



## CITY COUNCIL AGENDA ITEMS

**To:** Mayor and City Council  
**From:** Dean Rich, Director of Finance  
Pam Funk, Assistant City Administrator  
**Date:** August 6, 2007  
**Subject:** Ordinance amending Ordinance No. 3518 – IEPA Water Tower Loan

**List of committees that have reviewed:** Finance and Administration & Public Works reviewed and approved the original ordinance passed by the City Council in May. Because of time restraints neither committee has reviewed the ordinance amendment.

**Background:** Council passed Ordinance 3518 on May 21, 2007 to borrow \$5,000,000 from IEPA for Elevated Storage Tanks and the French Village Pump Station. In the filing for the loan the City identified the current \$3.5 million loan for the Automated Water Meter (AMR) System and provided documentation that it was paying for it's self in reduced labor cost, reduced worker compensation cost and savings associated with monthly billing. In the final legal review the legal staff at IEPA wants wording in Section 7 that the City would maintain a reserve account for the AMR loan--which the AMR loan already requires and is in place. This is the technical documentation on the IEPA Loan of an already existing requirement on the AMR Loan. The council is being asked to pass this amendment on second reading to prevent delay of the loan process as we have already opened bids on the pump station.

**Legal Considerations, if any:** Requested by the legal review committee at IEPA and approved by the City of O'Fallon Attorney.

**Budget Impact:** None

**Staff recommendation:** Pass the amending ordinance on two readings at the 6 August meeting.