

**ROCHELLE CITY COUNCIL  
REGULAR MEETING 2/12/24  
AGENDA ITEM NO. 2**

**SUBJECT:** Resolution approving the IEPA loan agreement for Wastewater Treatment Plant upgrades phase 2.

**Staff Contact:** Adam Lanning

**Summary:** After authorizing a notice of intent, the City must approve a Water Pollution Control Revolving Fund loan agreement with the IEPA to secure funding for the WWTP upgrades. The total project cost is as follows:

Construction \$10,670,000 for the low bid.  
Contingency (3%) \$320,100 per IEPA loan guidelines  
Engineering \$650,500  
Total Cost \$11,640,600  
Principal Forgiveness \$3,492,180  
Total Amount to Repay \$8,148,420

The annual repayment after principal forgiveness will be \$468,100 and the City will not begin repayment until the project is complete. The term of the loan is 20 years at 1.36% and we anticipate IEPA final approval of the loan in March 2024.

**Funding Sources:**

Source:	Budgeted Amount:	Proposed Expenditure:
IEPA WPCRF Loan	\$15,000,000	\$11,640,000

**Recommendation:** Approve a resolution authorizing the Mayor to sign a WPCRF loan agreement with the IEPA.

**Supporting Documents:**

Document Link 1  
Document Link 2  
Document Link 3