

TRANSMITTAL LETTER FOR BOARD MEETING OF NOVEMBER 6, 2014

COMMITTEE ON FINANCE

Mr. David St. Pierre, Executive Director

..Title

Ordinance O14-007 An ordinance providing for the issuance of not to exceed \$245,000,000 General Obligation Limited Tax Capital Improvement Bonds(2014 IEPA Authorization) of the Metropolitan Water Reclamation District of Greater Chicago for the purpose of financing capital improvement projects to the District's facilities; authorizing and providing for related Loan Agreements with the Illinois Environmental Protection Agency providing for loans from the Revolving Loan Fund, and such other documents as may be necessary; and providing for the levy of taxes to pay the interest on and principal of said Bonds

..Body

Dear Sir:

Attached is the first of three ordinances being presented to the Board today relating to the District's anticipated issuance of General Obligation Capital Improvement Bonds to evidence the State Revolving Loan Fund(SRF) loans to be issued totaling \$425,000,000. The bonds will be issued as SRF obligations and will not be sold in the public market. On October 2, 2014, the Board of Commissioners of the District conducted and concluded a public hearing regarding the District's intention to sell \$500,000,000 General Obligation Capital Improvement Bonds. The adoption of Ordinance O14-007 will provide for \$245,000,000 of such issuance in connection with non-TARP projects approved by the Illinois Environmental Protection Agency ("IEPA") for funding by reimbursement loans from the State's Revolving Loan Fund.

Upon receipt of the first reimbursement of project construction expenses from the IEPA, the estimated amount to be loaned to the District for that project plus interest accrued during the construction period will be confirmed and a General Obligation Unlimited Tax Capital Improvement Bond for that amount in face value will be issued to the State of Illinois – Illinois Environmental Protection Agency. At that time, the required annual tax levies for payment of semi-annual debt service will be established and filed with the County Clerk of the County of Cook, Illinois.

The passage of the Ordinance is required by the IEPA prior to advancing any funds or initiation of the program relating to these projects. Therefore, it is recommended that "Ordinance O14-007 providing for the issuance of not to exceed \$245,000,000 General Obligation Limited Tax Capital Improvement Bonds(2014 IEPA Authorization) of the Metropolitan Water Reclamation District of Greater Chicago for the purpose of financing capital improvement projects to the District's facilities; authorizing and providing for related Loan Agreements with the Illinois Environmental Protection Agency providing for loans from the Revolving Loan Fund, and such other documents as may be necessary; and providing for the levy of taxes to pay the interest on and principal of said Bonds" be adopted by the Board of Commissioners.

Respectfully Submitted, Mary Ann Boyle, Treasurer, MAB:st

Respectfully Submitted, Mariyana T. Spyropoulos, Chairman Committee on Finance

Disposition of this agenda item will be documented in the official Regular Board Meeting Minutes of the Board of Commissioners for November 6, 2014

Attachment