

**NOTICE OF INTENT TO ISSUE BONDS
AND RIGHT TO FILE PETITIONS**

Notice is hereby given that pursuant to Ordinance No. _____, adopted on the 2nd day of June, 2025 (the "*Ordinance*"), the City of Crest Hill, Will County, Illinois (the "*City*"), intends to issue its Waterworks and Sewerage Revenue Bonds in an aggregate principal amount not to exceed \$32,000,000 (the "*Bonds*") and bearing interest per annum at not to exceed the maximum rate authorized by law at the time of sale thereof, for the purpose of paying costs of improving the combined waterworks and sewerage system of the City (the "*System*"), as further described in the Ordinance. The Bonds would be payable solely from the revenues of the System. A complete copy of the Ordinance follows this notice.

Notice is hereby further given that if a petition signed by 1,109 or more electors of the City (the same being equal to 10% of the registered voters in the City) asking that the question of improving the System and the issuance of the Bonds therefor, be submitted to the electors of the City is filed with the City Clerk within thirty (30) days after the date of publication of this notice and the Ordinance, an election on the proposition to issue said bonds shall be held on the 17th day of March, 2026. The Circuit Court may declare that an emergency referendum should be held prior to said election date pursuant to the provisions of Section 2A-1.4 of the Election Code of the State of Illinois, as amended. If no such petition is filed with the City Clerk within said 30-day period, the Bonds shall be authorized to be issued.

By order of the City Council of the City of Crest Hill, Will County, Illinois.

Dated this 2nd day of June, 2025.

Christine Vershay-Hall
City Clerk, City of Crest Hill,
Will County, Illinois

ORDINANCE NO. _____

AN ORDINANCE authorizing the issuance of Waterworks and Sewerage Revenue Bonds of the City of Crest Hill, Will County, Illinois, in an aggregate principal amount not to exceed \$32,000,000.

* * *

WHEREAS, the City of Crest Hill, Will County, Illinois (the “*City*”), operates its combined waterworks and sewerage system (the “*System*”) in accordance with the provisions of Division 139 of Article 11 of the Illinois Municipal Code, as supplemented and amended, and in particular as supplemented by the Local Government Debt Reform Act, as amended (collectively, the “*Act*”); and

WHEREAS, the City Council of the City (the “*Corporate Authorities*”) have determined that it is advisable, necessary and in the best interests of the public health, safety and welfare to undertake certain improvements to the System, including cured in place water main lining and projects to allow the city to accept a new Lake Michigan Water Supply and related projects, all in accordance with the plans and specifications prepared by the consulting engineers of the City, which Project has a useful life of at least 30 years, and approved by the Corporate Authorities and now on file in the office of the City Clerk, and to pay the engineering, legal, financial and administrative expenses related thereto (collectively, the “*Project*”); and

WHEREAS, the estimated cost of constructing and installing the Project, including engineering, legal, financial, bond discount, printing and publication costs, and other expenses, is not less than \$32,000,000, and there are insufficient funds on hand and lawfully available to pay such costs; and

WHEREAS, it is necessary and for the best interests of the City that the Project be undertaken and in order to finance the costs thereof it will be necessary for the City to issue up to \$32,000,000 bonds payable from the revenues of the System as authorized by the Act and maturing not later than 30 years after their issuance (the “*Bonds*”); and

WHEREAS, the City expects to issue the Bonds in connection with a loan or loans offered or to be offered by the State of Illinois (the “*State*”), acting through the Illinois Environmental Protection Agency (the “*IEPA*”), through the Water Supply Loan Program (the “*Loan Program*”) of the State pursuant to Title 35 Ill. Adm. Code Part 662 (the “*Public Water Supply Program Regulations*”), for the purpose of paying certain eligible costs of the Project; and

WHEREAS, such loans may be made pursuant to a loan agreement or agreements and bond ordinance or ordinances, with such terms and conditions as may be provided by the IEPA, and it is necessary and advisable to authorize the acceptance of said loan and the execution of appropriate loan documents:

NOW, THEREFORE, Be It Ordained by the City Council of the City of Crest Hill, Will County, Illinois, as follows:

Section 1. Incorporation of Preambles. The Corporate Authorities hereby find that all of the recitals contained in the preambles to this Ordinance are full, true and correct and do incorporate them into this Ordinance by this reference.

Section 2. Determination to Issue Bonds. It is necessary and in the best interests of the City to undertake the Project for the public health, safety and welfare, in accordance with the preliminary plans and estimate of costs as hereinabove described, that the System continue to be operated in accordance with the provisions of the Act, and that for such purpose, there are hereby authorized to be issued and sold the Bonds in an aggregate principal amount not to exceed \$32,000,000.

Section 3. Publication. This Ordinance, together with a notice in the statutory form (the “*Notice*”), shall be published once within ten (10) days after passage hereof by the Corporate Authorities in the *Herald-News*, the same being a newspaper of general circulation in the City, and if no petition, signed by 1,109 electors, being equal to ten percent (10%) of the number of registered voters in the City, asking that the question of improving the System and issuance of the Bonds therefor, as provided in this Ordinance, be submitted to the electors of the

City is filed with the City Clerk within thirty (30) days after the date of the publication of this Ordinance and the Notice, then this Ordinance shall be in effect.

Section 4. Additional Ordinances. If no petition meeting the requirements of applicable law is filed during the petition period hereinabove referred to, then the Corporate Authorities may adopt additional ordinances or proceedings supplementing or amending this Ordinance providing for the issuance and sale of the Bonds, prescribing all the details of the Bonds, so long as the maximum amount of the Bonds as set forth in this Ordinance is not exceeded and there is no material change in the Project or purposes described herein. Such additional ordinances or proceedings shall in all instances become effective in accordance with applicable law. This Ordinance, together with such additional ordinances or proceedings, shall constitute complete authority for the issuance of the Bonds under applicable law.

However, notwithstanding the above, the City 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 City to pay the principal and interest due to the Program without the written consent of the IEPA.

Section 5. Loan Not Indebtedness of the City. Repayment of the Bonds to the IEPA by the City pursuant to this Ordinance is to be solely from the revenue derived from the revenues of the System, and neither the Bonds nor the Loan constitute an indebtedness of the City within the meaning of any constitutional or statutory limitation.

Section 6. Application for Loan. The Mayor is hereby authorized to make application to the IEPA for a Loan through the Program, in accordance with the loan requirements set out in the Public Water Supply Program Regulations.

Section 7. Acceptance of Loan Agreement; Execution of Loan Agreement. The Corporate Authorities hereby authorize acceptance of the offer of a Loan through the

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 IEPA in accordance with the terms and conditions of the Loan Agreement.

The Mayor is hereby authorized and directed to execute the Loan Agreement with the IEPA. The Corporate Authorities may authorize by ordinance a person other than the Mayor for the purpose of authorizing or executing any documents associated with payment requests or reimbursements from the IEPA in connection with the Loan.

Section 8. Outstanding Obligations. The City has outstanding certain obligations payable from revenues of the System. Its outstanding General Obligation Refunding Bonds (Waterworks and Sewerage System Alternate Revenue Source) (the “*Prior Senior Lien Bonds*”), have a lien on the revenues of the System that are senior to the lien on the revenues for the Bonds authorized by this Ordinance. In addition, the City has heretofore entered into and there is now outstanding the the 2022 loan agreement (L175735) with the IEPA that has a lien on parity with the revenues for the Bonds authorized by this Ordinance. The City will continue to fund the necessary amounts in its Junior Bond Reserve Account to provide the coverage and reserve necessary in accordance with the Public Water Supply Program Regulations.

Section 9. Severability. If any section, paragraph, clause or provision of this Ordinance shall be 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; Effective Date. All ordinances, resolutions or orders, or parts thereof, in conflict with the provisions of this Ordinance are to the extent of such conflict hereby repealed; and this Ordinance shall be effective immediately.

ADOPTED by the Corporate Authorities on the 2nd day of June, 2025.

AYES: _____

NAYS: _____

ABSENT: _____

APPROVED on June 2, 2025

/s/ Raymond Soliman
Mayor, City of Crest Hill,
Will County, Illinois

PUBLISHED in the *Herald-News* on June __, 2025.

RECORDED in the City Records on June 2, 2025.

Attest:

/s/ Christine Vershay-Hall
City Clerk, City of Crest Hill,
Will County, Illinois