

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: David A. Hulseberg, Village Manager

DATE: April 29, 2009 (B of T) Date: May 7, 2009

TITLE: Ordinances Authorizing Glenbard Wastewater Authority to
Borrow Funds from the Water Pollution Control Revolving Fund

SUBMITTED BY: Angela M. Podesta, Utilities Superintendent

BACKGROUND/POLICY IMPLICATIONS:

Ordinances required by the IEPA to borrow funds from the Water Pollution Control Revolving Fund.

FISCAL IMPACT/FUNDING SOURCE

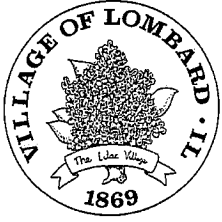
Water Pollution Control Revolving Fund Loans:
St. Charles Rd Lift Station - \$4,000,000.00
Lombard Combined Sewage Treatment Facility - \$1,100,000.00

Review (as necessary):

Village Attorney X _____ Date _____
Finance Director X _____ Date _____
Village Manager X _____ Date _____

NOTE: Materials must be submitted to / approved by the Village Manager's Office by 12:00 pm, Wednesday, prior to the Agenda Distribution.

MEMORANDUM



To: David A. Hulseberg, Village Manager
From: Angela M. Podesta, Utilities Superintendent
Through: Carl S. Goldsmith, Director of Public Works
Date: April 29, 2009
Subject: **Ordinances Authorizing Glenbard Wastewater Authority to Borrow Funds from the Water Pollution Control Revolving Fund**

The Glenbard Wastewater Authority (GWA) is requesting authorization from the Villages of Lombard and Glen Ellyn to borrow funds from the Water Pollution Control Revolving Fund. GWA has borrowed funds from the Water Pollution Control Revolving Fund several times in the past to finance capital improvement projects.

GWA is seeking two loans, one in the amount of \$4,000,000.00 for the upgrade of the St. Charles Rd Lift Station and one in the amount of \$1,100,000.00 for the Lombard Combined Sewage Treatment Facility. The interest rates will not be determined until the loans are issued because the loans may be funded by the Economic Stimulus Package which would carry a 0.0% interest rate.

The existing St. Charles Road pumping station was constructed in 1978 and is owned and operated by GWA. Because of the age of the facility maintenance activities associated with the facilities have been increasing, the peak pumping capacity of the station is frequently exceeded by wet weather events which have been known to cause upstream sanitary sewer overflows, and the electrical service to the station (240 volt/3-phase) is outdated. The station controls and pumps are located in a dry pit which requires two staff members and a confined space permit to perform routine maintenance. The new design will have; increased pumping capacity, an aesthetic building that will house the controls and new generator eliminating the need for the confined space entry permit and two staff members for routine maintenance. Improved site grading will protect the station from flooding that occurs on a routine basis during wet weather events.

The scope of the Lombard Combined Sewage Treatment Facility project includes improvements to the existing Lagoon systems by upgrading the current discharge level sensors linked to GWA's SCADA system, modifications to the South Lagoon Outfall structure, the trapezoidal outfall channel, lagoon drainage modifications, clarifier effluent trough and support modifications, site lighting modifications and installation of emergency by-pass piping for the St. Charles Lift Station.

Each loan requires a separate Ordinance to be approved by the Board of Trustees. The Village of Glen Ellyn approved their Ordinances on April 20, 2009.

Please present these Ordinances to the Board of Trustees for their consideration at the May 7, 2009 meeting. I am requesting a waiver of the first reading.

AMP

ORDINANCE NO. _____

**AN ORDINANCE OF THE VILLAGE OF LOMBARD AUTHORIZING THE
GLENBARD WASTEWATER AUTHORITY TO BORROW FUNDS FROM THE
WATER POLLUTION CONTROL REVOLVING FUND – ST. CHARLES LIFT
STATION**

WHEREAS, the Glenbard Wastewater Authority, DuPage County, Illinois (the “Authority”) operates its sewage system (the “System”) and the Villages of Glen Ellyn and Lombard have entered into an intergovernmental agreement in order to create the Authority in accordance with the provisions of the Intergovernmental Cooperation Act and the Intergovernmental Cooperation provisions of the Illinois Constitution (Ill. Const. Art. VII, Section 10, 5 ILCS 220/I) and the Local Government Debt Reform Act, (30 ILCS 350/1) collectively, the “Act”); and

WHEREAS, the Board of Directors of the Authority has determined that it is advisable, necessary and in the best interest of public health, safety and welfare to upgrade the existing St. Charles Road Lift Station to help alleviate a sanitary sewer overflow located in the collection system upstream of the station, as well as other miscellaneous equipment improvements, with an estimated useful life of not less than twenty (20) years together with any land or rights in land and all electrical, mechanical and other services necessary, useful or advisable to such construction and installation (the “Project”), all in accordance with the plans and specifications therefore prepared by consulting engineers to the Authority; and

WHEREAS, the estimated cost of constructing and installing the Project, including engineering, legal, financial, and other related expenses, is in the amount of up to \$4,000,000.00 and there are insufficient funds on hand and lawfully available to pay all of such costs; and

WHEREAS, such costs are expected to be paid for with a loan to the Authority from the Illinois Environmental Protection Agency through the Water Pollution Control Revolving Fund, said loan to be repaid from the revenues of the System and such loan is authorized to be accepted at this time pursuant to the Act; and

WHEREAS, pursuant to and in accordance with the provisions of the Act, the Authority is authorized to borrow funds from the Water Pollution Control Revolving Loan Fund in the aggregate principal amount not to exceed \$4,000,000.00 for the purpose of providing funds to pay the costs of the Project; and

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

WHEREAS, the Corporate Authorities of the Villages wish to independently exercise their authority to authorize or ratify the execution of the loan agreement in addition to the actions to be taken by the Board of Directors of the Authority;

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

SECTION 1: Incorporation of Preambles. The Corporate Authorities hereby find that the recitals contained in the preambles to this Ordinance are true and correct and do incorporate them into this Ordinance by this reference.

SECTION 2: Determination to Borrow Funds. It is necessary and in the best interests of the Authority to construct the Project for the public health, safety and welfare, in accordance with the plans and specifications, as described, so that the System continues to be operated in accordance with the provisions of the Act, and that for the purpose of constructing the Project, it is hereby authorized that funds be borrowed by the Authority in an aggregate amount not to exceed \$4,000,000.00, and to pay such interest charges as are charged for loans from the Revolving Fund, with available Federal subsidies, which cannot exceed any statutory maximum.

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 Lombardian, a newspaper published and of general circulation in the Village of Lombard, and if no petition, signed by electors numbering 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 of Lombard, is filed with the Village 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 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 revenues derived from a user charge, 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 may not, through the entity of the Authority, adopt additional ordinances or amendments 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 other ordinance with this Ordinance, parity of any other ordinance with this Ordinance, or otherwise alter or impair the obligation of the Authority or of this Village to assist the Authority in its proportional obligation to pay rates and charges to the Authority to permit it to pay the principal and interest due to the Water Pollution Control Revolving Fund under the loan without the written consent of the Illinois Environmental Protection Agency.

SECTION 5: Loan Not Indebtedness of Authority, Adequate Rates. Repayment of the loan to the Illinois Environmental Protection Agency by the Authority pursuant to

this Ordinance is to be solely from the revenue derived from a user charge and the loan does not constitute an indebtedness of the Authority within the meaning of any constitutional or statutory limitation. The Authority will, during any time that principal or interest payments on the loan are due, charge sewer rates which are adequate, in addition to all other expenses of the System, to adequately produce funds to pay principal and interest payments when due.

SECTION 6: Acceptance of Loan Agreement. The power of the Authority, to the extent that such power is not specifically stated in the intergovernmental cooperative agreement, is hereby extended in that the Board of Directors of the Authority hereby authorizes, and prior action ratified, acceptance of the offer of a loan through the Water Pollution Control Revolving Fund, 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 Authority further agrees 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: Authorization of Authority to Execute the Loan Agreement. The Authority is hereby authorized and directed to execute the Loan Agreement with the Illinois Environmental Protection Agency on or before August 30, 2009, upon the Authority's acceptance of the final interest costs, if any.

SECTION 8: Severability. If any section, paragraph, clause or provision of this Ordinance shall be held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the other provisions of this Ordinance.

SECTION 9: Repealer. All ordinances, resolutions or orders, or parts thereof, in conflict with the provisions of this Ordinance are to the extent of such conflict here by repealed.

SECTION 10: This Ordinance shall be in full force and effect after its passage, approval and publication in pamphlet form as provided by law.

PASSED this _____ day of _____, 2009

AYES: _____

NAYS: _____

ABSENT: _____

APPROVED this _____ day of _____, 2009

William J. Mueller
Village President

ATTEST:

Brigitte O'Brien
Village Clerk

ORDINANCE NO. _____

**AN ORDINANCE OF THE VILLAGE OF LOMBARD AUTHORIZING THE
GLENBARD WASTEWATER AUTHORITY TO BORROW FUNDS FROM THE
WATER POLLUTION CONTROL REVOLVING FUND - LOMBARD
COMBINED SEWAGE TREATMENT FACILITY UPGRADE PROJECT**

WHEREAS, the Glenbard Wastewater Authority, DuPage County, Illinois (the “Authority”) operates its sewage system (the “System”) and the Villages of Glen Ellyn and Lombard have entered into an intergovernmental agreement in order to create the Authority in accordance with the provisions of the Intergovernmental Cooperation Act and the Intergovernmental Cooperation provisions of the Illinois Constitution (Ill. Const. Art. VII, Section 10, 5 ILCS 220/1) and the Local Government Debt Reform Act, (30 ILCS 350/1) collectively, the “Act”); and

WHEREAS, the Board of Directors of the Authority has determined that it is advisable, necessary and in the best interest of public health, safety and welfare to upgrade the existing Lombard Combined Sewage Treatment Facility to help convey the combined sewer flow, as well as replacement of the failing clarifier troughs and other miscellaneous equipment improvements, with an estimated useful life of not less than twenty (20) years together with any land or rights in land and all electrical, mechanical and other services necessary, useful or advisable to such construction and installation (the “Project”), all in accordance with the plans and specifications therefore prepared by consulting engineers to the Authority; and

WHEREAS, the estimated cost of constructing and installing the Project, including engineering, legal, financial, and other related expenses, is in the amount of up to \$1,100,000.00 and there are insufficient funds on hand and lawfully available to pay all of such costs; and

WHEREAS, such costs are expected to be paid for with a loan to the Authority from the Illinois Environmental Protection Agency through the Water Pollution Control Revolving Fund, said loan to be repaid from the revenues of the System and such loan is authorized to be accepted at this time pursuant to the Act; and

WHEREAS, pursuant to and in accordance with the provisions of the Act, the Authority is authorized to borrow funds from the Water Pollution Control Revolving Loan Fund in the aggregate principal amount not to exceed \$1,100,000.00 for the purpose of providing funds to pay the costs of the Project; and

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

WHEREAS, the Corporate Authorities of the Villages wish to independently exercise their authority to authorize or ratify the execution of the loan agreement in addition to the actions to be taken by the Board of Directors of the Authority;

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

SECTION 1: Incorporation of Preambles. The Corporate Authorities hereby find that the recitals contained in the preambles to this Ordinance are true and correct and do incorporate them into this Ordinance by this reference.

SECTION 2: Determination to Borrow Funds. It is necessary and in the best interests of the Authority to construct the Project for the public health, safety and welfare, in accordance with the plans and specifications, as described, so that the System continues to be operated in accordance with the provisions of the Act, and that for the purpose of constructing the Project, it is hereby authorized that funds be borrowed by the Authority in an aggregate amount not to exceed \$1,100,000.00, and to pay such interest charges as are charged for loans from the Revolving Fund, with available Federal subsidies, which cannot exceed any statutory maximum.

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 Lombardian, a newspaper published and of general circulation in the Village of Lombard, and if no petition, signed by electors numbering 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 of Lombard, is filed with the Village 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 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 revenues derived from a user charge, 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 may not, through the entity of the Authority, adopt additional ordinances or amendments 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 other ordinance with this Ordinance, parity of any other ordinance with this Ordinance, or otherwise alter or impair the obligation of the Authority or of this Village to assist the Authority in its proportional obligation to pay rates and charges to the Authority to permit it to pay the principal and interest due to the Water Pollution Control Revolving Fund under the loan without the written consent of the Illinois Environmental Protection Agency.

SECTION 5: Loan Not Indebtedness of Authority, Adequate Rates. Repayment of the loan to the Illinois Environmental Protection Agency by the Authority pursuant to

this Ordinance is to be solely from the revenue derived from a user charge and the loan does not constitute an indebtedness of the Authority within the meaning of any constitutional or statutory limitation. The Authority will, during any time that principal or interest payments on the loan are due, charge sewer rates which are adequate, in addition to all other expenses of the System, to adequately produce funds to pay principal and interest payments when due.

SECTION 6: Acceptance of Loan Agreement. The power of the Authority, to the extent that such power is not specifically stated in the intergovernmental cooperative agreement, is hereby extended in that the Board of Directors of the Authority hereby authorizes, and prior action ratified, acceptance of the offer of a loan through the Water Pollution Control Revolving Fund, 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 Authority further agrees 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: Authorization of Authority to Execute the Loan Agreement. The Authority is hereby authorized and directed to execute the Loan Agreement with the Illinois Environmental Protection Agency on or before August 30, 2009, upon the Authority's acceptance of the final interest costs, if any.

SECTION 8: Severability. If any section, paragraph, clause or provision of this Ordinance shall be held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the other provisions of this Ordinance.

SECTION 9: Repealer. All ordinances, resolutions or orders, or parts thereof, in conflict with the provisions of this Ordinance are to the extent of such conflict here by repealed.

SECTION 10: This Ordinance shall be in full force and effect after its passage, approval and publication in pamphlet form as provided by law.

PASSED this _____ day of _____, 2009

AYES: _____

NAYS: _____

ABSENT: _____

APPROVED this _____ day of _____, 2009

William J. Mueller
Village President

ATTEST:

Brigitte O'Brien
Village Clerk