

VILLAGE OF LOMBARD
REQUEST FOR BOARD OF TRUSTEES ACTION
For Inclusion on Board Agenda

 X Resolution or Ordinance (Blue) x *Waiver of First Requested*
 Recommendations of Boards, Commissions & Committees (Green)
 Other Business (Pink)

TO: PRESIDENT AND BOARD OF TRUSTEES

FROM: Scott Niehaus, Village Manager

DATE: June 23, 2020 (COW)(B of T) July 16, 2020

TITLE: Motion to Approve an Ordinance Confirming and Supporting a Loan to the
Glenbard Wastewater Authority from the IEPA Water Pollution Control Loan
Program for the 2020 Sludge Dewatering Rehabilitation Project

SUBMITTED BY: Timothy Sexton, Director of Finance

BACKGROUND/POLICY IMPLICATIONS:

On June 11, 2020, the Executive Oversight Committee (EOC) of Glenbard Wastewater Authority (Authority) unanimously adopted the attached Resolution authorizing and approving a loan of up to \$3,000,000 from the Water Pollution Control Loan Program administered by the Illinois Environmental Protection Agency (IEPA) to pay the costs of the planned comprehensive repair and renovation of the Authority's main treatment facility located at 945 Bemis Road (2020 Sludge Dewatering Rehabilitation Project).

Also attached is an ordinance prepared by the Village's attorney to confirm that the Village of Lombard has no objection to the loan, that it will impose wastewater charges sufficient to pay its share of the Authority's operating expenses and loan obligations, and that it will give notice of any referendum opportunity that may be required by law. Pending Board approval, Exhibit A is the required Notice that will be published in the Lombardian on Thursday, July 23, 3030.

Village Board approval of the attached ordinance is requested.

Review (as necessary):

Village Attorney X	_____	Date	_____
Finance Director X		Date	6/30/20
Village Manager X	_____	Date	_____

NOTE: All materials must be submitted to and approved by the Village Manager's Office by 12:00 noon, Wednesday, prior to the Agenda Distribution.



Glenbard Wastewater Authority

945 Bemis Road Glen Ellyn, Illinois 60137
Telephone: 630-790-1901 – Fax: 630-858-8119

TO: Corporate Authorities of the Village of Glen Ellyn and the Village of Lombard

FROM: Matt Streicher, P.E., BCEE, Executive Director

DATE: June 11, 2020

RE: IEPA Loan to the Glenbard Wastewater Authority for 2020 Sludge Dewatering Rehabilitation Project; Notification of EOC Action

At its regular monthly meeting held June 11, 2020, the Executive Oversight Committee (EOC) of Glenbard Wastewater Authority (Authority) unanimously adopted the attached Resolution authorizing and approving a loan of up to \$3,000,000 from the Water Pollution Control Loan Program administered by the Illinois Environmental Protection Agency (IEPA) to pay the costs of the planned comprehensive repair and renovation of the Authority's main treatment facility located at 945 Bemis Road (2020 Sludge Dewatering Rehabilitation Project).

An ordinance confirming and supporting the loan will be on the agenda of the next regular Board of Trustees meeting in each Village. The ordinance will confirm that your Village has no objection to the loan, that it will impose wastewater charges sufficient to pay its share of the Authority's operating expenses and loan obligations, and that it will give notice of any referendum opportunity that may be required by law. Favorable action on the ordinance prepared for your Village is requested.

In accordance with Section 7 of the attached Resolution and Section II.C.ix of the Intergovernmental Agreement between the villages regarding the Authority (as amended and restated April 17, 2014), I am providing this Notification of the EOC's action and of the right of the corporate authorities of either Village to adopt an ordinance negating the action of the EOC within 30 days of the date hereof.

Protecting the Environment for Tomorrow



Glenbard Wastewater Authority

945 Bemis Road Glen Ellyn, Illinois 60137
Telephone: 630-790-1901 – Fax: 630-858-8119

CERTIFICATION

I, Gayle Lendabarker, duly appointed Secretary to the Executive Oversight Committee of the Glenbard Wastewater Authority, DuPage County, Illinois, do hereby certify that the attached is a true and correct copy of Resolution No. 01-20 duly passed by the Members of the Executive Oversight Committee at the regular meeting of said Committee held on the 11th day of June, 2020, and that the same was approved and signed by the Presiding Officer of said Committee on the 11th day of June, 2020.

I do further certify that the original of the Resolution attached hereto is entrusted to me for safekeeping as Secretary of said Committee, and that I am the lawful custodian thereof.

IN WITNESS WHEREOF, I have hereunto affixed my signature this 11th day of June, 2020.

Secretary
Executive Oversight Committee
Glenbard Wastewater Authority
DuPage County, Illinois

Protecting the Environment for Tomorrow



Glenbard Wastewater Authority

945 Bemis Road Glen Ellyn, Illinois 60137
Telephone: 630-790-1901 – Fax: 630-858-8119

CERTIFICATE OF NOTIFICATION

The undersigned hereby certifies that he is the duly appointed Executive Director of Glenbard Wastewater Authority (GWA) and that on June 13, 2020, he sent the attached Notification and Resolution to the corporate authorities of the Village of Glen Ellyn and the Village of Lombard (being the President and Trustees of each Village) by individual electronic communication (e-mail) in accordance with Section 7 of the attached Resolution and Section II.C.ix of the Intergovernmental Agreement between the Villages regarding GWA (as amended and restated April 17, 2014).

A handwritten signature in dark ink, appearing to read 'Matt Streicher', is written over a horizontal line.

Matt Streicher

Attest:

A handwritten signature in dark ink, appearing to read 'Gayle Lendabarker', is written over a horizontal line.

Gayle Lendabarker
GWA Secretary

Protecting the Environment for Tomorrow

**GLENBARD WASTEWATER AUTHORITY
Executive Oversight Committee**

RESOLUTION NO. 01-20

**A Resolution approving a loan from the IEPA State Revolving
Fund in an amount not to exceed \$3,000,000 to pay for the
Authority's 2020 Sludge Dewatering Rehabilitation Project**

WHEREAS, Glenbard Wastewater Authority (the "Authority") is a joint agency of the Village of Glen Ellyn and the Village of Lombard (collectively, the "Villages") created by an Intergovernmental Agreement (the "IGA"), which was duly amended and restated as of April 17, 2014, for the purpose of jointly treating wastewater for the Villages; and

WHEREAS, the IGA was entered into by the Villages in accordance with authority conferred upon them by Article VII, Section 10 of the 1970 Constitution of the State of Illinois and the Illinois Intergovernmental Cooperation Act (5 ILCS 220/1 et seq.); and

WHEREAS, the IGA established an Executive Oversight Committee ("EOC") consisting of elected and appointed officials from the Villages to oversee management and operations of the Authority; and

WHEREAS, Section II.C.ix of the IGA authorizes the EOC to approve debt or loan obligations related to the operation of the Authority, subject to the right of the corporate authorities of either of the Villages to adopt an ordinance negating such approval within thirty days after receiving notice of the EOC's action; and

WHEREAS, the Authority determined that in the interest of public health, safety and welfare it is necessary and appropriate to undertake comprehensive repair and renovation of the Authority's main treatment facility located at 945 Bemis Road, Glen Ellyn, Illinois, including rehabilitations to the sludge dewatering facilities. These rehabilitations, modifications and installations, referred to herein as the "2020 Sludge Dewatering Rehabilitation Project" will allow

the treatment facility to continue to collect and treat wastewater in compliance with applicable state and federal standards and regulations, and will have an expected useful life of 25 years; and

WHEREAS, the estimated cost of the 2020 Sludge Dewatering Rehabilitation Project, including construction, engineering, legal, financial and other related expenses, is in the amount of up to \$3,000,000 and the Authority has insufficient funds on hand and lawfully available to pay all such costs; and

WHEREAS, the Authority has submitted application documents to the Illinois Environmental Protection Agency ("IEPA") in accordance with applicable provisions of 35 Ill. Admin. Code 365 for a loan from the Water Pollution Control Loan Program of the State Revolving Fund in an aggregate principal amount not to exceed \$3,000,000 to pay the costs of the 2020 Sludge Dewatering Rehabilitation Project (the "Loan"); and

WHEREAS, the Loan will bear a fixed interest rate determined in accordance with 35 Ill. Admin. Code 365.440, which does not exceed the maximum rate authorized by the Bond Authorization Act as amended at the time of issuance of the Loan funds (30 ILCS 305/2); and

WHEREAS, the Loan principal and interest payments will be made semi-annually, and will be fully amortized within 20 years, which is within the useful life of the 2020 Sludge Dewatering Rehabilitation Project; and

WHEREAS, the Loan will be in accordance with a written agreement between the IEPA and the Authority (the "Loan Agreement") that specifies the duly determined fixed interest rate and amortization term for the Loan, and will be repaid with wastewater treatment charges imposed and collected by the Villages and contributed to the Authority in accordance with the IGA.

NOW, THEREFORE, BE IT RESOLVED BY THE EXECUTIVE OVERSIGHT COMMITTEE OF THE GLENBARD WASTEWATER AUTHORITY, DUPAGE COUNTY, ILLINOIS, as follows:

SECTION 1. Incorporation of Recitals. The recitals contained in the foregoing preambles are true and correct, and are incorporated into this Resolution as though fully set forth in this Section 1.

SECTION 2. Determination to Borrow Funds. It is necessary and in the best interests of the Authority, the Villages and the health, safety and welfare of the public to implement the 2020 Sludge Dewatering Rehabilitation Project in accordance with plans and specifications approved by the Authority and IEPA, and, because the Authority does not have sufficient funds available to pay the entire cost of the 2020 Sludge Dewatering Rehabilitation Project, it is therefore appropriate to borrow funds for such implementation in an aggregate amount not to exceed \$3,000,000 from the Water Pollution Control Loan Program of the State Revolving Fund administered by the IEPA, and to pay fixed interest charges determined in accordance with 35 Ill. Admin. Code 365.440 that cannot exceed the statutory maximum determined in accordance with 30 ILCS 305/2 (expected to be approximately 2.5%).

SECTION 3. Approval of Loan. Pursuant to Section II.C.ix of the IGA, the Loan is hereby authorized, approved and accepted, provided it is in accordance with the Loan Agreement. The proceeds of the Loan shall be used solely for the purposes of the 2020 Sludge Dewatering Rehabilitation Project, as approved by the IEPA, and can be used for construction period interest payments financed over the term of the Loan. The Chairman of the EOC is hereby authorized and directed to execute the Loan Agreement on behalf the Authority.

SECTION 4. Loan Not Indebtedness of the Authority or Villages. Repayment of the Loan to the IEPA is to be solely from wastewater treatment charges imposed and collected by the Villages and contributed to the Authority in accordance with the IGA, and shall not be a general obligation of the Authority or the Villages. The Loan does not constitute an indebtedness of the Authority or the Villages within the meaning of any constitutional or statutory limitation.

SECTION 5. Reserve Accounts; Other Loans. For so long as the Authority has loan obligations predating the Loan Agreement, including the Anaerobic Digester Improvement Project (IEPA Project No. L17-2874), the Authority shall maintain payment accounts, coverages and reserves sufficient to meet those loan obligations and the obligations imposed by the Loan Agreement.

SECTION 6. No Additional Resolutions or Ordinances. The EOC and the Authority will not adopt any resolutions or ordinances which provide for any substantive or material change in the scope or intent of this Resolution, including, but not limited to, interest rate, preference or priority of any obligation over the Loan approved by this Resolution, or parity of any other loan obligation with the Loan approved by this Resolution, or otherwise alter or impair the obligation of the Authority to pay the principal and interest due under the Loan Agreement without the written consent of the IEPA.

SECTION 7. Notification to Villages; Support Ordinances. Upon passage and approval of this Resolution by the EOC, the Executive Director of the Authority is hereby directed to give notice of the EOC's approval of the Loan Agreement to the corporate authorities of the Villages in accordance with Section II.C.ix of the IGA, and to request and obtain from each Village an ordinance and certifications confirming (i) that it has no objection to the Loan, (ii) that it will impose, collect and pay over to the Authority wastewater charges sufficient to pay its share of the

Authority's operating expenses and loan obligations in accordance with the IGA, the Loan Agreement and prior loan obligations of the Authority, and (iii) that it has given public notification of the opportunity and procedure for submission of a referendum question on the 2020 Sludge Dewatering Rehabilitation Project to its electors as may be required by law.

SECTION 8. Complete Authorization. This Resolution together with the requisite ordinances and certificates of the Villages constitute complete authorization for the Authority to enter into the Loan Agreement under the IGA and applicable law.

SECTION 9. Severability. If any section, clause or provision of this Resolution is held invalid by a court of competent jurisdiction over the Authority and Villages, such invalidity of shall not affect the validity of the other sections, clauses or provisions of this Resolution.

SECTION 10. Repealer. All ordinances, resolutions or orders of the Authority, or parts thereof, in conflict with the provisions of this Resolution are, to the extent of such conflict, hereby repealed.

PASSED this 11th day of June, 2020

AYES: 7

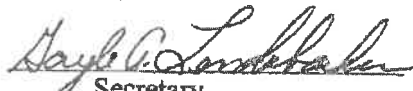
NAYS: 0

ABSENT: 1

APPROVED this 11th day of June, 2020


Presiding Officer

ATTEST:


Secretary

ORDINANCE NO. 7830

**AN ORDINANCE OF THE VILLAGE OF LOMBARD,
DUPAGE COUNTY, ILLINOIS, CONFIRMING AND SUPPORTING
A LOAN TO THE GLENBARD WASTEWATER AUTHORITY FROM
THE IEPA WATER POLLUTION CONTROL LOAN PROGRAM
FOR THE 2020 SLUDGE DEWATERING REHABILITATION PROJECT**

WHEREAS, the Village of Lombard (the "Village") and the Village of Glen Ellyn ("Glen Ellyn"), in accordance with authority conferred by the Illinois Constitution and the Illinois Intergovernmental Cooperation Act, entered into an Intergovernmental Agreement (the "IGA"), which was duly amended and restated as of April 17, 2014, that created the Glenbard Wastewater Authority (the "Authority") for the purpose of providing wastewater treatment for inhabitants of the Village, Glen Ellyn and other areas; and

WHEREAS, the Executive Oversight Committee (the "EOC") of the Authority, as authorized by Section II.C.ix of the IGA, has adopted a Resolution approving a loan, in an amount not to exceed \$3,000,000.00, to the Authority from the Water Pollution Control Loan Program (the "Loan") administered by the Illinois Environmental Protection Agency (the "IEPA") for the purpose of funding comprehensive repair and renovation of the Authority's main treatment facility at 21W551 Bemis Road (the "2020 Sludge Dewatering Rehabilitation Project"); and

WHEREAS, Section II.C.ix of the IGA gives the corporate authorities of either the Village or Glen Ellyn the right to negate the EOC's approval of the Loan; and

WHEREAS, the corporate authorities of the Village find that the 2020 Sludge Dewatering Rehabilitation Project is necessary for the health, safety and welfare of Village residents, and desire to take such actions as are necessary and appropriate to support and ratify the Loan;

NOW, THEREFORE, BE IT ORDAINED BY THE PRESIDENT AND BOARD OF TRUSTEES OF THE VILLAGE OF LOMBARD, DUPAGE COUNTY, ILLINOIS, as follows:

SECTION 1: The recitals in the foregoing preambles are true and correct, and are incorporated into this Ordinance as though fully set forth in this Section 1.

SECTION 2: The corporate authorities of the Village have no objection to the Loan and will not exercise any authority to negate the approval of the Loan by the EOC.

SECTION 3: The Village hereby pledges to the IEPA and the Authority that it will, in accordance with its obligations under the IGA, impose rates and collect and pay over to the Authority wastewater charges as are necessary to pay its proportionate share of the Authority's Loan obligations, other loan obligations, operating expenses and reserves.

SECTION 4: The Village will not adopt any resolutions or ordinances which provide for any substantive or material change in the scope or intent of this Ordinance, including, but not limited to, interest rate, preference or priority of any obligation over the Loan, or parity of any other loan obligation with the Loan, or otherwise alter or impair the obligation of the Authority or the obligation of the Village to assist the Authority in its proportional obligation to pay Loan principal and interest, without the written consent of the IEPA.

SECTION 5: In the event that the Authority fails to make Loan principal and interest payments to the IEPA, the Village pledges to make such payments, but only from revenues from its wastewater charges, and only to the extent of its proportional financial obligation for Authority operations and debts under the IGA.

SECTION 6: By pledge of its wastewater revenues to guarantee payment of its proportional share of Loan principal and interest, the Village is, in effect, issuing its revenue bond. This obligation shall be junior to any other revenue bonds previously made and outstanding. The principal amount of the Loan amount is not to exceed \$3,000,000.00, and must be fully amortized within twenty (20) years. The interest rate for the Loan shall not exceed the maximum rate authorized by the Illinois Bond Authorization Act, as amended, at the time of issuance of the Loan funds (30 ILCS 305/2), and is expected to be approximately 2.50%. It is expected that revenues of the Authority will be adequate to fully pay Loan principal and interest.

The Loan shall not be a general obligation of the Village and does not constitute an indebtedness of the Village within the meaning of any constitutional or statutory limitation.

SECTION 7: This Ordinance, together with a Notice in the statutory form (a copy of which is attached hereto as Exhibit A and made part hereof), shall be published once within ten (10) days after passage of the Ordinance in the *Lombardian*, a newspaper published and of general circulation in the Village, and if no petition, signed by electors numbering ten percent (10%) or more of the registered voters in the Village (i.e., two thousand nine hundred ninety-nine (2,999) or more electors) asking that the question of whether the Village should be responsible for its proportionate share of the Loan obligations for the 2020 Sludge Dewatering Rehabilitation Project (the "Referendum Question"), as provided for in this Ordinance, be submitted to the electors of the Village, is filed with the Village Clerk within thirty (30) days after the date of publication of this Ordinance and the Notice, 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. In the event that no such petition is filed, the Village Clerk shall provide a no referendum certificate to the IEPA.

SECTION 8: If any section, clause or provision of this Ordinance is held invalid by a court of competent jurisdiction, such invalidity shall not affect the validity of any other section, clause or provision of this Ordinance.

SECTION 9: All ordinances or resolutions of the Village of Lombard, or parts thereof, in conflict with provisions of this Ordinance are, to the extent of such conflict, hereby repealed.

SECTION 10: That this Ordinance shall be in full force and effect from and after its passage, approval and publication in pamphlet form, and as provided for in Section 7 above, as provided by law.

Passed on first reading this _____ day of _____, 2020.

First reading waived by action of the Board of Trustees this 16th day of July, 2020.

Passed on second reading this 16th day of July, 2020, pursuant to a roll call vote as follows:

AYES: _____

NAYS: _____

ABSENT: _____

APPROVED this 16th day of July, 2020.

Keith Giagnorio, Village President

ATTEST:

Sharon Kuderna, Village Clerk

Published by me in pamphlet form this 17th day of July, 2020.

Sharon Kuderna, Village Clerk

Exhibit A

**NOTICE OF INTENT TO BE RESPONSIBLE
FOR A PROPORTIONATE SHARE OF THE LOAN OBLIGATION
OF THE GLENBARD WASTEWATER AUTHORITY
AND RIGHT TO FILE PETITION**

NOTICE IS HEREBY GIVEN that, pursuant to Ordinance Number 7830, adopted on July 16, 2020, the Village of Lombard, DuPage County, Illinois (the "Village") intends to be responsible for its proportionate share of the Glenbard Wastewater Authority's (the "GWWA") loan obligation with the Illinois Environmental Protection Agency in an aggregate principal amount not to exceed \$3,000,000.00 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 by the GWWA, for the purpose of paying the cost of certain improvements to the GWWA's main wastewater treatment facility at 21W551 Bemis Road (the "2020 Sludge Dewatering Rehabilitation Project"). A complete copy of the Ordinance accompanies this Notice.

NOTICE IS HEREBY FURTHER GIVEN that, if a Petition signed by two thousand nine hundred ninety-nine (2,999) or more electors of the Village (being equal to ten percent (10%) of the registered voters in the Village), requesting that the question of the Village being responsible for the Village's proportionate share of the loan obligation of the GWWA relative to the 2020 Sludge Dewatering Rehabilitation Project be submitted to the electors of the Village, is submitted to the Village Clerk within thirty (30) days after the publication of this Notice, the question of the Village being responsible for the Village's proportionate share of the loan obligation of the GWWA relative to the 2020 Sludge Dewatering Rehabilitation Project, as provided in the Ordinance, shall be submitted to the electors of the Village at the consolidated election to be held on April 6, 2021. A Petition form is available from the office of the Village Clerk.

SHARON KUDERNA
CLERK OF THE VILLAGE OF LOMBARD,
DUPAGE COUNTY, ILLINOIS