

**ORDINANCE AUTHORIZING LOAN AGREEMENT**  
**(PUBLIC WATER SUPPLY LOAN PROGRAM - NON-HOME RULE ENTITY)**

ORDINANCE NUMBER 2022 - E

AN ORDINANCE authorizing the Village of Cullom, Livingston County, Illinois to borrow funds from the Public Water Supply Loan Program.

WHEREAS, the Village of Cullom, Livingston County, Illinois, operates its public water supply system ("the System") in accordance with the provisions of the Illinois Municipal Code, 65 ILCS 5/1, et. seq. and the Local Government Debt Reform Act, 30 ILCS 350/1 et seq. (collectively "the Act"); and

WHEREAS, the Village President and the Board of Trustees of the Village ("the Corporate Authorities") have determined that it is advisable, necessary, and in the best interest of the public health, safety, and welfare to improve the system, including the following:

**New Water Tower**

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 the consulting engineers of the Village of Cullom, which project has a useful life of 50 years; and

WHEREAS, the estimated cost of construction and installation of the Project, including engineering, legal, financial and other related expenses is \$2,270,000.00, 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 30 years, which is within the useful life of the Project; and

WHEREAS, the costs are expected to be paid for with a loan to the Village of Cullom from the Public Water Supply Loan Program through the Illinois Environmental Protection Agency, the loan to be repaid from Village Water Funds 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 Village of Cullom is authorized to borrow funds from the Public Water Supply Loan Program in the aggregate principal amount of \$2,270,000.00 to provide funds to pay the costs of the Project; and

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

NOW THEREFORE, be it ordained by the Corporate Authorities of the Village of Cullom, Livingston 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 Village of Cullom 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 Act; and that for the purpose of constructing the Project, it is hereby authorized that funds be borrowed by the Village in the aggregate principal amount (which can include construction period interest financed over the term of the loan) not to exceed \$2,270,000.00.

### 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 the passage in the The Daily Journal, a newspaper published and of general circulation in the Village of Cullom, and if no petition, signed by electors numbering 10% of more of the registered voters in the Village of Cullom (i.e., 34) 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 Cullom, 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 Village Water Funds, 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 Village of Cullom 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 Village 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 VILLAGE OF CULLOM**

Repayment of the loan to the Illinois Environmental Protection Agency by the Village of Cullom pursuant to this Ordinance is to be solely from the revenue derived from the Village Water Funds, and the loan does not constitute an indebtedness of the Village within the meaning of any constitutional or statutory limitation.

## **SECTION 6. APPLICATION FOR LOAN**

The Village President 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 Village of Cullom has no outstanding bonds that are payable from revenues of the system.

## **SECTION 9. AUTHORIZATION OF Village President TO EXECUTE LOAN AGREEMENT**

The Village President is hereby authorized and directed to execute the Loan Agreement with the Illinois Environmental Agency. The Corporate Authorities may authorize by resolution a person other than the Village President for the sole purposed 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.

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PASSED by the Corporate Authorities  
on August 23, 2022.

APPROVED August 23, 2022.

Barbara Mahn

Village President

Village of Cullom

Livingston, County, Illinois

AYES: 6

NAYS: Ø

ABSENT: Ø

PUBLISHED in the The Daily Journal on \_\_\_\_\_, 20\_\_\_\_.

RECORDED in the Village of Cullom Records on \_\_\_\_\_, 20\_\_\_\_.

ATTEST:

\_\_\_\_\_  
Village Clerk

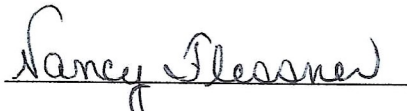
Village of Cullom

Livingston, Illinois

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

NOTICE IS HEREBY GIVEN that, pursuant to Ordinance Number 2022-E, adopted on August 23, 2022, the Village of Cullom, Livingston 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 \$2,270,000.00 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 costs of certain improvements to the public water supply system of the Village of Cullom. A complete copy of the Ordinance accompanies this notice.

NOTICE IS HEREBY FURTHER GIVEN that if a petition signed by 34 or more electors of the Village of Cullom (being equal to 10% of the registered voters in the Village), requesting that the question of improving the public water supply system and entering into the Loan Agreement is submitted to the Village Clerk within 30 days after the publication of this Notice, the question of improving the public water supply system of the Village as provided in the Ordinance Loan Agreement shall be submitted to the electors of the Village of Cullom at the next election to be held under general election law on November 5, 2024. A petition form is available from the office of the Village Clerk.



Village Clerk

Village of Cullom

Livingston County, Illinois

## CERTIFICATION

I, Nancy Flessner, do hereby certify that I am the duly elected, qualified and acting Clerk of the Village of Cullom. I do further certify that the above and foregoing, identified as Ordinance Number 2022-E, is a true, complete and correct copy of an ordinance otherwise identified as Ordinance Authorizing a Loan Agreement (Public Water Supply Loan Program - Non-Home Rule Entity), passed by the Board of Trustees of the Village of Cullom on the 23<sup>rd</sup> day of August, 2022, and approved by the Village President of the Village of Cullom on the same said date, the original of which is part of the books of records within my control as the Clerk of Village of Cullom.

Dated this 23 day of August, 2022.

Nancy Flessner

Clerk of the Village of Cullom



PASSED by the Corporate Authorities

on August 23, 2022.

APPROVED August 23, 2022.

Barbara Hahn

Village President

Village of Cullom

Livingston, County, Illinois

AYES: 6

NAYS: Ø

ABSENT: Ø

PUBLISHED in the The Daily Journal on \_\_\_\_\_, 20\_\_\_\_.

RECORDED in the Village of Cullom Records on \_\_\_\_\_, 20\_\_\_\_.

ATTEST:

Nancy Flessner

Village Clerk

Village of Cullom

Livingston, Illinois