



**VILLAGE OF WAUCONDA
SPECIAL VILLAGE BOARD MEETING
101 N. MAIN STREET, WAUCONDA, IL**

**THURSDAY, NOVEMBER 17, 2016
6:00 P.M.**

AGENDA

- 1. CALL TO ORDER**
- 2. PLEDGE OF ALLEGIANCE**
- 3. ROLL CALL**
- 4. PUBLIC COMMENT:** *Citizens wishing to address the Village Board on any topic of Village business may do so during the public comment section near the beginning of the agenda after requesting to speak by providing name, address, and contact information on the sign-in form near the entrance to the Board room. Citizens wishing to address the public body on any specific item that appears under new business on the agenda will have an opportunity to do so when that agenda item is under consideration if they have requested to address the Board on the topic by completing the sign-in form located near the entrance to the Board Room prior to the start of the meeting. Please keep remarks concise. Individual speakers will be limited to three minutes. All audience participation must be recognized by the Mayor including questions to other Board members, staff or petitioners. When there is a controversial issue or large group present, the Mayor may limit the total amount of time allocated to those who want to speak and all who speak are asked to comply with the established time limit.*
- 5. APPROVAL OF AGENDA**
(Last Ordinance No. was 2016-O-__) (Last Resolution No. was 2016-R-__)
- 6. NEW BUSINESS**
 - A. (Action) Consideration and Approval of an Ordinance Authorizing the Village to Borrow up to \$1,700,000 from the Illinois Environmental Protection Agency Public Water Supply Loan Program for Lake Michigan Water Internal Improvements Project 3A (p.1-10).
 - B. (Action) Consideration and Approval of an Award of Bid for Phase 3A of the Lake Michigan Water Internal Water System Improvements (0.5 MG Elevated Water Storage Tank) to Maguire Iron, Inc. for an Amount not-to-exceed \$1,536,900 (p.11-14).
- 7. ADJOURNMENT**

Posted 11/15/2016

The documents provided with the Board Meeting agenda are for informational purposes only. Until or unless the Village Board votes on a matter contained on the agenda, the matter is not final.

AGENDA SUPPLEMENT

TO: Mayor Bart and Village Board

FROM: Brad C. Fink, Director of Public Works 

FOR: November 17, 2016 Special Village Board Meeting

RE: Consideration and Approval of an Ordinance Authorizing the Village of Wauconda to borrow funds from the Illinois Environmental Protection Agency (IEPA) Public Water Supply Loan Program (Water- \$1,700,000) for the Lake Michigan Water Internal System Improvements – Phase 3A.

Background. The Village is seeking an IEPA loan to fund the Lake Michigan Water Internal System Improvements – Phase 3A consisting of a 0.5 million gallon elevated water storage tank on Bonner Road. The State Revolving Fund (SRF) program, administered by the Illinois Environmental Protection Agency (IEPA), includes the Public Water Supply Loan Program (PWSLP) for drinking water projects. This program is annually the recipient of federal capitalization funding, which is combined with state matching funds, program repayments, and bond and interest proceeds to form a perpetual source of low interest financing for environmental infrastructure projects. This year the fixed loan rate for loans executed by the IEPA is projected to be 1.85%.

Analysis. The attached ordinance authorizes the Village to borrow up to \$1,700,000 from the IEPA Public Water Supply Loan Program. The proposed ordinance is in a form required by the IEPA and has been reviewed by Village Attorney Magna. These funds will be used for the design, construction, and construction engineering related to the Lake Michigan Water Internal System Improvements – Phase 3A.

The IEPA will need to concur with the final recommendation and confirm that the scope of improvements is consistent with the approved project plan. The final loan approval will be based on the recommended contract bid plus a 3% contingency along with any qualifying engineering costs.

<u>Terms</u>	<u>Total Project</u>	<u>Annual Debt Service</u>	<u>20-Year Debt Service</u>
IEPA Loan 1.85%	\$1,700,000	\$101,760	\$2,035,145
Bond Rate 4.0%	\$1,700,000	\$123,624	\$2,472,400

As you can see, should the Village receive approval for the 1.85% interest IEPA loan, the overall debt service savings would be \$437,255 over the life of the loan. This is the savings compared to a conventional bond-funding rate of 4.0%.

Recommendation. Consideration and Approval of the attached Ordinance authorizing the Village of Wauconda to borrow funds from the Illinois Environmental Protection Agency Public Water Supply Loan Program (Water - \$1,700,000) for the Lake Michigan Water Internal System Improvements – Phase 3A.

2016-O-__

***AN ORDINANCE AUTHORIZING THE VILLAGE OF WAUCONDA, LAKE COUNTY,
ILLINOIS, TO BORROW FUNDS FROM THE ILLINOIS ENVIRONMENTAL
PROTECTION AGENCY PUBLIC WATER SUPPLY LOAN PROGRAM
(Phase 3A LMW Internal L175317)***

WHEREAS, the Village of Wauconda, Lake County, Illinois (the “Village”) operates its public water supply system (the “System”) and in accordance with the provisions of Division 139 of the Illinois Municipal Code, 65 ILCS 5/11-139-1 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 Village of Wauconda (the “Corporate Authorities”) have determined that it is advisable and necessary and in the best interests of public health, safety and welfare to commence Phase 3A of the internal water system improvements for the potable water distribution capacities of the Village Water System including the following:

Internal Water System Improvements – Phase 3A, consisting of a 0.5 million gallon elevated water storage tank on Bonner Road within the Village of Wauconda.

together with any land or rights in land and all mechanical, landscaping or other services necessary, useful or advisable to the construction and installation (the “Phase 3A Project”), all in accordance with the plans and specifications prepared by the consulting engineers to the Village of Wauconda; and

WHEREAS, the useful life of the Phase 3A Project is Fifty (50) years; and

WHEREAS, the estimated cost of construction and installing the Phase 3A Project, including engineering, legal, financial and other related expenses is \$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 making 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 Village of Wauconda from the Public Water Supply Loan Program through the Illinois Environmental Protection Agency, the loan to be repaid from revenues from the Wauconda Combined Water and Sewer 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 of Wauconda is authorized to borrow funds from the Public Water Supply Loan Program in the aggregate principal amount of \$1,700,000.00 to provide funds to pay the eligible costs of the Phase 3A Project; and

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

NOW, THEREFORE, BE IT ORDAINED by the President and Board of Trustees of the Village of Wauconda, 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 the body of this ordinance by this reference.

SECTION II: **DETERMINATION TO BORROW FUNDS.** It is necessary and in the best interests of the Village of Wauconda to construct the Phase 3A 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 Phase 3A Project, it is hereby authorized that funds be borrowed by the Village of Wauconda in an aggregate principal amount (which includes construction period interest financed over the term of the loan) not to exceed \$1,700,000.00.

SECTION III: **PUBLICATION.** This Ordinance, together with a notice in the statutory form, shall be published once within ten days after passage in the Daily Herald, a newspaper of general circulation in the Village of Wauconda (there being no newspaper published within the corporate limits of the Village) and if no petition is signed by at least 800 electors representing 10% or more of the total registered voters in the Village of Wauconda (there being 7,997 total registered voters) and 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 Wauconda, is filed with the Village of Wauconda 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 of Wauconda Clerk to any individual requesting one.

SECTION IV: **ADDITIONAL ORDINANCES.** If no petition meeting the requirements of the Act and other applicable law 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 from the Combined Waterworks and Sewerage System (“Combined 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 Phase 3A 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 of Wauconda 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 of Wauconda 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 V: LOAN NOT INDEBTEDNESS OF VILLAGE OF WAUCONDA.

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

SECTION VI: 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. The loan funds shall be used solely for the purposes of the Phase 3A Project as approved by the Illinois Environmental Protection Agency in accordance with the terms and conditions of the loan Agreement.

SECTION VII: RESERVE ACCOUNTS. As long as the Village of Wauconda has outstanding revenue bond obligations payable from the revenues of the system that are senior to the revenue bond or loan authorized by this ordinance, the Village of Wauconda shall maintain an account, coverages, and reserves equivalent to the accounts, coverages, and reserves required by the outstanding ordinances.

SECTION VIII: AUTHORIZATION OF PRESIDENT TO EXECUTE LOAN AGREEMENT. The Village President is hereby authorized and directed to execute the Loan

Agreement with the Illinois Environmental Protection Agency on behalf of the Village of Wauconda. The Village Administrator is hereby authorized to execute, on behalf of the Village of Wauconda, such further and other documents associated with payment requests or reimbursements from the Illinois Environmental Protection Agency in connection with this loan in accordance with the terms and conditions of the loan Agreement.

SECTION IX: 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 X: REPEALER. All ordinances, resolutions, orders, or parts thereof, which conflict with the provisions of this Ordinance, are, to the extent of such conflict, hereby repealed.

SECTION XI: This ordinance shall be in full force and effect from and after its passage, approval and publication as required by law.

Passed this 15th day of November, 2016.

	Ayes:	Nays:	Absent/Abstain:
Lincoln F. Knight	_____	_____	_____
John F. Barbini Ed.D	_____	_____	_____
Tim Howe	_____	_____	_____
Linda Starkey	_____	_____	_____
Ken Arnswald	_____	_____	_____
Chuck Black	_____	_____	_____

APPROVED:

By: _____ Date: _____
FRANK A. BART, MAYOR

ATTEST:

By: _____
Gina Strelecki, Village Clerk

Presented and read, or reading having been waived, at a duly convened meeting of the Corporate Authorities on November 15, 2016.

I hereby certify that the above ordinance was published in pamphlet form on _____, 2016 as provided by law.

Gina Strelecki, Village Clerk

Exhibit A

NOTICE IS HEREBY GIVEN that, pursuant to Ordinance Number 2016-O-____, passed on _____, 2016, the Village of Wauconda, Lake 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 \$_____.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 improvements to the public water supply system of the Village. A complete copy of the Ordinance accompanies this notice.

NOTICE IS HEREBY FURTHER GIVEN that if a petition signed by 791 or more electors of the Village (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 and Loan Agreement shall be submitted to the electors of the Village at the next election to be held under general election law on April 4, 2017, being the Consolidated Election. A petition form is available from the office of the Village Clerk.

Gina Strelecki
Village Clerk
Village of Wauconda
Lake County, Illinois

CERTIFICATION

I, Gina Strelecki, do hereby certify that I am the duly elected, qualified and Clerk of the Village of Wauconda, Illinois. I do further certify that the above and foregoing, identified as Ordinance Number 2016-O-____, is a true, complete and correct copy of an ordinance otherwise identified as **AN ORDINANCE AUTHORIZING THE VILLAGE OF WAUCONDA, LAKE COUNTY, ILLINOIS, TO BORROW FUNDS FROM THE ILLINOIS ENVIRONMENTAL PROTECTION AGENCY PUBLIC WATER SUPPLY LOAN PROGRAM (Phase 3A LMW Internal L175317)**, passed by the Board of Trustees of the Village of Wauconda on the ____ day of _____, 2016, and approved by the President of the Village of Wauconda 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 Wauconda.

Gina Strelecki
Village Clerk
Village of Wauconda
Lake County, Illinois

PETITION

To the Village Clerk of the Village of Wauconda, Lake County, Illinois:

We, the undersigned, being registered voters of the Village of Wauconda, Lake County, Illinois, do hereby petition you to cause the following question to be certified to the County Clerk of The County of Lake, Illinois, and submitted to the electors of said Village at the next election at which said proposition lawfully may be submitted to said voters:

“Shall the Village of Wauconda, Lake County, Illinois, implement and pay the costs of its proposed Phase 3A internal water project facilities and related improvements by borrowing up to the amount of \$1,700,000.00 (said loan being payable from the revenues of the Combined Sewerage and Waterworks System or other lawful municipal revenues)?

Yes ___; No ___”

SIGNATURE	ADDRESS
_____	_____, Wauconda, Lake County, Illinois
_____	_____, Wauconda, Lake County, Illinois
_____	_____, Wauconda, Lake County, Illinois
_____	_____, Wauconda, Lake County, Illinois
_____	_____, Wauconda, Lake County, Illinois
_____	_____, Wauconda, Lake County, Illinois
_____	_____, Wauconda, Lake County, Illinois
_____	_____, Wauconda, Lake County, Illinois
_____	_____, Wauconda, Lake County, Illinois

The undersigned, being first duly sworn, deposes and certifies that he or she is at least 18 years of age, his or her residence address is _____ (Street Address), _____ (City, Village or Town), _____ County, _____ (State), that he or she is a citizen of the United States of America, that the signatures on the foregoing petition were signed in his or her presence and are genuine, that to the best of his or her knowledge and belief the persons so signing were at the time of signing said petition registered voters of said Village and that their respective residences are correctly stated therein.

Signature of Circulator:

Signed and sworn to before me this _____ day of _____, 2016.

(NOTARY SEAL)

Illinois Notary Public
My commission expires _____

SHEET NO. _____

PETITION

To the Village Clerk of the Village of Wauconda, Lake County, Illinois:

We, the undersigned, being registered voters of the Village of Wauconda, Lake County, Illinois, do hereby petition you to cause the following question to be certified to the County Clerk of The County of Lake, Illinois, and submitted to the electors of said Village at the next election at which said proposition lawfully may be submitted to said voters:

“Shall the Village of Wauconda, Lake County, Illinois, implement and pay the costs of its proposed Phase 3A internal water project facilities and related improvements by borrowing up to the amount of \$1,700,000.00 (said loan being payable from the revenues of the Combined Sewerage and Waterworks System or other lawful municipal revenues)?

Yes ___; No ___”

Table with 2 columns: SIGNATURE and ADDRESS. Multiple rows of blank lines for signatures and addresses, all ending with ', Wauconda, Lake County, Illinois'.

The undersigned, being first duly sworn, deposes and certifies that he or she is at least 18 years of age, his or her residence address is _____ (Street Address), _____ (City, Village or Town), _____ County, _____ (State), that he or she is a citizen of the United States of America, that the signatures on the foregoing petition were signed in his or her presence and are genuine, that to the best of his or her knowledge and belief the persons so signing were at the time of signing said petition registered voters of said Village and that their respective residences are correctly stated therein.

Signature of Circulator:

Signed and sworn to before me this _____ day of _____, 2016.

(NOTARY SEAL)

Illinois Notary Public
My commission expires _____

SHEET NO. _____

AGENDA SUPPLEMENT

TO: Mayor Bart and Village Board

FROM: Brad C. Fink, Director of Public Works 

FOR: November 17, 2016 Special Village Board Meeting

RE: Lake Michigan Water Internal System Improvements – Phase 3A

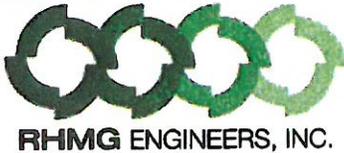
Background. At the December 1, 2015 Regular Village Board Meeting the Board approved an engineering service agreement with RHMG Engineers, Inc. to prepare the design, construction specifications, and bidding documents for the Lake Michigan Water Internal System Improvements - Phase 3A. The proposed improvements include the construction of a 500,000 gallon elevated water storage tank adjacent to the Wauconda CUD #118 bus depot on Banner Road.

Analysis. On November 1, 2016 four (4) sealed bids for the project were publicly opened and read aloud. The results of the bid opening are as follows:

<u>Contractor</u>		<u>Bid Amount</u>
Maguire Iron, Inc.	Sioux Falls, South Dakota	\$1,536,900
CBI, LLC.	Chicago, Illinois	\$1,637,900
Caldwell Tanks, Inc.	Louisville, Kentucky	\$1,719,000
Phoenix Fabricators and Erectors, Inc.	Avon, Indiana	\$1,879,234
<i>Engineers Estimate</i>		<i>\$1,450,000</i>

Maguire Iron, Inc. submitted the lowest qualified bid and has satisfactorily completed other projects designed by RHMG Engineers, Inc. The Village is seeking an Illinois EPA low interest loan for this improvement. Therefore the approval of the contract must be contingent upon the Illinois EPA loan approval.

Recommendation. Motion to award the contract to Maguire Iron, Inc. for the Lake Michigan Water Internal System Improvements - Phase 3A for an amount not to exceed \$1,536,900 contingent upon the Illinois EPA loan approval.



www.rhmg.com

975 Campus Drive, Mundelein, IL 60060
847.362.5959 | Fax 847.362.0864

847 South Randall Road
Unit 183, Elgin, IL 60123

November 3, 2016

Mr. Brad Fink
Director of Public Works
Village of Wauconda
302 Slocum Lake Road
Wauconda, IL 60084

**Re: Bid Review – Internal Water System Improvements – Phase 3A
0.5 MG Elevated Water Storage Tank
Project No. 21319150A**

Dear Mr. Fink:

Enclosed is the Bid Tabulation of the four (4) bids received at the bid opening for the subject project on November 1, 2016. We have reviewed the bids and based on our review, we make the following comments and recommendations for your consideration:

1. All bids were responsive in that they submitted the required bid security, signed all forms, submitted all IEPA required certifications for DBE (Disadvantaged Business Enterprises) subcontracting opportunities, and did not make any conditional bids. One bidder, Phoenix Fabricators, did not appear to advertise with the appropriate newspaper, however they indicated that they would not have any subcontractors which would make advertising a null requirement.
2. The low bid was submitted by Maguire Iron, Inc. of Sioux Falls, South Dakota in the amount of \$1,536,900. The second low bid by CB&I LLC was \$1,637,900 or 6.6% higher than the low bid. The range of bids was from \$1,536,900 to \$1,879,234, and the low bid was 5.9% higher than our engineer's opinion of probable cost (\$1,450,000). Based on feedback from the bidders, the tight site constraints contributed to the higher bids.
3. Maguire Iron, Inc. has installed tanks similar in size and type throughout the Midwest, and most notably are scheduled to install a similar size tank for the Village of Fox Lake during the same timeframe as the Bonner Road tank. RHMG Engineers, Inc. has previously worked with Maguire Iron, Inc. on an elevated water storage tank of similar size and the project went quite smoothly.
4. Maguire Iron, Inc. has been in business working on new and existing storage tanks since 1915. They appear to have the manpower, equipment and financial resources necessary to complete this project.

In conclusion, we find Maguire Iron, Inc. to be the low, responsive, responsible bidder; and we recommend award of the Internal Water System Improvements – Phase 3A 0.5 MG Elevated Water Storage Tank to them in the amount of \$1,536,900 contingent upon Illinois IEPA approval.



Mr. Brad Fink
Director of Public Works
Village of Wauconda
Re: Bid Review – Internal Water System Improvements – Phase 3A
0.5 MG Elevated Water Storage Tank
RHMG Project No. 21319150A
November 3, 2016
Page 2

If you have any questions or need additional information in the meantime, please do not hesitate to contact me at our Mundelein office.

Sincerely yours,

RHMG Engineers, Inc.

A handwritten signature in black ink, appearing to read "W. Rickert", is written over a horizontal line.

William R. Rickert, P.E., BCEE, CFM
President

Enclosure

cc: Mr. Doug Maxeiner, Village Administrator – Village of Wauconda
Mr. Alex Pryde, Superintendent of Public Works Operations – Village of Wauconda

VILLAGE OF WAUCONDA
INTERNAL WATER SYSTEM IMPROVEMENTS - PHASE 3A
0.5 MG ELEVATED WATER STORAGE TANK
Bid Opening: November 1, 2016 2:00 P.M.

PROJECT NO. 21319150A

ITEM NO.	ITEM	UNIT	Maguire Iron, Inc.	CB&I LLC	Caldwell Tanks, Inc.	Phoenix Fabricators	Engineer's Estimate
			TOTAL PRICE	TOTAL PRICE	TOTAL PRICE	TOTAL PRICE	TOTAL PRICE
1	0.5 MG Elevated Storage Tank and Site Improvements	LS	\$ 1,536,900.00	\$ 1,637,900.00	\$ 1,719,000.00	\$ 1,879,234.00	\$ 1,450,000.00
BASE BID							