



CITY COUNCIL AGENDA ITEMS

To: Mayor Graham and City Council
From: Dennis Sullivan, Director of Engineering & Public Works
Walter Denton, City Administrator
Date: June 5, 2006
Subject: RESOLUTION – Resolution with the Illinois Environmental Protection Agency, New Elevated Tanks Project.

List of committees that have reviewed: Public Works

Background: The City of O'Fallon received a violation notice from the Illinois Environmental Protection Agency on December 2, 2005. The notice listed several deficiencies in the City's water distribution system.

The construction of two new water storage tanks is required to correct one of the deficiencies listed in the violation letter (Inadequate storage capacity). The State of Illinois offers a revolving loan program for the construction of certain water system improvements. The referenced resolution allows the Mayor and appropriate representatives of the City to sign IEPA loan documentation for the project.

Legal Considerations, if any: Normal concerns when entering into a loan program funded by a State Agency. The City Attorney and the Director of Finance and Administration are required to review all final loan documentation and complete project affidavits prior to the execution of the final loan documents.

Budget Impact: A pre-loan application was submitted to the IEPA in March of 2006. The amount requested was \$4,500,000. This amount includes the construction of two new elevated water tanks and SCADA (Communication) system which will allow for proper system integration between existing and proposed storage tanks and pump stations. The final loan amount will not be determined until after the City obtains bids for the project.

Staff recommendation: Staff recommends the support of the resolution to allow the Mayor to sign the IEPA resolution.