

**AGENDA FOR SPECIAL MEETING OF
MORTON GROVE-NILES WATER COMMISSION (MGNWC)
TO BE HELD ON THURSDAY AUGUST 3, 2017
IN THE VILLAGE COUNCIL CHAMBERS
AT THE NILES VILLAGE HALL
ADMINISTRATIVE BUILDING
1000 CIVIC CENTER DRIVE
NILES ILLINOIS 60714
AT 3:00 P.M.**

1. Call to Order
2. Roll Call
3. Pledge of Allegiance
4. New Business
 - A. ORDINANCE NUMBER 17-01, AND ORDINANCE AUTHORIZING A LOAN AGREEMENT BETWEEN THE MORTON GROVE NILES WATER COMMISSION AND THE ILLINOIS ENVIRONMENTAL PROTECTION AGENCY.
5. Adjournment

ORDINANCE NO. 17-01

AN ORDINANCE AUTHORIZING A LOAN AGREEMENT BETWEEN THE MORTON GROVE NILES WATER COMMISSION AND THE ILLINOIS ENVIRONMENTAL PROTECTION AGENCY

WHEREAS, the Morton Grove Niles Water Commission, located in Cook County, Illinois ("MGNWC"), has been established to operate a public water supply system (the "System") by an intergovernmental agreement adopted by the Village of Morton Grove and the Village of Niles pursuant to 65 ILCS 5/11-135-1 *et seq.*, and the MGNWC further operates in accordance with the provisions of Article VII, Section 6 of the Illinois Constitution and the Local Government Debt Reform Act, 30 ILCS 350/1 *et seq.* (collectively the "Act"); and

WHEREAS, the Commissioners of the MGNWC (the "Governing Authority") 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 new water main lines (16 to 30-inch diameter pipe), two (2) pump stations and a water storage standpipe, and rehabilitating 20-inch water main lines to connect the Villages of Morton Grove and Niles with the MGNWC's future water supplier, the City of Evanston, together with any necessary land purchases or easement acquisition rights in land and all electrical, mechanical or other services necessary, useful or advisable to the construction and installation (collectively, the "Project"), all in accordance with the plans and specifications prepared by the consulting engineers of the MGNWC, which Project has a useful life of at least forty (40) years; and

WHEREAS, the estimated cost of construction and installation of the Project, including engineering, surveying, legal, financial and other related expenses is Ninety Six Million Two Hundred Thousand and No/100 Dollars (\$96,200,000.00), 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 for the loan shall be payable semi-annually, and the loan shall mature in twenty (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 MGNWC 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 MGNWC is authorized to borrow funds from the Public Water Supply Loan Program in the aggregate principal amount of Ninety Six Million Two Hundred Thousand and No/100 Dollars (\$96,200,000.00) to provide funds to pay the costs of the Project; and

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

NOW, THEREFORE, BE IT ORDAINED BY THE GOVERNING AUTHORITY OF THE MORTON GROVE NILES WATER COMMISSION, AS FOLLOWS:

SECTION 1. INCORPORATION OF PREAMBLES. The Governing Authority finds 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 MGNWC to construct the Project for the public health, safety, and welfare, in accordance with the plans and specifications, as described; that the System will 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 authorized that funds be borrowed by the MGNWC in the aggregate principal amount (which can include construction period interest financed over the term of the loan) not to exceed Ninety Six Million Two Hundred Thousand and No/100 Dollars (\$96,200,000.00).

SECTION 3. ADDITIONAL ORDINANCES. The Governing Authority 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 MGNWC 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 MGNWC 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 MGNWC. Repayment of the loan to the Illinois Environmental Protection Agency by the MGNWC 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 MGNWC within the meaning of any constitutional or statutory limitation.

SECTION 5. APPLICATION FOR LOAN. The Chair of the MGNWC is 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 Governing Authority authorizes 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 Governing 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 COMMISSION CHAIR TO EXECUTE LOAN AGREEMENT. The Chairperson of the MGNWC is authorized and directed to execute the Loan Agreement with the Illinois Environmental Protection Agency. The Governing Authority may authorize by resolution a person other than the Chairperson 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 8. 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 9. REPEALER. All ordinances, resolutions, orders, or parts thereof, which conflict with the provisions of this Ordinance, to the extent of such conflict, are repealed.

Passed by the Morton Grove Niles Water Commission on August 3, 2017.

Steven C. Vinezeano, Chairperson,
Morton Grove Niles Water Commission

AYES: _____

NAYS: _____

ABSENT: _____

PUBLISHED in the _____ on _____, 20__.

RECORDED in the Morton Grove Niles Water Commission Records on _____, 20__.

ATTEST:

John Pietron, Secretary/Treasurer
Morton Grove Niles Water Commission

CERTIFICATION

I, John Pietron, certify that I am the duly appointed, qualified and acting Secretary/Treasurer Clerk of the Morton Grove Niles Water Commission. I do further certify that the above and foregoing, identified as Ordinance Number 17-01, is a true, complete and correct copy of an ordinance otherwise identified as

"AN ORDINANCE AUTHORIZING A LOAN AGREEMENT BETWEEN THE MORTON GROVE NILES WATER COMMISSION AND THE ILLINOIS ENVIRONMENTAL PROTECTION AGENCY"

passed by the Morton Grove Niles Water Commission on the 3rd day of August, 2017, the original of which is part of the books and records within my control as Secretary/Treasurer of the Morton Grove Niles Water Commission.

Dated this 3rd day of August 2017

John Pietron, Secretary/Treasurer
Morton Grove Niles Water Commission