

**VILLAGE OF DOWNERS GROVE**  
**REPORT FOR THE VILLAGE COUNCIL WORKSHOP**  
**FEBRUARY 12, 2008 AGENDA**

SUBJECT:	TYPE:	SUBMITTED BY:
IRS Reimbursement Resolution – Watershed Infrastructure Improvement Plan Funding	✓ Resolution Ordinance Motion Discussion Only	David Fieldman Deputy Village Manager

**SYNOPSIS**

A resolution has been prepared stating the Village's intent to issue General Obligation bonds for the construction of selected projects identified in the Watershed Infrastructure Improvement Plan in accordance with the Community Investment Program (CIP). Adoption of the resolution is required for the Village to be able to "reimburse" project expenditures from the proceeds of a tax-exempt bond.

**STRATEGIC PLAN ALIGNMENT**

The Five Year Plan and Goals for 2007-2012 identified *Top Quality Village Infrastructure and Facilities. Implementation of the Watershed Infrastructure Improvement Plan* is identified as a Top Priority of the 2008 Policy Agenda.

**FISCAL IMPACT**

There is no immediate fiscal impact of approving the resolution. Upon issuance of a general obligation bond, the Village may utilize bond proceeds for expenses related to the construction of selected projects as early as 60 days prior to the passage of this resolution.

**RECOMMENDATION**

Approval on the February 19, 2008 consent agenda.

**BACKGROUND**

On February 5, 2008, and during the review and approval process for the FY08 Budget, the Village Council discussed options for funding the construction of selected stormwater infrastructure improvements identified in the Watershed Infrastructure Improvement Plan. The Council supported the issuance of General Obligation bonds for this purpose. The first step in the process is to adopt a reimbursement resolution. This resolution would:

- Express the Village's intent to issue General Obligation bonds.
- Allow the Village to reimburse itself for all or a portion of the expenditures relating to the selected stormwater infrastructure improvement projects that have been paid up to 60 days prior to adoption of the reimbursement resolution or that will be paid after the adoption of the resolution.

The resolution states that the Village intends to issue bonds up to \$30 million. This amount is in excess of anticipated amount of the project in order to allow for issuance costs. The resolution does not obligate the Village to issue the bonds nor does it determine the total amount of the bonds issue. In the coming months, the Council will be asked to take additional steps to issue the bonds. The bonds should be ready for issuance prior to commencing construction on the stormwater projects.

**ATTACHMENTS**

Resolution

**A RESOLUTION DECLARING OFFICIAL INTENT  
REGARDING CERTAIN CAPITAL EXPENDITURES TO BE  
REIMBURSED FROM PROCEEDS OF AN OBLIGATION**

WHEREAS, the Village of Downers Grove, DuPage County Illinois (the “*Issuer*”), has developed a list of capital projects (the “*Projects*”) described in Exhibit A hereto; and

WHEREAS, all or a portion of the expenditures relating to the Projects (the “*Expenditures*”) (i) have been paid within the sixty days prior to the date of this Resolution or (ii) will be paid on or after the date of this Resolution; and

WHEREAS, the Issuer reasonably expects to reimburse itself for the Expenditures with the proceeds of an obligation:

NOW, THEREFORE, Be It and It is Hereby Resolved by the Mayor and Village Council of the Village of Downers Grove, DuPage County, Illinois, as follows:

Section 1. The Issuer reasonably expects to reimburse the Expenditures with proceeds of an obligation.

Section 2. The maximum principal amount of the obligations expected to be issued for the Projects is not in excess of \$30,000,000.

Section 3. All actions of the officers, agents and employees of the Issuer that are in conformity with the purposes and intent of this Resolution, whether taken before or after the adoption hereof, are hereby ratified, confirmed and adopted.

Section 4. This resolution is made pursuant to Treasury Regulations Section 1.150-2.

Section 5. This resolution shall be filed immediately in the office of the Clerk of the Issuer.

Section 6. That all resolutions or parts of resolutions in conflict with this resolution are hereby repealed.

Section 7. That this resolution shall be in full force and effect from and after its passage in the manner provided by law.

\_\_\_\_\_  
Mayor

Passed:  
Published:  
Attest: \_\_\_\_\_

Village Clerk

## **EXHIBIT A**

### **DESCRIPTION OF CAPITAL PROJECTS**

Construction, installation and acquisition of public capital infrastructure improvements including, specifically, watershed infrastructure improvement projects in and for the Issuer.