

**ORDINANCE AUTHORIZING BURROWING OF FUNDS**

**ORDINANCE NUMBER 31**

**AN ORDINANCE authorizing the Lakeside Water District of Jackson and Williamson Counties, Illinois to borrow funds from the Public Water Supply Loan Program**

**WHEREAS**, the Lakeside Water District of Jackson and Williamson Counties, Illinois, operates its public water supply system ("the System") and in accordance with the provisions of 70 ILCS 3705, *et seq.* and the local Government Debt Reform Act, 30 ILCS 350/1, *et seq.* (collectively, "the Act"); and

**WHEREAS**, the President and Board of Trustees of the Lakeside Water District (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:

Waterline Extension 1998-2 to the Triple Lake Heights, Briarwood Trace and Lakewood Park Subdivisions in Williamson County, Illinois, consisting of approximately 13 miles of 8", 6" and 4" water main, valves, hydrants, service connections and other appurtenances, with a useful life estimate of 50 years.

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 to the Lakeside Water District; and

**WHEREAS**, the estimated cost of construction and installing the Project, including engineering, legal, financial and other related expenses is \$600,000.00

and there are insufficient funds on hand and lawfully available to pay those costs;  
and

**WHEREAS**, the costs are expected to be paid in part with a loan to the Lakeside Water District 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 Lakeside Water District is authorized to borrow funds from the Public Water Supply Loan Program (415 ILCS 5/19.3) in the aggregate principal amount of \$150,000.00 to provide funds to pay the costs of the Project; and

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

**NOW, THEREFORE**, be it ordained by the President and Board of Trustees of Lakeside Water District of Jackson and Williamson Counties, 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 Lakeside Water District to construct the Project for the public health, safety and welfare, in accordance with the plans and specifications, as described; that the System continue to 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 hereby authorized that funds be borrowed by the Lakeside Water District in an aggregate principal amount (which includes construction period interest financed over the term of the loan) not to exceed \$150,000.00.

## **SECTION 3: 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 dedicated revenues, 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 on 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 Lakeside Water District 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 Lakeside Water District to pay the principal and interest due to the Public Water Supply Loan Program without the written consent of the Illinois Environmental Protection Agency.

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**SECTION 4: LOAN NOT INDEBTEDNESS OF LAKESIDE WATER**

**DISTRICT**

Repayment of the loan to the Illinois Environmental Protection Agency by the Lakeside Water District pursuant to this Ordinance is to be solely from the revenues of the system and the loan does not constitute an indebtedness of the Lakeside Water District within the meaning of any constitutional or statutory limitation.

**SECTION 5: APPLICATION FOR LOAN**

The Chairman 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. The loan funds 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 6: AUTHORIZATION**

The total estimated cost of the Triple Lake Heights Project is approximately \$600,000.00. The money borrowed from the Public Water Supply Loan Program is \$150,000.00 at the interest rate of 2.865% as repayment of the loan over a twenty-year period of time. The District has pledged its revenue for the repayment of the loan and any extensions thereof.

## **SECTION 7: AUTHORIZATION OF PRESIDENT TO EXECUTE LOAN AGREEMENT**

The Chairman is hereby authorized and directed to execute the Loan Agreement with the Illinois Environmental Protection Agency.

## **SECTION 8: SEVERABILITY**

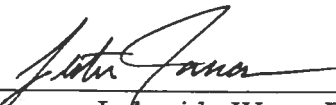
If any section, paragraph, clause or provision of this Ordinance is held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the other provisions of this Ordinance.

## **SECTION 9: REPEALER**

All ordinances, resolutions or orders, or parts thereof, which conflict with the provisions of this Ordinance are, in the extent of such conflict, hereby repealed.

PASSED by Lakeside Water District  
on January 12, 1999.

Approved January 12, 1999,

  
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Chairman, Lakeside Water District

Attest:

  
\_\_\_\_\_  
Secretary

AYES: 7  
NAYS: 0  
ABSENT: 0

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RECORDED in the Lakeside Water District Records on January 12, 1999.