

VILLAGE OF SHABBONA

ORDINANCE 2023-05-22(D)

AN ORDINANCE AUTHORIZING
LOAN AGREEMENT AND
AUTHORIZING THE VILLAGE OF SHABBONA, ILLINOIS
TO BORROW FUNDS FROM
THE ILLINOIS ENVIRONMENTAL PROTECTION AGENCY'S
PUBLIC WATER SUPPLY LOAN PROGRAM

ADOPTED BY THE
VILLAGE BOARD
OF THE
VILLAGE OF SHABBONA
THIS 22ND DAY OF MAY, 2023

Published in pamphlet form by authority of the Village Board of the Village of Shabbona,
DeKalb County, Illinois, this 22nd day of May, 2023 A.D.

PUBLIC WATER SUPPLY LOAN PROGRAM
AN ORDINANCE AUTHORIZING LOAN AGREEMENT AND AUTHORIZING VILLAGE OF
SHABBONA, ILLINOIS, TO BORROW FUNDS FROM THE ILLINOIS ENVIRONMENTAL
PROTECTION AGENCY'S PUBLIC WATER SUPPLY LOAN PROGRAM
NON-HOME RULE ENTITY VILLAGE OF SHABBONA

ORDINANCE NUMBER 2023-05-22(D)

AN ORDINANCE authorizing the Village of Shabbona, DeKalb County, Illinois, to borrow funds from the Public Water Supply Loan Program.

WHEREAS, the Village of Shabbona, DeKalb County, Illinois (“the Village”) operates its public water supply system (“the System”) and in accordance with the provisions of 65 ILCS 5/1 *et. seq* and 65 ILCS 5/11-129-1 *et. seq* and the Local Government Debt Reform Act, 30 ILCS 350/1 (collectively, “the Act”), and

WHEREAS, the Board of Trustees of the Village of Shabbona (“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:

The Village of Shabbona will be making improvements to their water system which entails replacement of approximately 2,000 feet of existing water mains and installation of approximately 700 feet of new water mains.

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 Village of Shabbona; which Project has a useful life of 30 years; and

WHEREAS, the estimated cost of construction and installation of the Project, including engineering, legal, financial, and other related expenses is \$950,000, 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 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 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 Village is authorized to borrow funds from the Public Water Supply Loan Program in the aggregate principal amount of \$950,000 to provide funds to pay the costs of the Project;

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;

NOW THEREFORE, be it ordained by the Village Board of the Village of Shabbona, DeKalb

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 Village of Shabbona 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 provision 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 Village in an aggregate principal amount not to exceed \$950,000.

SECTION 3. PUBLICATION

This Ordinance, together with a Notice in the statutory form (attached hereto as Exhibit A), shall be published once within ten days after passage in the Dekalb Daily Chronicle, a newspaper of general circulation in the Village of Shabbona, and if no petition, signed by electors numbering 10% or more of the registered voters in the Village of Shabbona (i.e. 58), 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 of Shabbona, is filed with the Village of Shabbona Clerk within 30 days after the date of publication of this Ordinance and notice, then this Ordinance shall be in full force and effect. A petition form shall be provided by the Village of Shabbona 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 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 Water and Sewer Fund, 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 law. 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 of Shabbona 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 VILLAGE

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

SECTION 6. APPLICATION FOR LOAN

The Village President 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 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 of Shabbona has no outstanding bonds that are payable from revenues of the system.

SECTION 9. AUTHORIZATION OF PRESIDENT TO EXECUTE LOAN AGREEMENT

The Village President of Shabbona 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 Village President 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 10. 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 11. 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.

SECTION 12. ENFORCEABILITY

That this Ordinance shall, by authority of the Village Board of the Village of Shabbona, Illinois, be published in pamphlet form. From and after ten days after said publication, this Ordinance shall be in full force and effect.

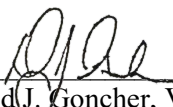
PASSED by the Board of Trustees of the Village of Shabbona this 22nd day of May, 2023, and approved by the Village President and the Board of Trustees this 22nd day of May, 2023.

AYES: 5

NAYS: 0

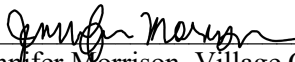
ABSTAIN: 0

APPROVED May 22, 2023



Donald J. Goncher, Village President
Village of Shabbona
DeKalb County, Illinois

ATTEST:



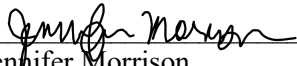
Jennifer Morrison, Village Clerk
Village of Shabbona
DeKalb County, Illinois

Exhibit "A"

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

NOTICE IS HEREBY GIVEN that, pursuant to Ordinance Number 2023-05-22(D) adopted on May 22, 2023, the Village of Shabbona, of DeKalb County, Illinois (the "Entity"), intends to enter into a Loan Agreement with the Illinois Environmental Protection Agency in an aggregate principal amount not to exceed \$950,000 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 Shabbona. A complete copy of the Ordinance accompanies this notice.

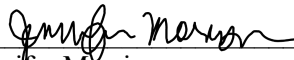
NOTICE IS HEREBY FURTHER GIVEN that if a petition signed by 58 or more electors of the Village of Shabbona (being equal to 10% of the registered voters in the Village of Shabbona), requesting that the question of improving the public water supply system and entering into the Loan Agreement is submitted to the Village of Shabbona Clerk within 30 days after the publication of this Notice, the question of improving the public water supply system of the Village of Shabbona as provided in the Ordinance and Loan Agreement shall be submitted to the electors of the Village of Shabbona at the next election to be held under general election law on March 19, 2024. A petition form is available from the office of the Village of Shabbona Clerk.



Jennifer Morrison
Village of Shabbona Clerk
DeKalb County, Illinois

PUBLISHED in the Dekalb Daily Chronicle on May 26, 2023.

RECORDED in the Village of Shabbona Records on May 22, 2023.



Jennifer Morrison
Village of Shabbona Clerk
DeKalb County, Illinois

CERTIFICATE

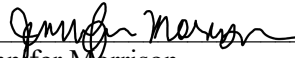
STATE OF ILLINOIS)
) SS.
COUNTY OF DEKALB)

I, Jennifer Morrison, do hereby certify that I am the duly appointed, qualified and acting Clerk of the Village of Shabbona, DeKalb County, Illinois.

I further certify that on May 22, 2023, the Corporate Authorities of such municipality passed and approved Ordinance No. 2023-05-22(D), entitled AN ORDINANCE AUTHORIZING LOAN AGREEMENT AND AUTHORIZING VILLAGE OF SHABBONA, ILLINOIS, TO BORROW FUNDS FROM THE ILLINOIS ENVIRONMENTAL PROTECTION AGENCY'S PUBLIC WATER SUPPLY LOAN PROGRAM including a cover sheet thereof prepared, and a copy of such Ordinance was posted in the Village Hall, commencing on May 22, 2023, and continuing for at least ten days thereafter. Copies of such Ordinance were also available for public inspection upon request of the municipal clerk.

Dated this 22nd day of May, 2023.

(SEAL)



Jennifer Morrison
Village Clerk, Shabbona, Illinois
DeKalb County, Illinois