

## VILLAGE OF DOWNERS GROVE

### Report for the Village

SUBJECT:	SUBMITTED BY:
<b>6/10/2025</b> Loan Agreement with the Illinois Environmental Protection Agency (IEPA)	Robin Lahey Finance Director

### SYNOPSIS

An ordinance has been prepared authorizing execution of a Loan Agreement between the Village and the Illinois Environmental Protection Agency (IEPA) for Well House replacement and watermain installation; and a resolution has been prepared authorizing the Village Manager to execute certain documents associated with IEPA Loan Agreement.

### STRATEGIC PLAN ALIGNMENT

The goals for 2023-2025 include *Steward of Financial, Environmental and Neighborhood Sustainability and Top Quality Infrastructure*.

### FISCAL IMPACT

The contracts for the Well House replacement and watermain installation to be funded by the IEPA loans in 2025 total \$5,134,326.80. The IEPA loan amount including a 3% contingency is \$5,288,356.60. The FY25 Budget provides \$4.0 million in the Water Fund for both project expenses and loan proceeds. The project costs exceed the budgeted amount and the IEPA loan amount was increased to cover all costs.

### RECOMMENDATION

Approval on the June 17, 2025 active agenda.

### BACKGROUND

On May 16, 2023, Council approved an ordinance authorizing the Village to borrow funds from the Public Water Supply Loan Program at the IEPA. This was after the approval by the IEPA of a five-year Project Planning Document for 2024 through 2028 in the amount of \$17,500,000 for water infrastructure projects, which is the maximum that would be allowed to be funded under this program.

Due to high demand, the Village did not receive a loan from the IEPA in 2023. The Village was notified in August 2024 that it was being awarded a \$4.0 million loan, the first loan from the five-year project plan that was submitted in October 2022. In March 2025 the Village received bids for these projects. Due to increasing prices, the total cost for both projects was \$5,209,326.80. The IEPA notified the Village in April 2025 that additional funding was available and our loan amount was increased to \$5,288,356.60. The difference between the total project cost and the amount of the project funded by the loan is \$75,000. This amount will be taken from the cash balance in the Water Fund.

### ATTACHMENTS

Ordinance  
IEPA Loan Agreement  
Resolution

**RESOLUTION NO. \_\_\_\_**

**A RESOLUTION AUTHORIZING THE VILLAGE MANAGER  
OF THE VILLAGE OF DOWNERS GROVE TO EXECUTE CERTAIN DOCUMENTS  
ASSOCIATED WITH IEPA LOAN AGREEMENT L176103**

BE IT RESOLVED by the Village Council of the Village of Downers Grove, DuPage County, Illinois, as follows:

1. That Ordinance No. \_\_\_\_\_ authorized execution of Loan Agreement L176103 between the Village of Downers Grove and the Illinois Environmental Protection Agency (IEPA) for replacement of water main and related appurtenances.

2. That said Ordinance authorizes the Corporate Authorities to allow, by resolution, a person other than the Mayor to authorize or execute documents solely associated with payment requests or reimbursements from the IEPA in connection with this loan.

3. That the Corporate Authorities hereby authorizes the Village Manager to execute or authorize any documents associated with payment requests or reimbursements from the IEPA in connection with this loan.

4. That all resolutions or parts of resolutions in conflict with the provisions of this Resolution are hereby repealed.

5. That this Resolution shall be in full force and effect from and after its passage as provided by law.

\_\_\_\_\_  
Mayor

Passed:

Attest: \_\_\_\_\_  
Village Clerk