

ORDINANCE NO. 2025-775

**ORDINANCE OF THE VILLAGE OF YATES CITY, KNOX COUNTY, ILLINOIS,
AUTHORIZING A LOAN AGREEMENT BETWEEN THE VILLAGE AND
THE ILLINOIS ENVIRONMENTAL PROTECTION AGENCY
IN AN AMOUNT NOT TO EXCEED \$1,700,000.00 PURSUANT TO
THE PUBLIC WATER SUPPLY LOAN PROGRAM FOR A NEW
WATER STORAGE TANK FOR THE VILLAGE'S WATER SUPPLY SYSTEM**

WHEREAS, the Village of Yates City, Knox County, Illinois (hereinafter, "Village") operates and maintains a combined waterworks and sewerage system (the "System") that includes the Village's public water supply system (the "Water System") in accordance with the provisions of Division 139 of Article 11 of the Illinois Municipal Code (65 ILCS 5/11-139-1, *et seq.*) and the Local Government Debt Reform Act, 30 ILCS 350/1 (collectively, "the Act"); and

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

Installation of New 75,000 Gallon Water Storage Tank

together with any land or rights in land and all electrical, mechanical, or other services necessary, useful, or advisable to the construction and installation (hereinafter, the "Project"), all in accordance with the plans and specifications prepared by the consulting engineers of the Village; which Project has a useful life of at least 39 years; and

WHEREAS, the estimated cost of construction and installation of the Project, including engineering, legal, financial, and other related expenses will not exceed One Million Seven Hundred Thousand Dollars and 00/100 (\$1,700,000.00), 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 39 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 Village from the Public Water Supply Loan Program through the Illinois Environmental Protection Agency, the loan to be repaid from revenues of the Water 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 Village is authorized to borrow funds from the Public Water Supply Loan Program in the aggregate principal amount not to exceed of \$1,700,000.00 to provide funds to pay the costs of the Project; and

WHEREAS, the loan to the Village 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 PRESIDENT AND VILLAGE BOARD OF TRUSTEES OF THE VILLAGE OF YATES CITY, KNOX 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 to construct the Project for the public health, safety and welfare, in accordance with the plans and specifications, as described; that the Water 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 Village in an aggregate principal amount (which can include construction period interest financed over the term of the loan) not to exceed \$1,700,000.00.

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 *Galesburg Register-Mail*, a newspaper published and of general circulation in the Village, and if no petition, signed by electors numbering 10% or more of the registered voters in the Village (*i.e.*, fifty (50) electors) asking that the question of improving the Water System as provided in this Ordinance and entering into the Loan Agreement therefore be submitted to the electors of the Village, 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 (attached hereto as Exhibit B).

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

The 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 6. 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 7. Outstanding Bonds. The Village has outstanding bonds that are payable from the revenues of the Water System, but the outstanding bonds are not senior to, but on parity with, the loan authorized by the Ordinance.


Section 8. Authorization of President to Execute Loan Agreement. The President 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 President 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 9. 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 10. 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.

PASSED BY THE VILLAGE BOARD OF TRUSTEES OF THE VILLAGE OF
YATES CITY, KNOX COUNTY, ILLINOIS, IN PUBLIC SESSION THIS 12 DAY OF
March, 2025.

Approved March 12, 2025.

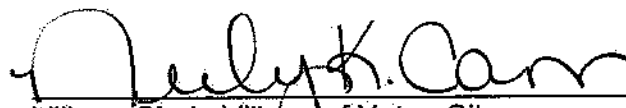


President, Village of Yates City (Pro Tem)
Knox County, Illinois

AYES: 5
NAYS: 0
ABSENT: 2

PUBLISHED in the *Galesburg Register Mail* on March 18, 2025.
RECORDED in the Village Records on March 19, 2025.

ATTEST:



Village Clerk, Village of Yates City
Knox County, Illinois

EXHIBIT A

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

NOTICE IS HEREBY GIVEN that, pursuant to Ordinance No. 2025-775 adopted March 12, 2025, the Village of Yates City, Knox County, Illinois (the "Village"), intends to enter into a Loan Agreement with the Illinois Environmental Protection Agency to borrow funds in an aggregate principal amount not to exceed \$1,700,000.00 and bearing interest per annum 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 installation of a new water storage tank for the water supply system of the Village. A complete copy of said Ordinance accompanies this notice.

NOTICE IS HEREBY FURTHER GIVEN that if a petition signed by 50 or more electors of the Village (being equal to ten percent (10%) of the registered voters in the Village), requesting that the question of improving the Village's water supply system and entering into the Loan Agreement therefore is submitted to the Village Clerk within thirty (30) days after publication of this Notice, the question of improving the public water system of the Village as provided in the Ordinance and the Loan Agreement shall be submitted to the electors of the Village at the next election to be held under general election law on March 17, 2026. A form of petition is available from the Village Clerk at the Village of Yates City Office, 102 W. Main Street, Yates City, Illinois.



Neely Carr, Village Clerk
Village of Yates City, Knox County, Illinois

EXHIBIT B

PETITION

To the Village Clerk of the Village of Yates City, Knox County, Illinois:

We, the undersigned, being registered voters of the Village of Yates City, Knox County, Illinois, do hereby petition you to cause the question of a new well for the water supply system of said Village, as provided in Ordinance No. 2025-775 of said Village, and entering into the Loan Agreement as provided in said Ordinance, to be certified to the County Clerk of the County of Knox, Illinois, and submitted to the electors of said Village at the General Election to be held on March 17, 2026.

<u>Name</u>	<u>Address</u>	
_____	_____	_____, Illinois
_____	_____	_____, Illinois
_____	_____	_____, Illinois
_____	_____	_____, Illinois
_____	_____	_____, Illinois
_____	_____	_____, Illinois
_____	_____	_____, Illinois
_____	_____	_____, Illinois
_____	_____	_____, Illinois
_____	_____	_____, Illinois
_____	_____	_____, Illinois
_____	_____	_____, Illinois
_____	_____	_____, Illinois
_____	_____	_____, Illinois

I, _____, of _____ (insert residence address), _____, Illinois, do hereby certify that the signatures on this petition were signed in my presence and are genuine, and, to the best of my knowledge and belief, the persons so signing were at the time of signing this petition registered voters of said Village of Yates City and that their respective addresses are correctly stated herein.

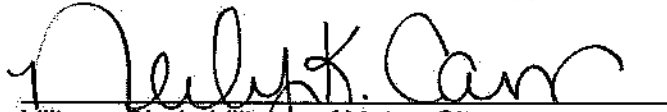
Subscribed and sworn to before me this _____ day of _____, 20____.

Notary Public

CERTIFICATION

I, Neely Carr, do hereby certify that I am the duly elected, qualified and acting Clerk of the Village of Yates City, Knox County, Illinois. I do further certify that the above and foregoing, identified as Ordinance No. 2025- 775 is a true, complete and correct copy of an ordinance otherwise identified as "ORDINANCE OF THE VILLAGE OF YATES CITY, KNOX COUNTY, ILLINOIS, AUTHORIZING A LOAN AGREEMENT BETWEEN THE VILLAGE AND THE ILLINOIS ENVIRONMENTAL PROTECTION AGENCY IN AN AMOUNT NOT TO EXCEED \$1,700,000.00 PURSUANT TO THE PUBLIC WATER SUPPLY LOAN PROGRAM FOR A NEW WATER STORAGE TANK FOR THE VILLAGE'S WATER SUPPLY SYSTEM", passed by the Village Board of Trustees of the Village of Yates City on the 12 day of March, 2025, and approved by the President of the Village of Yates City on the same said date, the original of which is part of the books and records within my control as Clerk of the Village of Yates City.

Dated this 12 day of March, 2025.



Village Clerk, Village of Yates City
Knox County, Illinois