

ORDINANCE 17-028

**AN ORDINANCE AUTHORIZING THE BORROWING OF FUNDS FOR THE
GENERAL MUNICIPAL CORPORATE PURPOSES OF THE CITY OF
MONMOUTH, COUNTY OF WARREN, STATE OF ILLINOIS**

WHEREAS, the City of Monmouth, Warren County, State of Illinois (the “City”) is a duly organized and existing City created under the provisions of the laws of the State of Illinois, and is now operating as a home rule municipality under the provisions of the Illinois Municipal Code, and all laws amendatory thereof and supplementary thereto with full powers to enact ordinances for the benefit of the residents of the City; and

WHEREAS, the City Mayor, the Honorable Rod Davies, the City Clerk, the Honorable Susan Trevor, and the City Council, the Honorable, Justin Thomas, David Rutledge, Susan Twomey, Brian Daw, Joe Clark, Dan Heatherly, Juan Pinedo and Robert Wells, constitute the duly elected, qualified and acting officials for the City;

WHEREAS, the City Council, for the City of Monmouth, County of Warren, State of Illinois, have determined that it is advisable, necessary and in the best interest of the City and its residents to authorize, the borrowing of funds for the general municipal corporate purposes, including capital infrastructure to the North Pretreatment Plant and Force Main servicing said Pretreatment Plant.

NOW THEREFOR BE IT ORDAINED by the City Mayor and the City Council of the City of Monmouth, Warren County, Illinois, as follows;

**ARTICLE I.
IN GENERAL**

SECTION 1.01 Incorporation Clause.

The Mayor and City Council of the City (the “City Council”) hereby find that all of the recitals hereinbefore stated as contained in the preambles to this Ordinance are full, true and correct and does hereby, by reference, incorporate and make them part of this Ordinance.

SECTION 1.02 Purpose.

The purpose of this Ordinance is to authorize the new loan from the MIDWEST BANK in the amount of \$3,000,000.00 for a period of not to exceed ten (10) years. The loan is being obtained for the capital improvements project involving the North Pretreatment Plant and Force Main servicing said Pretreatment Plant.

SECTION 1.03 Invocation of Authority.

This Ordinance is enacted pursuant to the authority granted to this City by the Constitution of the State of Illinois and the Illinois Compiled Statutes.

SECTION 1.04 State Law Adopted.

All applicable provisions of the Illinois Compiled Statutes, including the Municipal Code, as may be amended from time to time, relating to the purposes of this Ordinance are hereby incorporated herein by reference.

**ARTICLE II
AUTHORIZATION TO BORROW FUNDS**

SECTION 2.01 Authorization to Borrow.

That the Mayor and the City Council of the City do hereby authorize the City to borrow funds, as empowered by Illinois Statute 65 ILCS 5/8-1-3.1, upon the terms and conditions as set out in the promissory note in favor of Midwest Bank (hereinafter the “Note), a copy of which is attached hereto and made a part hereof as Exhibit A.

SECTION 2.02 Method of Borrowing.

That the Mayor and City Council hereby authorize the City to borrow said funds by means of a lump sum loan, or by any means authorized by law.

SECTION 2.03 Amount and term of Note.

That the Mayor and City Council hereby authorize the City to borrow a combined sum of not more than Three Million Dollars (\$3,000,000.00) for terms not to exceed ten (10) years. The Promissory Note shall bear interest at a rate of 4.500% per annum for a ten (10) year period and said monthly payments shall be \$19,037.00 per month for 119 months and a **balloon payment** of \$1,850,320.47 on its 120th month anniversary date, provided no default and demand is made prior to that date.

SECTION 2.04 Interest on Note

That the Mayor and City Council hereby authorizes the City to borrow said Three Million Dollars (\$3,000,000.00) at the interest rate of 4.500% per annum as set forth in the Promissory Note.

SECTION 2.05 Lending Institution.

That the Mayor and City Council hereby authorize the City to borrow said sum, at said rate of interest, from Midwest Bank an institution meeting the definition of a “financial institution” as that term is defined by Illinois Statute, 65 ILCS 5/8-1-3.1.

SECTION 2.06 Approval and Execution of Documents.

The form, terms and provisions of the Note hereby approved in substantially the same for as attached hereto as Exhibit A. The Mayor and City Council are hereby authorized and directed to negotiate the terms and conditions of the Note and/or other appropriate lending instrument consistent, with the terms and conditions of this Ordinance, together with such other provisions as the Mayor and City Council deem appropriate. The Mayor is further authorized and directed to execute said Note and/or other appropriate lending instrument and any related exhibits attached thereto and the City Clerk is authorized and directed to attest, countersign and affix the seal of the City of Monmouth to such documents and any and all other documents necessary to carry out and give effect to the purpose and intent of this Ordinance. The Mayor and Clerk are further authorized to execute any additional loan documents and pledge the necessary collateral to consummate the loan.

SECTION 2.07 Bank Qualifications.

The City represents that this is not a bank qualified note.

SECTION 2.08 Other Actions Authorized.

The Mayor, City Clerk and City Attorney are hereby authorized and directed to all things necessary, essential, or convenient to carry out and give effect to the purpose and intent of this Ordinance.

SECTION 2.09 Acts of the Village Officials.

That all acts and doing of the officials of the City, past, present and future which are in conformity with the purpose and intent of this Ordinance, are hereby, in all respects, ratified, approved , authorized and confirmed.

**ARTICLE III
SAVINGS CLAUSES, PUBLICATION, EFFECTIVE DATE**

SECTION 3.01 Headings.

The headings for the articles, sections, paragraphs and sub-paragraphs of this Ordinance are inserted solely for the convenience of reference and from no substantive part of this Ordinance nor should they be used in any interpretation or construction of any substantive provisions of this Ordinance.

SECTION 3.02 Severability.

The provisions of this Ordinance are hereby declared to be severable and should any provisions, clause, sentence, paragraph, sub-paragraph, section, or part of this Ordinance be determined to be in conflict with any law, statue or regulation by a court of competent jurisdiction, said provision shall be excluded and deemed inoperative, unenforceable, and as

though not provide for herein, and all other provision shall remain unaffected, unimpaired, valid and in full force and effect,. It is hereby declared to be the legislative intent of the City Council that this Ordinance would have been adopted had not such unconstitutional or invalid provision, clause, sentence, paragraph, sub-paragraph, section, or part thereof had not been included. Additionally, if an additional term is required to meet compliance with State Law, then it is hereby declared to be the legislative intent of the City Council that this Ordinance would have been adopted had such term been included, in order to make this Ordinance an enforceable provision.

SECTION 3.03 Superseder.

All code provisions, ordinances, resolutions and orders, or parts thereof, in conflict herewith, are to the extent of such conflict hereby superseded.

SECTION 3.04 Publication.

A full, true and complete copy of this Ordinance shall be published in pamphlet form or in a newspaper published and of general circulation within the City as provided by the Illinois Municipal Code, as amended.

SECTION 3.05 Effective Date.

This Ordinance shall be in full force and effect upon passage and approval, as provide by the Illinois Municipal Code, as amended.

PASSED this _____ day of September, A.D., 2017.

APPROVED this _____ day of September, A.D., 2017.

MAYOR

ATTEST:

CITY CLERK