

RETURN TO:

**JAMIE MYERS
CLERK, CITY OF TROY
116 E. MARKET
TROY, IL 62294**

CITY OF TROY

ORDINANCE NO. 2015 - 04

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

**ADOPTED BY THE
CITY COUNCIL OF THE
CITY OF TROY, ILLINOIS
THIS 17th DAY OF FEBRUARY, 2015**

**Published in pamphlet form by the authority of the City Council of the City of Troy,
Madison County, Illinois, this 17th day of February, 2015.**

ORDINANCE NO. 2015-04

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

WHEREAS, the City of Troy, Madison County, Illinois, operates its public water system (the "System"), and in accordance with the provisions of 65 ILCS 5/11-129 and the Local Government Debt Reform Act, 30 ILCS 350/1 et. seq. (collectively "the Act"); and

WHEREAS, the Mayor and the City Council of the City of Troy, Illinois (collectively "the Corporate Authorities") have determined that it is advisable, necessary and in the best interests of the public health, safety and welfare to improve the System, including the following:

CONSTRUCTION OF A NEW 2.7 MGD WATER TREATMENT PLANT

Together with any land or rights in land and all electrical, mechanical or other services necessary, useful or advisable for the construction and installation ("the Project"), all in accordance with the plans and specifications prepared by consulting engineers for the City of Troy, Illinois, 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 \$15,000,000.00, 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 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 of Troy, Illinois, from the Public Water Supply Loan Program through the Illinois Environmental Protection Agency, the loan to be repaid from the sale of water to the City of Troy's customers, 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 of Troy, Illinois, is authorized to borrow funds from the Public Water Supply Loan Program in the aggregate principal amount of \$15,000,000.00 to provide funds to pay the costs of the Project; and

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

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

SECTION I. 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 of Troy, Illinois, 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 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 of Troy, Illinois, in the aggregate principal amount not to exceed \$15,000,000.00.

SECTION 3. PUBLICATION

This Ordinance, together with a Notice in the statutory form (attached hereto as Exhibit A), shall be published once within ten (10) days after passage in the Troy Times Tribune, a newspaper published and of general circulation in the City of Troy, Illinois, and if no Petition, signed by electors numbering 10% or more of the registered voters in the City of Troy, Illinois (i.e. Six Hundred and Forty (640)) 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 City of Troy, Illinois, is filed within the office of the City Clerk within thirty (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 City Clerk to any individual requesting one.

SECTION 4. 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 sale of water to the City of Troy's customers, 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 City of Troy, Illinois, 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 of Troy, Illinois, 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 CITY OF TROY, ILLINOIS

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

SECTION 6. 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 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 purpose of the project as approved by the Illinois Environmental Protection Agency in accordance with the terms and conditions of the Loan Agreement.

SECTION 8. RESERVE ACCOUNTS

As long as the City of Troy, Illinois, has outstanding revenue bonds payable from revenues of the System that are senior to the revenue bonds authorized by this Ordinance, the City of Troy, Illinois, shall maintain an account, coverage and reserves equivalent to the accounts, coverage and reserves required by the outstanding ordinances.

SECTION 9. 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 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, orders, or parts thereof, which conflict with the provisions of this Ordinance, to the extent of such conflict, are hereby repealed.


PASSED by the City Council of the City of Troy, Madison County, Illinois, approved by the Mayor, and deposited in the office of the City Clerk this 17th day of February, 2015.

Those voting aye: DeCarli, Evans, Greenfield, Hendrickson, Jackson


Those voting nay: Lanahan

Those absent: Italiano, Partney

APPROVED:

By: 
ALLEN P. ADOMITE, Mayor
City of Troy, Illinois

ATTEST:

BY: 
JAMIE MYERS, Clerk
City of Troy, Illinois

(SEAL)

NOTICE OF INTENT TO BORROW FUNDS
AND RIGHT TO FILE PETITION

NOTICE IS HEREBY GIVEN that, pursuant to Ordinance No. 2015-04 adopted on the 17th day of February, 2015, the City of Troy, Madison County, Illinois, intends to enter into a Loan Agreement with the Illinois Environmental Protection Agency in an aggregate principal amount not to exceed \$15,000,000.00 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, for the purpose of paying the cost of certain improvement to the public water supply system of the City of Troy, Illinois. A complete copy of the Ordinance accompanies this notice.

NOTICE IS HEREBY FURTHER GIVEN that if a Petition signed by Six Hundred and Forty (640) or more electors of the City of Troy, Illinois (being equal to 10% of the registered voters in the City of Troy), requesting that the question of improving the public water supply system and entering into the Loan Agreement is submitted to the City Clerk within thirty (30) days after the publication of this Notice, the question of improving the public water supply system of the City of Troy, Illinois, as provided in the Ordinance and Loan Agreement shall be submitted to the electors of the City of Troy, Illinois, at the next election to be held under general election law on the 8th day of November, 2016. A Petition form is available from the office of the City Clerk.

ATTEST:

BY: Jamie Myers
JAMIE MYERS, Clerk
City of Troy, Illinois

(SEAL)

CERTIFICATION

I, Jamie Myers, do hereby certify that I am the duly elected, qualified and acting Clerk of the City of Troy, Madison County, Illinois. I do further certify that the above and foregoing, identified as Ordinance No. 2015-04 is a true, complete and correct copy of an Ordinance otherwise identified as Public Water Supply Loan, passed by the City Council of the City of Troy, Madison County, Illinois, on the 17th day of February, 2015, and approved by the Mayor of the City of Troy, Madison County, Illinois, 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 Troy, Illinois.

ATTEST:

BY: Jamie Myers
JAMIE MYERS, Clerk
City of Troy, Illinois

(SEAL)

NO REFERENDUM CERTIFICATE

I, the undersigned, do hereby certify that I am the duly qualified, and acting City Clerk of the City of Troy, Madison County, Illinois, and as such officer, I am the keeper of the books, records, files and journal of proceedings of the City of Troy and of the Mayor and the City Council of the City of Troy, Illinois.

I do further certify that Ordinance No. 2015-04 being the Ordinance entitled: AN ORDINANCE AUTHORIZING THE CITY OF TROY, ILLINOIS, TO BORROW FUNDS FROM THE PUBLIC WATER SUPPLY LOAN PROGRAM (hereinafter "Ordinance") was presented to and passed by the Mayor and City Council of the City of Troy, Illinois, at its legally convened meeting held on the 17th day of February, and signed by the Mayor of the City of Troy, Illinois, on said day.

I do further certify that the Ordinance was duly and properly published in the Troy Times Tribune, a newspaper published and of general circulation within the City of Troy, Illinois, on the _____ day of _____, 2015, being a date within ten (10) days from the date of passage of the Ordinance.

I do further certify that publication of the Ordinance was accompanied by a separate publication of Notice of: (1) the specific number of voters required to sign the Petition requesting the question of constructing improvements to the public water supply system as provided in the Ordinance; (2) the time in which such Petition must have been filed; and (3) the date of the prospective referendum.

I do further certify that I did make available and provide to any individual so requesting a Petition form, which Petition form provided for submission to the electors of the City of Troy, Illinois, of the question as set forth therein. Such Petition forms were available from me continuously from the _____ day of _____, 2015 through the _____ day of _____, 2015.

I do further certify that no Petition has been filed in my office within ___ days after publication of the Ordinance or as of the time of the signing hereof as provided by statute asking that the question of improving the public water supply system as provided in the Ordinance and the Loan Agreement therefore be submitted to the electors of the City of Troy, Illinois.

IN WITNESS WHEREOF I have hereunto affixed my official signature and the corporate seal of the City of Troy, Madison County, Illinois, this _____ day of _____, 2015.

ATTEST:

BY: _____
JAMIE MYERS, Clerk
City of Troy, Illinois
(SEAL)