

Subject: IEPA questions

Date: Thursday, August 5, 2021 at 12:08:15 PM Central Daylight Time

From: Peggy Keylin

To: Mike James, Village of Downs Public Works Chair

Hi Mike and Toby,

These are some questions I have concerning the IEPA loan program, how we use the money, and how we repay the loan.

1. The Public Water Supply Loan Program Ordinance Authorizing Loan Agreement Non-Home Rule Entity document states the loan must be paid from "revenues of the Water System." What is meant by that? Is it to be paid only from fees charged to water users? Are TIF monies acceptable as payment? Are monies from any other sources acceptable as payment? For example, could the water department take a loan from another department in Downs to use as payment?

2. Do we still have the option of improving the water plant in increments? For example, we put in new filtration and remove tannins but don't add the softener system? I ask because in Section 4, Additional Ordinances of the IEPA loan rules, it says we can make changes as long as "there is no material change in the Project or purposes." If our Project is Plan A, it seems we'd have to agree to do the entire plan instead of just a portion of it.

3. The IEPA rules also state that we may not adopt additional ordinances that would take priority over this ordinance. If Downs were to receive this loan for \$4,000,000, could we apply for a second IEPA public water supply loan within a couple of years? Could 2 loans have priority at the same time? How would payments work?

4. On a \$4,000,000 loan what will our payments be over the life of the loan? Will we pay monthly, bi-annually, annually?

Thanks for your time.
Peggy