

ORDINANCE NO. 2025-0-10

AN ORDINANCE AUTHORIZING CITY OF MARSHALL,
CLARK COUNTY, ILLINOIS
TO BORROW FUNDS FROM THE
WATER SUPPLY LOAN PROGRAM

PASSED BY THE CITY COUNCIL OF MARSHALL,
CLARK COUNTY, ILLINOIS
THIS 23rd DAY OF June, 2025

PUBLISHED IN PAMPHLET FROM BY THE AUTHORITY
OF THE CITY COUNCIL OF THE
CITY OF MARSHALL, CLARK COUNTY, ILLINOIS
THIS 23rd DAY OF June, 2025

**PUBLIC WATER SUPPLY LOAN PROGRAM
SAMPLE ORDINANCE AUTHORIZING LOAN AGREEMENT
NON-HOME RULE ENTITY CITY OF MARSHALL**

ORDINANCE NUMBER 2025-0-10

AN ORDINANCE authorizing the City of Marshall, Clark County, Illinois to borrow funds from the
Public Water Supply Loan Program

WHEREAS, the City of Marshall, Clark County, Illinois 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 Mayor and the City Council (“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:

Replace a total of fifteen hundred (1,500) water meters. Additionally, one hundred fifty (150) meter pit and yokes will also be replaced as part of this project.

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 City; which Project has a useful life of 20 years; and

WHEREAS, the estimated cost of construction and installation of the Project, including engineering, legal, financial and other related expenses is \$1,500,000.00, 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 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 City is authorized to borrow funds from the Public Water Supply Loan Program in the aggregate principal amount of \$1,500,00.00 to provide funds to pay the costs of the Project;

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

NOW THEREFORE, be it ordained by the Corporate Authorities of the City of Marshall, Clark 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 City 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 Act; and that for the purpose of constructing the Project, it is hereby authorized that funds be borrowed by the City in an aggregate principal amount (which can include construction period interest financed over the term of the loan) not to exceed \$1,500,000.00.

SECTION 3. PUBLICATION

This Ordinance, together with a Notice in the statutory form (attached hereto as Exhibit A), shall be published once within ten days after passage in **The News-Gazette**, a newspaper published and of general circulation in the City, and if no petition, signed by electors numbering 10% or more of the registered voters in the City (275) 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, is filed with the City 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 City 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 System 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 City 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 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

Repayment of the loan to the Illinois Environmental Protection Agency by the City pursuant to this Ordinance is to be solely from the revenue derived from revenues of the System, and the loan does not constitute an indebtedness of the City 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 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 City has outstanding bonds, payable from revenues of the system, that are senior to the loan authorized by this Ordinance, and the City establishes an account, coverage, and reserves equivalent to the account(s), coverage(s) and reserve(s) as the senior lien holders in accordance with 35 Ill. Adm. Code 662.350(a)(9)(C).

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

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PASSED by the Corporate Authorities on June 23, 2025.

Approved June 23, 2025.



Mayor

City of Marshall

Clark County, Illinois

AYES: 8

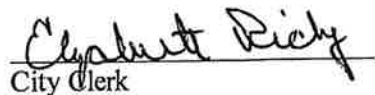
NAYS: 0

ABSENT: 0

PUBLISHED in the The News-Gazette on June 28, 2025.

RECORDED in the City Records on June 23, 2025.

ATTEST:



City Clerk

City of Marshall

Clark County, Illinois

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

NOTICE IS HEREBY GIVEN that, pursuant to Ordinance Number 2025-0-10, adopted on June
23, 2025, the City of Marshall, Clark 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 \$1,500,000 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 City. A complete copy of the
Ordinance accompanies this notice.

NOTICE IS HEREBY FURTHER GIVEN that if a petition signed by 275 or more electors of the City
(being equal to 10% of the registered voters in the City), requesting that the question of improving the
public water supply system and entering into the Loan Agreement is submitted to the City Clerk
within 30 days after the publication of this Notice, the question of improving the public water supply
system of the City as provided in the Ordinance and Loan Agreement shall be submitted to the
electors of the City at the next election to be held under general election law on March 17, 2026. A
petition form is available from the office of the City Clerk.

Elizabeth Ruch

City Clerk

City of Marshall

Clark County, Illinois

CERTIFICATION

Elizabeth Richey
I, ~~Nancy Smitley~~, do hereby certify that I am the duly elected, qualified and acting Clerk of the City of Marshall. I do further certify that the above and foregoing, identified as Ordinance Number 2025-0-10 is a true, complete and correct copy of an ordinance otherwise identified as

PUBLIC WATER SUPPLY LOAN PROGRAM ORDINANCE AUTHORIZING LOAN AGREEMENT NON-HOME RULE ENTITY CITY OF MARSHALL

passed by the City Council of the City of Marshall on the 23 day of June, 2025, and approved by the Mayor of the City of Marshall 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 Marshall.

Dated this 23 day of June 2025.