

**ROCHELLE CITY COUNCIL
REGULAR MEETING 11/13/23**

SUBJECT: Approve an ordinance authorizing the city to borrow funds through the state revolving fund program in the amount of \$15 million.

Staff Contact: Adam Lanning

Summary: The water reclamation plant needs improvements so the City can maintain treatment that produces a high quality effluent and meets the City’s NPDES permit requirements. The water reclamation plant improvements include BNR upgrades to aeration bays 5-8, rehabilitation of the final clarifiers, replacement of the tertiary sand filters with new filters, and rehabilitate the excess flow lagoons. These improvements will include the necessary changes to meet pending phosphorus limits from the IEPA.

In order to complete this project, it is necessary to borrow funds from the Illinois Water Pollution Control Revolving Fund Loan program to finance it. As part of the revolving loan fund program, it is required the city council approve an ordinance stipulating a maximum dollar amount the city may borrow. The current cost estimate of the project is \$9.6 million but we are requesting authorization of \$15 million due to the volatile market costs. Through the loan program we have been issued \$2.7 million in principal forgiveness and don’t want to risk losing that due to time delays.

Timeline for project:

- Bids are currently advertised
- Pre-bid meeting - November 21st
- Bid Opening - Dec 21st
- Bid Award - Jan 8th
- Loan Agreement Obtained - March 8th 2024
- Preconstruction Meeting - March 27 2024
- Construction Start - May 1, 2024
- Final - June, 2025

Funding Sources:

Source:	Budgeted Amount:	Proposed Expenditure:
		N/A

Recommendation: Approve an ordinance authorizing the city to borrow up to \$15 million for the phase 2 WWTP upgrades.