE ILLINOIS ENVIRONMENTAL PROTECTION AGENCY AUTHORIZING THE VILLAGE OF COAL CITY, GRUNDY AND WILL COUNTIES, ILLINOIS TO BORROW \$6,106,503.90 FROM THE PUBLIC WATER SUPPLY LOAN PROGRAM (PWSLP)

Loan Number L17 3512

WHEREAS, the Village of Coal City, Grundy and Will Counties, Illinois (“*Village*”) is an Illinois municipal corporation organized and operated under the laws of the State of Illinois; and

WHEREAS, the Village is a non-home rule municipality and, as such, may exercise delegated statutory and Constitutional powers and such powers as are necessarily implied therefrom; and

WHEREAS, the Village operates has for many years owned and operated a combined waterworks and sewerage system as set forth in Division 139 of Article 11 of the Illinois Municipal Code (the “*System*”) and operates said System in accordance with the provisions of 65 ILCS 5/11-139-2 and the Local Government Debt Reform Act, 30 ILCS 350/1 et seq. (collectively, “*Act*”); and

WHEREAS, the President and Trustees of the Village (the “*Corporate Authorities*”), have determined that it is advisable, necessary, and in the best interest of the public health, safety, and welfare to improve the System by constructing a new well (Well No. 7) and raw water main and controls which must be integrated with the existing control system; and constructing a new ion exchange and HMO filtration water treatment plant, together with any land or rights in land and all electrical, mechanical or other services necessary, useful or advisable to the construction and installation and all associated engineering, legal,

administration, restoration and testing, all in accordance with the plans and specifications prepared by the consulting engineers of the Village, which Project has a weighted-average useful life of twenty (20) years ("*Project*"); and

WHEREAS, the estimated cost of construction and installation of the Project, including engineering, legal, financial and other related expenses is \$6,106,503.90, and there are insufficient funds on hand and lawfully available to pay these costs; and

WHEREAS, the loan shall bear an interest rate as defined by 35 Ill. Adm. Code 662, which does not exceed the maximum rate authorized by the Bond Authorization Act, as amended, 30 ILCS 305/0.01 et seq., at the time of the issuance of the loan; and

WHEREAS, the principal and interest payment shall be payable semi-annually, and the loan shall mature in 20 years, which is within the period of useful life of the Project; and

WHEREAS, the costs are expected to be paid for with a loan to the Village from the Public Water Supply Loan Program through the Illinois Environmental Protection Agency, the loan to be repaid from net revenues derived from the operation by the Village of the System ("*Net Revenues*" generally, means gross revenues minus operating and maintenance expenses), with the utility rate charged to customers increasing by the amount necessary to provide the revenues to meet principal and interest debt service obligations arising out of the loan herein authorized, and the loan is authorized to be accepted at this time pursuant to the Act; and

WHEREAS, in accordance with the provisions of the Act, the Village is authorized to borrow funds from the Public Water Supply Loan Program in the aggregate principal amount of \$6,106,503.90 to provide funds to pay the costs of the Project; and

WHEREAS, the loan to the Village shall be made pursuant to a Loan Agreement, including certain terms and conditions, between the Village and the Illinois Environmental Protection Agency; and

WHEREAS, the Corporate Authorities hereby determine that it is advisable, necessary and in the best interests of the Village to complete the Project in accordance with the estimate of costs as hereinabove described and to authorize entry into a Public Water Supply Loan Agreement (the "*Loan Agreement*") with the Illinois Environmental Protection Agency.

NOW, THEREFORE, BE IT ORDAINED by the President and Board of Trustees of the Village of Coal City, Counties of Grundy and Will, Illinois, as follows:

SECTION 1. RECITALS.

That the foregoing recitals shall be and are hereby incorporated into and made a part of this Ordinance as if fully set forth in this Section 1.

SECTION 2. DETERMINATION TO BORROW FUNDS.

It is necessary and in the best interests of the Village to construct the Project for the public health, safety, and welfare, in accordance with the plans and specifications, as described; that the System continues to be operated in accordance with the provisions of the Illinois Environmental Protection Act, 415 ILCs 5/1 et seq.; and that for the purpose of constructing the Project, is hereby authorized that funds be borrowed by the Village in the aggregate principal amount (which can include construction period interest financed over the term of the loan) not to exceed \$6,106,503.90.

SECTION 3. PUBLICATION.

This Ordinance, together with a Notice in the statutory form, a copy of which is attached hereto as **Exhibit A**, shall be published once within ten (10) days after passage in the *Coal City*

Courant, a newspaper published and of general circulation in the Village, and if a petition, signed by 371 electors (said number being ten percent (10%) or more of the registered voters in the Village) asking that the question of improving the System as provided in this Ordinance and entering into the Loan Agreement therefore be submitted to the electors of the Village, is filed with the Village Clerk within thirty (30) days after the date of the publication, then this Ordinance shall be in full force and effect. A petition form shall be provided by the Village Clerk to any individual requesting one.

SECTION 4. ADDITIONAL ORDINANCES.

If no petition meeting the requirements of the Act and other applicable laws is filed during the thirty (30) day petition period, then the Corporate Authorities may adopt additional ordinances or proceedings supplementing or amending this Ordinance, providing for entering into the Loan Agreement with the Illinois Environmental Protection Agency, prescribing all the details of the Loan Agreement, and providing for the collection, segregation, and distribution of the revenues of the System, so long as the maximum amount of the Loan Agreement as set forth in this Ordinance is not exceeded and there is no material change in the project or purposes described herein. Any additional ordinances or proceedings shall in all instances become effective in accordance with the Act or other applicable laws. This Ordinance, together with such additional ordinances or proceedings, shall constitute complete authority for entering into the Loan Agreement under applicable law.

However, notwithstanding the above, the Village may not adopt additional ordinances or amendments which provide for any substantive or material change in the scope and intent of this Ordinance, including but not limited to interest rate, preference or priority of any other ordinance

with this Ordinance, parity of any other ordinance with this Ordinance, or otherwise alter or impair the obligation of the Village to pay the principal and interest due to the Public Water Supply Loan Program without the written consent of the Illinois Environmental Protection Agency.

SECTION 5. LOAN NOT INDEBTEDNESS OF THE VILLAGE OF COAL CITY.

Repayment of the loan to the Illinois Environmental Protection Agency by the Village pursuant to this Ordinance is to be solely from the revenue derived from the revenues of the System, and the loan does not constitute an indebtedness of the Village within the meaning of any constitutional or statutory limitation.

SECTION 6. APPLICATION FOR LOAN.

The Village Administrator, President and/or Village Clerk are hereby jointly and severally authorized to make application to the Illinois Environmental Protection Agency for a loan through the Public Water Supply Loan Program, in accordance with the loan requirements set out in 35 Ill. Adm. Code 662.

SECTION 7. ACCEPTANCE OF LOAN AGREEMENT.

The Corporate Authorities hereby authorize acceptance of the offer of a loan through the Public Water Supply Loan Program, including all terms and conditions of the Loan Agreement as well as all special conditions contained therein and made a part thereof by reference. The Corporate Authorities further agree that the loan funds awarded shall be used solely for the purposes of the Project as approved by the Illinois Environmental Protection Agency in accordance with the terms and conditions of the Loan Agreement.

SECTION 8. OUTSTANDING BONDS.

The Village has outstanding unsecured bonds, payable from revenues of the system, but the outstanding bonds are not senior to, but on parity with, the loan authorized by this Ordinance.

SECTION 9. AUTHORIZATION OF PRESIDENT TO EXECUTE LOAN AGREEMENT.

The President is hereby authorized and directed to execute the Loan Agreement with the Illinois Environmental Protection Agency. The Corporate Authorities hereby additionally authorize the Village Administrator to authorize or execute any documents associated with payment requests or reimbursements from the Illinois Environmental Protection Agency in connection with this loan.

SECTION 10. RESOLUTION OF CONFLICTS.

All ordinances or parts of ordinances in conflict herewith are hereby repealed to the extent of such conflict.

SECTION 11. SAVING CLAUSE.

If any section, paragraph, clause, or provision of this Ordinance shall be held invalid, the invalidity thereof shall not affect any of the other provisions of this Ordinance, which are hereby declared to be separable.

SECTION 12 EFFECTIVE DATE.

This Ordinance shall be in full force and effect from and after its passage, approval and publication in pamphlet form as provided by law.

SO ORDAINED this 14 day of December, 2022, at Coal City, Grundy and Will Counties, Illinois, pursuant to a roll call vote as follows:

AYES: 5

NAYS: 0

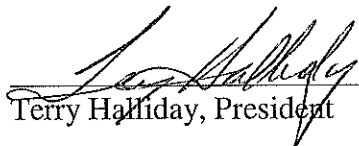
ABSENT: 1

ABSTAIN: 0

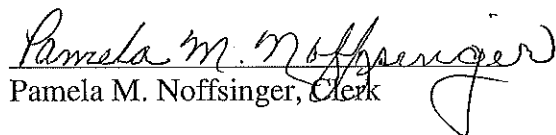
PRESENT: 5

Approved on this 14 day of December, 2022.

VILLAGE OF COAL CITY


Terry Halliday, President

Attest:


Pamela M. Noffsinger, Clerk

[SEAL]

EXHIBIT A

**NOTICE OF INTENT TO BORROW FUNDS
AND RIGHT TO FILE PETITION**

NOTICE IS HEREBY GIVEN that, pursuant to Ordinance Number 22-31, adopted at a duly called Regular Meeting of the Board of Trustees, held at Coal City, Illinois, at 7:00 p.m. on the 14th day of December, 2022, the Village of Coal City, Grundy and Will Counties, Illinois (the "Village"), intends to enter into a Loan Agreement with the Illinois Environmental Protection Agency in an aggregate principal amount not to exceed \$6,106,503.90 and bearing annual interest at an amount not to exceed the maximum rate authorized by law at the time of execution of the Loan Agreement, for the purpose of paying the cost of certain improvement to the public water supply system of the Village of Coal City. A complete copy of the Ordinance accompanies this notice.

NOTICE IS HEREBY FURTHER GIVEN that if a petition signed by 371 electors (said number being ten percent (10%) or more of the registered voters in the Village), requesting that the question of improving the public water supply system and entering into the Loan Agreement is submitted to the Village Clerk within 30 days after the publication of this Notice, the question of improving the public water supply system of the Village as provided in the Ordinance and Loan Agreement shall be submitted to the electors of the Village at the next election to be held under general election law on April 4, 2023, or, if such filing deadline is missed, then such question shall be submitted to the electors of the Village at the general primary election to be held on the March 19, 2024, unless there are no voters scheduled to cast votes for any candidates for nomination for, election to or retention in public office, in which case the Water and Sewer Revenue Bond Proposition shall be submitted to the electors of the Village at the general election to be held on November 5, 2024.

The forms of petitions shall be provided by the Village Clerk at the principal office of the Village, located at 515 South Broadway Street, Coal City, Illinois, to any individual requesting one.

By order of the Board of the Village.

Dated this 14th day of December, 2022.

/s/ Pamela M. Noffsinger

Village Clerk

Village of Coal City, Grundy and Will Counties, Illinois