

CITY OF TUSCOLA
ORDINANCE NO. 2023-O-1

**AN ORDINANCE AUTHORIZING THE CITY OF TUSCOLA, DOUGLAS COUNTY,
ILLINOIS TO BORROW FUNDS FROM THE PUBLIC WATER SUPPLY LOAN
PROGRAM**

ADOPTED BY THE CITY COUNCIL
OF THE
CITY OF TUSCOLA

**Published in pamphlet form by authority of the City Council of the City of Tuscola, Douglas
County, Illinois, this 13 day of February, 2023.**

CITY OF TUSCOLA
DOUGLAS COUNTY, ILLINOIS

ORDINANCE NO. 2023-O- 1

February 13, 2023

AN ORDINANCE AUTHORIZING THE CITY OF TUSCOLA, DOUGLAS COUNTY,
ILLINOIS TO BORROW FUNDS FROM THE PUBLIC WATER SUPPLY LOAN
PROGRAM

PREAMBLE

WHEREAS, the City of Tuscola, Douglas County, Illinois operates its public water supply system (“the System”) and in accordance with the provisions of Article 6 of the Illinois Constitution and the Local Government Debt Reform Act, 30 ILCS 350/1 et seq. (collectively, “the Act”); and

WHEREAS, the MAYOR AND CITY COUNCIL of the City (“the Corporate Authorities”) have determined that it is advisable, necessary and in the best interests of public health, safety and welfare to improve the System, including the following:

Water System Improvements – New Master Meter Station and Water Main Replacement together with any land or rights in land and all electrical, mechanical or other services necessary, useful or advisable to the construction and installation (“the Project”), all in accordance with the plans and specifications prepared by consulting engineers of the City; which Project has a useful life of 25 years; and

WHEREAS, the estimated cost of construction and installation of the Project, including engineering, legal, financial and other related expenses is \$2,000,000, 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 City from the Public Water Supply Loan Program through the Illinois Environmental Protection Agency, the loan to be repaid from Revenues of the System 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 City is authorized to borrow funds from the Public Water Supply Loan Program in the aggregate principal amount of \$2,000,000 to provide funds to pay the costs of the Project;

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

NOW THEREFORE, be it ordained by the Corporate Authorities of the City of Tuscola, Douglas County, Illinois, as follows:

SECTION 1. INCORPORATION OF PREAMBLES

The Corporate Authorities hereby find that the recitals contained in the preambles are true and correct, and incorporate them into this Ordinance by this reference.

SECTION 2. DETERMINATION TO BORROW FUNDS

It is necessary and in the best interests of the City 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, it is hereby authorized that funds be borrowed by the City in an aggregate principal amount (which can include construction period interest financed over the term of the loan) not to exceed \$2,000,000.

SECTION 3. ADDITIONAL ORDINANCES

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 City 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 City 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 4. LOAN NOT INDEBTEDNESS OF THE CITY

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

SECTION 5. APPLICATION FOR LOAN

The Mayor is hereby 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 6. 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 7. OUTSTANDING BONDS

The City has outstanding bonds that are 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 8. AUTHORIZATION OF MAYOR TO EXECUTE LOAN AGREEMENT

The MAYOR is hereby authorized and directed to execute the Loan Agreement with the Illinois Environmental Protection Agency. The Corporate Authorities may authorize by resolution a person other than the MAYOR for the sole purpose of authorizing or executing any documents associated with payment requests or reimbursements from the Illinois Environmental Protection Agency in connection with this loan.

SECTION 9. SEVERABILITY

If any section, paragraph, clause or provision of this Ordinance is held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the other provisions of this Ordinance.

SECTION 10. REPEALER

All ordinances, resolutions or orders, or parts thereof, which conflict with the provisions of this Ordinance are, to the extent of such conflict, hereby repealed.

Presented, Passed and Approved at a regular meeting of the Mayor and City Council of the City of Tuscola, Douglas County, Illinois, this 13 day of February, 2023.

Upon Motion by SLAUGHTER, seconded by BLACE, adopted this 13 day of February, 2023 by roll call vote as follows:

AYES (Names):

Brace, Day, Hous, Maria
Rend, Slaughter

NAYS (Names):

ABSENT (Names):

Shoemaker, Waldrop

Approved this 13 day of February, 2023.



Attest:

Daniel Kleiss

Daniel Kleiss, Mayor

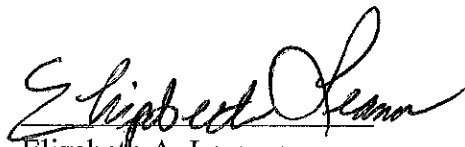
Elizabeth A. Leamon

Elizabeth A. Leamon, City Clerk

CERTIFICATION

I, ELIZABETH LEAMON, do hereby certify that I am the duly elected, qualified and acting Clerk of the City of Tuscola, I do further certify that the above and foregoing, identified as Ordinance Number 2023-0-1, is a true, complete and correct copy of an ordinance otherwise identified as AN ORDINANCE AUTHORIZING THE CITY OF TUSCOLA, DOUGLAS COUNTY, ILLINOIS TO BORROW FUNDS FROM THE PUBLIC WATER SUPPLY LOAN PROGRAM passed by the City Council of the City of Tuscola on the 13 day of February, 2023, and approved by the Mayor of the City of Tuscola on the same said date, the original of which is part of the books and records within my control as Clerk of the City of Tuscola.

Dated this 13 day of February, 2023.



Elizabeth A. Leamon,
Clerk of the City of Tuscola

STATE OF ILLINOIS)
)
COUNTY OF DOUGLAS) ss.

CERTIFICATE

I, Elizabeth A. Leamon, certify that I am the duly elected and acting Municipal Clerk of the City of Tuscola, Douglas County, Illinois.

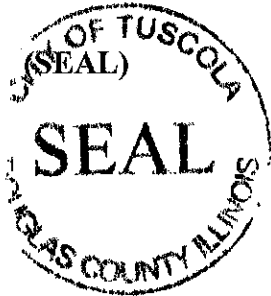
I further certify that on February 13, 2023, the Corporate Authorities of the City of Tuscola passed and approved Ordinance No. 2023-O-1, entitled

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which provided by its terms that it should be published in pamphlet form.

The pamphlet form of Ordinance No. 2023-O-1, including the Ordinance and cover sheet thereof, was prepared, and a copy of such Ordinance was posted in City Hall, 214 N. Main St., commencing on February 14, 2023 and continuing for at least ten days thereafter. Copies of such Ordinance were also available for public inspection upon request in the office of the City Clerk.

DATED at Tuscola, Illinois, this 13th day of February, 2023.



Elizabeth A. Leamon

Elizabeth A. Leamon, City Clerk
Deputy