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Monday, February 03, 2014
5:30 PM

CITY COUNCIL AGENDA

I. Call to Order

1. Roll Call
2. Pledge of Allegiance
3. Invocation

II. Approval of Minutes

Approval of January 21, 2014, City Council Meeting Minutes

III. Unfinished Business

IV. New Business

1. Proclamations and Recognitions
   - A. Proclamations
   - B. Mayor’s Recognitions

2. Ordinance Annexing Territory 3223 Rea's Ridge Court

3. Resolution Accepting Bid and Authorizing Contract with Great Lakes Dredge & Dock Company, LLC for Oakley Sediment Basin Rehabilitation and Lake Decatur Dredging Basins 1 through 4

4. An Ordinance providing for the issuance of not to exceed $26,000,000 General Obligation Bonds, Series 2014, of the City of Decatur, Macon County, Illinois, to finance the expansion of the City's water supply by the dredging of Lake Decatur

5. Appearance of Citizens

   Policy relative to Appearance of Citizens:

   A 15 minute time period is provided for citizens to appear and express their views before the City Council. Each citizen who appears will be limited to 3 minutes. No immediate response will be given by City

Council or City staff members.

6. Other Business

V. Recess to Closed Executive Session for the purpose of a discussion regarding collective bargaining matters.

VI. Adjournment

CITY COUNCIL MINUTES
Tuesday, January 21, 2014

On Tuesday, January 21, 2014, the City Council of the City of Decatur, Illinois, met in Regular Meeting and Study Session at 5:30 p.m., in the Council Chambers, and Closed Executive Session, One Gary K. Anderson Plaza, Decatur, Illinois. Mayor Michael T. McElroy presided; together with him being Councilmen Larry W. Foster, Patrick S. Laegeler, Pat McDaniel, Julie Moore-Wolfe and Dana M. Ray. Councilmen Jerry J. Dawson was absent. Six members were present. Mayor McElroy declared a quorum present.

City Manager, Ryan P. McCrady, attended the meeting as well.

Mayor McElroy led the Pledge of Allegiance to the Flag.

The minutes of the meeting of December 16, 2013, were presented. Councilman Dana M. Ray moved the minutes be approved as written; seconded by Councilman Pat McDaniel and on call of the roll, Councilmen Larry W. Foster, Patrick S. Laegeler, Pat McDaniel, Julie Moore-Wolfe, Dana M. Ray and Mayor McElroy voted aye. The Mayor declared the motion carried.

This being the time set aside for unfinished business and there being no unfinished business, the Mayor proceeded to New Business.

Francie Johnson, with Dove, addressed Council on behalf of Sue Lawson, President, Coalition of Neighborhood Organizations. Ms. Johnson advised of the following events: GM Square Chili Supper and games will be Tuesday, February 4, 2014, 6:00 p.m., at St. Thomas Church, the public is welcome; Park City Neighborhood organization will host their Friendship Dinner, which is a monthly fundraising event. The Friendship Dinner will be held on February 21, 2014. The doors will open at 5:30 p.m., dinner at 6:00 p.m. and at 6:30 p.m.; Jay Scott will speak on the Conceal Carry law. The cost of the dinner is $6.00 and the public is welcome; CONO and Dove will host a candidate's forum at the Decatur Public Library on Tuesday, February 25 at 5:30 p.m. with a meet and greet with the forum at 6:00 p.m. and the public is welcome. Refreshments will be served.

R2014-02 Resolution Appropriating Motor Fuel Tax funds for traffic signal maintenance and concrete for street maintenance by municipality under the Illinois Highway Code, was presented.

Councilman Patrick S. Laegeler moved the Resolution do pass; seconded by Councilman Larry W. Foster.

The City Manager provided an overview of this item stating the City's Capital Improvement Plan includes Motor Fuel Tax allocations to reimburse the General Fund for the traffic signal maintenance operations performed by the City staff with the Public Works Department. The Illinois Department of Transportation reimburses the City for a portion of the maintenance work, materials, etc incurred for maintenance traffic signals located on State highways in the City. These reimbursements are deposited into the Motor Fuel Tax fund. The motor fuel tax allocation has been expanded to include $19,000.00 in motor fuel tax funds to be used to provide concrete for street maintenance work which will be performed by City staff. City crews are able to perform concrete work at a lower cost than contracting the work out.

On call of the roll Councilmen Larry W. Foster, Patrick S. Laegeler, Pat McDaniel, Julie Moore-Wolfe, Dana M. Ray, and Mayor McElroy voted aye. The Mayor declared the motion carried.

R2014-03 Resolution Accepting Bid of Bodine Communications for Installation of High Capacity Fiber Optic Cable, was presented.

Councilman Larry W. Foster moved the Resolution do pass; seconded by Councilman Patrick S. Laegeler.

City Manager McCrady explained the City has for a number of years been working to improve communications in and between City facilities. In the past staff has brought items before Council to approve the installation of conduit when City streets have been open for water main extensions or, for example, the downtown rehabilitation. The installation of the conduit has been in anticipation of the City being able to pull fiber optic cable through the conduits and begin hooking up the City facilities. The resolution before Council authorizes Bodine Communications to upgrade the City's current wireless wide area network and to provide data communications for the future Police Department facility. Bodine was the low bidder for this project and the quote is for the purchase and installation of 144 strand fiber optic cable. The purchase and installation will provide a comprehensive digital net work for all municipal locations, and operations. It will allow for the capability to consolidate the City phone systems as well as the reliability and improvement of application performance for remote users. Funding for this purchase is included in the 2014 Police Department Budget and the remaining funds will come from the PEG Fund. Expanding the fiber optic network becomes an economic development tool for the City. The ability for current and future business to have high speed communications is an asset. The City Manager and staff recommend approval of this item. In addition, Council was assured by the City Manager and Randy Aldrich, Management Information Services Manager that 144 strands will be more than enough for the City. Councilmen Patrick S. Laegeler and Pat McDaniel expressed support of this project and the fact that it has great potential for the community.

On call of the roll Councilmen Larry W. Foster, Patrick S. Laegeler, Pat McDaniel, Julie Moore-Wolfe, Dana M. Ray, and Mayor McElroy voted aye. The Mayor declared the motion carried.

R2014-04 Resolution Authorizing City of Decatur/Harrison Management Group LLC Redevelopment Agreement, was presented.

Councilman Pat McDaniel moved the Resolution do pass; seconded by Councilman Julie Moore-Wolfe.

City Manager McCrady and Billy Tyus, Assistant City Manager and Director of Development Services shared in providing an overview of this item stating the City has been working for some time to finalize the development for Mound Center. Currently there is a $9.5 million spending gap for furniture in the local economy. Residents are spending money on furniture outside of the community in addition to what is currently sold inside the City. The City has reached an agreement with Harrison Management Group LLC to bring an Ashley Furniture store and other entities to the site. The space will have options for other development which could include additional retail and possibly a new restaurant. The proposed project site is currently not generating any sales tax revenue, so any of the shared taxes would come from new funds generated that the City otherwise would not be receiving.

On call of the roll Councilmen Larry W. Foster, Patrick S. Laegeler, Pat McDaniel, Julie Moore-Wolfe, Dana M. Ray, and Mayor McElroy voted aye. The Mayor declared the motion carried.

Mayor McElroy called for Consent Calendar Items A through G and asked if any Council member wished to have an item removed from Consent Calendar. Items A through G were approved by Omnibus Vote.

Councilman Patrick S. Laegeler moved that Consent Calendar Items A through G be approved by Omnibus Vote and seconded by Councilman Dana M. Ray and on call of the roll Councilmen Larry W. Foster, Patrick S. Laegeler, Pat McDaniel, Julie Moore-Wolfe, Dana M. Ray, and Mayor McElroy voted aye. The Mayor declared the motion carried.

Receiving and Filing of Minutes of Boards and Commissions

R2014-01 Resolution Approving Appointments to Boards and Commissions

2014-01 Ordinance Amending City Code Chapter 7 – Officers and Employees Generally

2014-02 Ordinance Amending City Code Chapter 6 – City Council

R2014-05 Resolution Accepting Bid of Steve's Trucking, for Demolition of Property Located at 240 N. College

R2014-06 Resolution Authorizing an Agreement with Decatur City Taxi & Delivery, Inc. for the Transit System's "Operation Uplift"

R2014-07 Resolution Authorizing Second Amendment to Contract of Sale with Harrison Management Group, LLC for Property Located at Mound Center.

This being the time for Appearance of Citizens Janelle Norman addressed Council advising them she and the NAACP are concerned about the possible elimination of the Human Rights Officer position. They feel it would be a grave injustice and damage the community if this position is eliminated. She inquired how the City can ignore its own ordinance which is set forth in Chapter 28 of the City Code. Gerald Merrick, 609 East William Street, Decatur, Illinois, recommended the City obtain a larger cable optical system because of the enhancements of the Park District, water district, employees of the City and departure of Decatur and Macon County, with the water and business growth and expansion of companies, he support the Human Relations position; Gloria Cole, citizen, concerns about the human relations position eliminated.

She is a retired teacher and she knows many disabled people who might need assistance if they are discriminated in housing and employment, they don't have an advocate and the position belongs to the community and is needed. She asked them to reconsider the elimination. Larry Altenbaumer, interim President of EDC and member of Grow Decatur, advised Grow Decatur identified 8 imperatives that are important to the progress of the community, and one is the community's water supply. From both EDC and Grow Decatur advised Council the City's water supply must be an absolute high priority.

Mayor McElroy proceeded to Other Business and spoke on the possible elimination of the Human Rights Officer position. Mayor McElroy praised Mark Barthelemy for being an exemplary employee. He indicated the City is hard pressed to find a person who can do the job as well as Mark Barthelemy and the City does not want to settle for anything less. The Mayor expressed concerns with regard to finding a quality person with Mark's investigative skills and professionalism. The elimination of the position has been discussed, but no decision has been made. The reason the Human Rights Officer job has been discussed is because Mark is retiring and the subject matter had to be discussed.

Councilman Patrick S. Laegeler inquired about angle parking on Franklin Street. The City Manager advised he and staff had advocated for angle parking on Franklin Street. However, since the project is being funded with the Transportation Enhancement Grant from the Illinois Department of Transportation, and the Illinois Department of Transportation will not approve plans with angle parking along Franklin Street, there will not be angle parking on Franklin Street.

Councilman Pat McDaniel advised grain trucks are still going downtown. City Manager McCrady advised the Police Department has written citations for those violators and will continue to enforce the law.

Councilman Pat McDaniel moved to recess to study session for the Treasurer's Financial Report and Oakley Sediment Basin Rehabilitation and Dredging Basins 1 through 4 City Project W1314; seconded by Councilman Larry W. Foster and on call of the roll Councilmen Larry W. Foster, Patrick S. Laegeler, Pat McDaniel, Julie Moore-Wolfe, Dana M. Ray, and Mayor McElroy voted aye. The Mayor declared the motion carried.

The Treasurer's Financial Report was the first item Gregg Zientara, Finance Director, addressed advising the City's financial position remains stable at the present. Factors that impact the City's financial position are changes in the local economy and distribution of taxes from the State that the City has no control over. The City's cash and investment balance is \$33.2 million and the General Fund Cash position is \$2.4 million, which includes \$250,000.00 of inter-fund cash advance to the regular fund. The City is cautious and will continue to track the revenue as it was down 5-7% last year. The departments have done a good job with keeping spending down.

Councilman Pat McDaniel inquired about the Farm Progress Show and the hotel/motel tax revenue. Gregg Zientara and City Manager McCrady advised the Farm Progress Show performed as expected, however, because of the soft economy throughout the year, the overall annual impact was not what has been seen in previous years.

The subject of dredging was the next item to be discussed during the study session. City Manager McCrady provided a brief history on the City's dredging of Lake Decatur and advised there has been a desire for large scale dredging of Lake Decatur. Dredging in two basins has been completed. Further, he advised there are areas of the lake that have never been dredged since the lake was built in 1923. The City Manager and staff advocate all four basins of the lake be dredged. He advised the cost is per cubic yard of dredge material that will be removed and this is the most efficient way to dredge the lake. There are fixed costs related to dredging of the lake whether one basin is dredged or four basins are dredged. All four basins need to be dredged. The City can afford spending $89,000 million without the need to raise additional water rates. This will be the biggest project on Lake Decatur since it was built. Mayor McElroy did inquire if any councilmember was in favor of dredging just one or two basins. No councilmember(s) indicated they were in favor of dredging just one or two basins. Keith Alexander, Director of Water Management, addressed council and provided exhibits which were provided in the Council packet. He stated there are four basins to be dredged; two basins have previously been dredged. Not all of basin 1 needs to be dredged because in some areas it is already low enough and Mr. Alexander advised water flows from high points to low points. After the dredging, all of the water from Basins 4, 3, 2, 1 will flow, if dredged as proposed, to the South Water Treatment Plant in- tanks. This is where the City will get the maximum water supply benefit from the project. The City will gain 30% of the water storage capacity and an additional 52 days of water supply. The City Manager advised representatives from Chastain & Associates and representatives from Great Lakes were available for questions. Councilman Dana M. Ray asked if the City will have to be dredge again. Mr. Alexander advised with the placement of sediment traps, dredging will not be needed. The sediment traps will be in place and will need to be cleaned every 5 -10 years, short lived and inexpensive to clean out the sediment traps. Councilman Patrick S. Laegeler inquired about the where the sediment is being placed. Mr. Alexander explained that the Oakley Sediment Basin is where the sediment from the lake will be put. This year the Macon County Board approved another 10 year Special Use Permit for the City to operate this as a sediment basin and explained the history and possible future uses of the site. Mr. Alexander advised the Macon County Board requires all special use permits have a time limit. The Macon County Board gave us the maximum time limit. The Macon County Board and Oakley Township Board recognize the huge economic importance of this project. They did advise they appreciated the Council's efforts to continue the dredging project. Mr. Alexander also advised the Oakley Sediment Basin will have the capacity to handle the dredge material. Mayor McElroy stated that this $90 million project tells people in the area that the City of Decatur is serious about wanting their business. He praised those who worked on this project, city staff, local contractors, etc. Councilman Larry W. Foster advised he is impressed with the previous work performed by Great Lakes and asked Jon Nieman to provide some background information with regard to Great Lakes. John Nieman, Vice-President of Rivers and Lakes Division, addressed council advising that Great Lakes is an Illinois company located in Oakbrook, Illinois. His specialty is in lakes and rivers and operates out of St. Louis. Great Lakes is the largest dredging company in the United States, with operations in several countries around the world Great Lakes is a 124 years old company that does $700,000 million a year in revenue his division is the largest lake dredgers in the country. Councilman Pat McDaniel expressed his support for this project. Councilman Larry W. Foster advised the future growth of our community is tied to water supply and the project sends a strong message to employers and future employers. In addition, he stated this is a significant vote and he supports dredging all four basins. Councilman Patrick S. Laegeler stated this project stands on its own from an economic stand point as well as a quality of life aspect, which is a huge bonus. Councilman Julie Moore-Wolfe stated water is the life blood of our community and by did the right thing by keeping Asian Carp out. A good quality life supply is necessary and she fully supports dredging all four basins. Councilman Dana M. Ray advised the driving force for her was listening to Larry Altenbaumer from the Economic Development Corporation talk about companies inquiring about the community's water supply. She further stated she is glad the issue is being addressed and resolved. The City Manager advised without the vote by Council for the water pricing adjustment, this project would not be moving forward. The City has sufficient revenue to pay the debt service on the bonds; still have funds to do the preventative maintenance on the water system and work will be performed as well as the supplemental water sources above and beyond dredging. This model is performing the way expected and the city has some flexibility in the out years of this model because rates are attractive for borrowing. The City will be able to front load some of the borrowing and still pay off the debt. Councilman Jerry W. Dawson, although absent from this meeting, asked the Mayor to inquire about the local labor being used for the project. Jon Nieman explained that the last time Great Lakes performed dredging for the City they hired local people and they have already started contacting them to bring them back. A few continued with Great Lakes after the job was completed in Decatur. Some of the people hired will have to start at the bottom and be trained, but most of the positions are skilled positions with specific training. Great Lakes made a commitment to the City that they would hire as many local people as possible, and once a person is hired and trained, that person will move up, and they will hire another person. Safety is an important factor with Great Lakes and it is a high risk occupation. Mayor expressed the City would like to keep as many people working here as possible and it is very important to the City. Jon Nieman advised Great Lakes also likes to buy local as much as they can.

At 6:57 p.m., Mayor McElroy announced Council would meet in Closed Executive Session for the Purpose of a Discussion Regarding Collective Bargaining Matters and Pending or Threatened Litigation Affecting or On Behalf of the City. Councilman Patrick S. Laegeler moved to recess to Closed Executive Session; seconded by Councilman Julie Moore-Wolfe and on call of the roll, Councilmen Larry W. Foster, Patrick S. Laegeler, Pat McDaniel, Julie Moore-Wolfe, Dana M. Ray, and Mayor McElroy voted aye. Mayor McElroy declared the motion carried.

At 7:19 p.m., the regular Council Meeting was reopened.

There being no further business, Councilman Pat McDaniel moved the meeting be adjourned; seconded by Councilman Larry W. Foster, and on call of the roll Councilmen Larry W. Foster, Patrick S. Laegeler, Pat McDaniel, Julie Moore-Wolfe, Dana M. Ray, and Mayor McElroy voted aye. The Mayor declared the Council meeting adjourned at 7:19 p.m.

Approved February ____, 2014
Linda Swartz
City Clerk

DEVELOPMENT SERVICES MEMORANDUM
Memo No. 14 - 01

February 3, 2014

TO: Honorable Mayor Michael T. McElroy and City Council

FROM: Ryan P. McCrady, City Manager
Billy Tyus, Assistant City Manager

SUBJECT: Annexation of 3223 Rea's Ridge Court

SUMMARY RECOMMENDATION: Annexation is predicated upon a previously executed "Water Service Agreement." Staff recommends the subject annexation petition be approved.

BACKGROUND: Over the last several years city staff has been directed to pursue, whenever feasible, extensions of city boundaries through the use of annexation. The above named property is bounded by and adjacent to Decatur's City limits. The lot is 0.46 acres and is improved with a single-family residence and accessory use. The parcel is located off of Rea's Bridge Road across from the North Water Treatment Plant. The Decatur City Council has considered this property for annexation previously. After the Council's November 18, 2013 annexation of this property, we learned that the street name was actually Rea's Ridge Court, not Rea's Bridge Court. The following information is relevant to the property proposed to be annexed:

1. City water is currently available and connected to the named properties.
2. No additional public infrastructure or municipal services are needed or contemplated.
3. Decatur Fire response distance and time averages 4.1 miles and 8.0 minutes, respectively.

When annexed the properties would become zoned R-1, Single Family Residence District.

POTENTIAL OBJECTIONS: No known objections.

INPUT FROM OTHER SOURCES: The plats and annexation requests have been reviewed by Municipal Services, Public Works, Fire, Legal, Finance, The Sanitary District of Decatur and Macon County Health Department. All reviewers recommend the annexations be approved.

STAFF REFERENCE: Questions concerning these annexation requests should be forwarded to Billy Tyus at 217.424.2727 or btyus@decaturil.gov.

BUDGET/TIME IMPLICATIONS: Based on the tax value, the City's Finance Department estimates $491.70 in real estate, $217.41 in motor fuel and $193.24 in state income taxes may be realized by annexing the named property.

ORDINANCE NO. ____________

ORDINANCE ANNEXING TERRITORY
- 3223 REA'S RIDGE COURT -

WHEREAS, there having been filed with the City Clerk, and by said Clerk presented to the Council herewith, the petition under oath of Dennis C. Jacobs and Sharon Sue Jacobs requesting that there be annexed to the City territory described as:

> Lot Three (3) of Rea's Hilltop Addition, as per Plat recorded in Book 300 Page 392 of the Records in the Recorder's Office of Macon County, Illinois, EXCEPT the South 15 feet of Lot Three (3), ALSO beginning at a point on the East line of Lot Three (3), 15 feet North of the Southeast Corner of Lot Three (3), thence West along a line 15 feet North of and parallel with the South line of Lot Three (3), a distance of 4.65 feet; thence Northeasterly 15.82 feet to a point on the East line of Lot Three (3) that is thirty (30) feet North of the Southeast Corner of Lot Three (3); thence South along the East Line of Lot Three (3), 15 feet to the point of beginning as deeded to Macon County in Book 2207, Page 792. Commonly known as 3223 Rea's Ridge Court, Decatur, Illinois. Permanent Index Number 18-08-33-328-011; and,

WHEREAS, it appears said petition is signed by the owners of record of all land within such territory and by at least 51% of the electors residing therein, and that said territory is contiguous to the City and not within the corporate limits of any city, village or incorporated town or other municipality; and,

WHEREAS, notice of intention to take action for annexation has been given as required.

NOW, THEREFORE, BE IT ORDAINED, BY THE CITY COUNCIL OF THE CITY OF DECATUR, ILLINOIS:

Section 1. That said petition and the request thereof be, and the same are hereby, approved.

Section 2. That said territory hereinabove described, along with all parts of public highways therein or next and adjacent thereto not heretofore annexed, if any, be, and the same are hereby, annexed to and are incorporated into the limits of the City of Decatur, Illinois, a municipal corporation.

Section 3. That a plat of said annexed premises is attached hereto and hereby made a part hereof.

Section 4. That the City Clerk cause certified copies of this ordinance to be respectively filed with the County Clerk and recorded by the Recorder of Deeds of Macon County, Illinois.

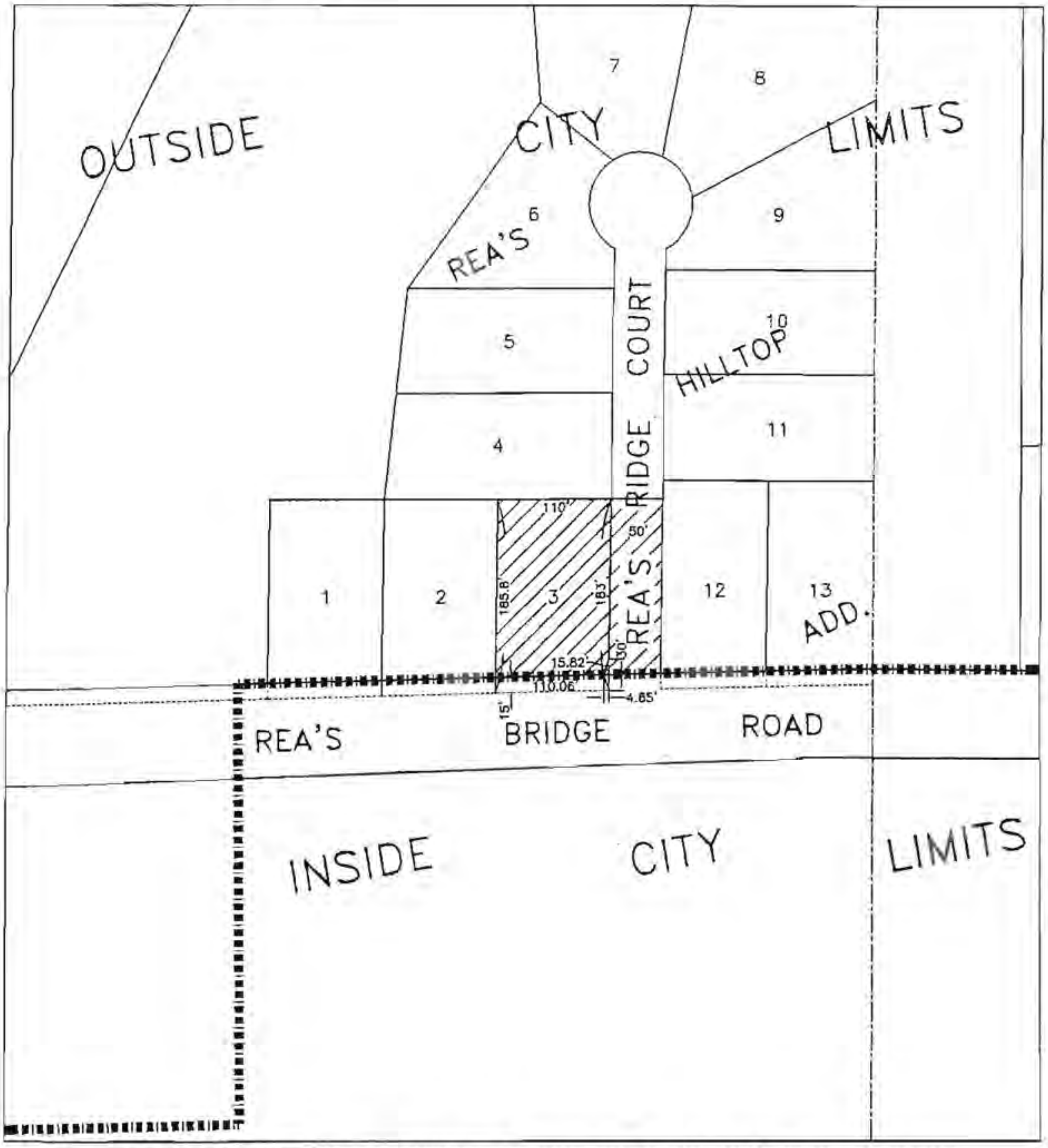
Section 5. That Ordinance No. 2013-87 passed by this Council on November 18, 2013 be, and the same is hereby, repealed.

PRESENTED, PASSED, APPROVED AND RECORDED this 3rd day of February, 2014.

MICHAEL T. MC ELROY, MAYOR

ATTEST:

CITY CLERK



PLAT OF TERRITORY ANNEXED TO THE CITY OF DECATUR, ILLINOIS
3223 REA'S RIDGE COURT

indicates territory annexed

indicates existing corporate limits

0.62± acres

AREA 0.001± sq. miles

168± lin. ft. of public road

WHITMORE township

N.T.S.

All dimensions shown hereon are dimensions of record. The annexation plat has been prepared from data in public records and legal descriptions provided by the petitioner. It is not the result of a survey performed on the ground.

DEPARTMENT OF PUBLIC WORKS
DIVISION OF ENGINEERING

MATTHEW C. NEWELL
062-048941
REGISTERED
PROFESSIONAL
ENGINEER
OF
ILLINOIS

12-3-13

Matthew C. Newell

CITY ENGINEER – DECATUR, ILLINOIS
ILLINOIS PROFESSIONAL ENGINEER #062–048941
LICENSE EXPIRES NOV. 30, 2015

ORDINANCE NO: ____________

DATE: ____________

PETITION FOR ANNEXATION

TO THE HONORABLE MAYOR AND CITY COUNCIL OF THE CITY OF DECATUR, ILLINOIS:

The undersigned, under oath, respectfully represent as follows:

1. That they are the owners of record of all the territory herein described.
2. That at least 51% of the electors who reside on the territory herein described have signed and do join in the petition.
3. That the territory herein described is not within the corporate limits of any municipality.
4. That the territory herein described is contiguous to the City of Decatur, a municipal corporation.
5. That the petitioner request that the City of Decatur, a municipal corporation, annex the following described property:

Lot Three (3) of Rea's Hilltop Addition, as per Plat recorded in Book 300 Page 392 of the Records in the Recorder's Office of Macon County, Illinois, Except the South 15 feet of Lot Three (3), also beginning at a point on the East line of Lot Three (3), 15 feet North of the Southeast Corner of Lot Three (3), thence West along a line 15 feet North of and parallel with the South line of Lot Three (3), a distance of 4.65 feet; thence Northeasterly 15.82 feet to a point on the East line of Lot Three (3) that is 30 feet North of the Southeast Corner of Lot Three (3); thence South along the East Line of Lot Three (3), 15 feet to the point of beginning as deeded to Macon County in Book 2207, Page 792.

Permanent Index Number: # 18-08-33-328-011

WHEREFORE, the petitioners request the above described property be annexed to the City of Decatur, a municipal corporation, in accordance with the Statues in such case made and provided.

NAME	ADDRESS
Sharon Sue Jacobs (Signature of Owners)	3223 Rea's Ridge Ct.
Dennis C Jacobs (Signature of Owner(s))	3223 Rea's Ridge Ct.
Sharon Sue Jacobs (Printed Name of Owner(s))	
Dennis C Jacobs (Printed Name of Owner(s))	

Signed and sworn to before me this

28th day of May, 2013

Laura C Spain

NOTARY PUBLIC

OFFICIAL SEAL
LAURA C. SPAIN
NOTARY PUBLIC, STATE OF ILLINOIS
MY COMMISSION EXPIRES 9-17-2016

CITY OF DECATUR, IL
FILED
5/30/2013
Linda M. [signature]
CITY CLERK

Property Proposed to be Annexed
Area Map for 3223 Rea's Ridge Court

DEPARTMENT OF WATER MANAGEMENT
Memorandum No. 2014-02

January 28, 2014

TO: Mayor Michael T. McElroy and City Council

FROM: Ryan P. McCrady, City Manager
Keith D. Alexander, Director of Water Management

SUBJECT: Contract Award
Oakley Sediment Basin Rehabilitation and
Lake Decatur Dredging Basins 1 through 4
City Project W1314

SUMMARY RECOMMENDATION:
City Council adopt the attached Resolution awarding a contract to Great Lakes Dredge & Dock Company, LLC to rehabilitate the Oakley Sediment Basin and dredge Lake Decatur Basins 1 through 4 at a cost not to exceed $89,254,535.96.

BACKGROUND:
The City Council reviewed the project and bid results on January 21, 2014. City staff recommends that the City Council award the base bid to the low bidder, Great Lakes Dredge & Dock. This firm successfully completed the Basin 6 dredging project in 2011 almost 3 months ahead of schedule and on budget.

While other bid alternatives that would dredge less of the lake can be done at a lower cost, City staff's opinion is that Great Lakes Dredge & Dock's base bid is the best option for the following reasons:

- It would increase the lake's water storage capacity by 30%, which is equal to 52 days of additional water supply for our community. When full, the lake currently has a 174-day supply.
- It provides the largest increase in the lake's water storage capacity at the lowest unit cost per cubic yard of dredged material.
- The base bid of $89.3M is reasonable for the significant amount of work to be done and is only 0.98% above the Engineer's Estimate of $88.4M.
- Great Lakes Dredge & Dock has proposed that almost all of their dredging and pumping equipment be powered by electricity which is significantly quieter than diesel powered equipment, eliminates diesel exhaust air pollution concerns and the possibility of diesel fuel contamination in Lake Decatur.
- The work will eliminate the mud flats in the Big Creek and Sand Creek areas of Basin 1 that occur when the lake is low and dramatically improve recreational opportunities including boating, swimming and fishing.

Exhibit 1 details the locations of the Oakley Sediment Basin and the areas of Lake Decatur proposed to be dredged.

Exhibit 2 is the profile of 1) the material to be dredged (shaded in gray), 2) the current bottom elevation of Lake Decatur and 3) what the bottom elevation will be if this project is authorized. Upon completion, virtually all of the water in Basins 1 through 4 will flow to the South Water Treatment Plant intake.

Exhibit 3 is the tabulation of the engineer's estimates, base bids and alternate bids. City staff recommends that the City Council reject all the alternate bids for the following reasons:

> Alternate Bids 1 and 2: Do not provide as much water storage capacity and have higher unit costs.
>
> Alternate Bid 3: This bid was included for the Corley Landfill Conversion to Bioenergy Crop Production project which consists of hauling a large amount of previously dredged sediment from the Oakley Sediment Basin to the Corley Landfill then spreading it in preparation for bioenergy plant establishment. The bid is $372,680 which is significantly above the Landfill Conversion project budget of $226,270 to haul and spread the sediment. Therefore it is recommended that this alternate bid be rejected. The landfill work will then be rebid as a separate project in the near future as it is anticipated that several local trucking firms may be interested in submitting bids.
>
> Alternate Bids 4, 5 & 6: These bids would require the use of 75% local labor for the Oakley Sediment Basin rehabilitation and 50% for dredging for the base bid, alternate bid 1 or 2 at a cost of $534,600. Great Lakes Dredge & Dock intends to utilize local labor for both the sediment basin rehabilitation for dredging operations at reasonable levels and has proven willing to do so. Since the increase in the local labor force would not be significant, and the cost is high, it is recommended that they be rejected.

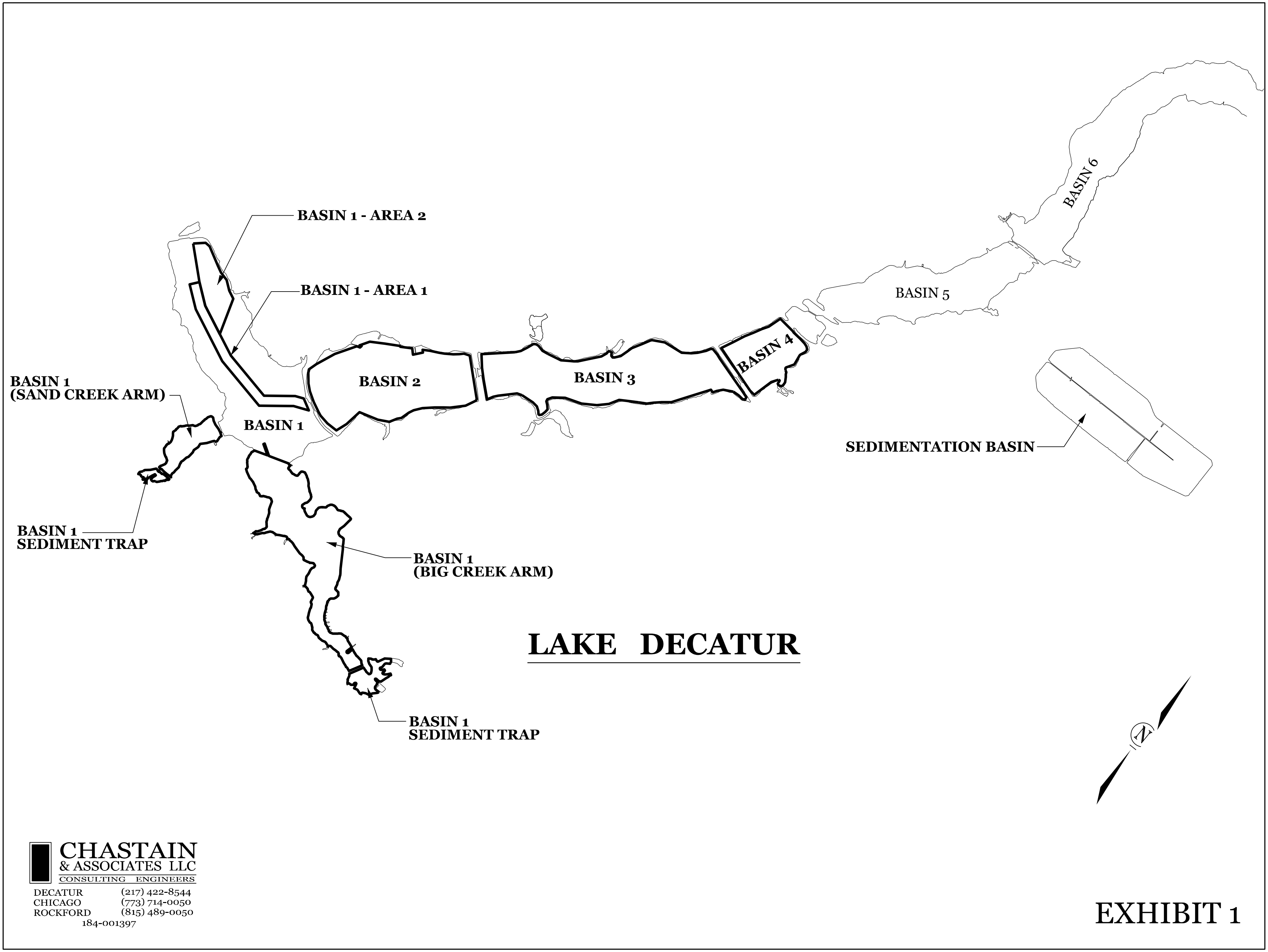
FINANCIALS:
Exhibit 4 identifies all the capital expenses for this project totaling $90,412,436 over six years. Financing will be accomplished through the issuance of several bonds that were included in the three year water rate plan authorized by the City Council last year. Therefore, proceeding with the project will not require any additional rate increases above what has already been approved by the City Council. Additionally, the project qualifies as a Lake Decatur capacity improvement that the Archer Daniels Midland Co. is contractually obligated to reimburse the City for approximately 50% of the project's expenses at a rate of up to $1M annually.

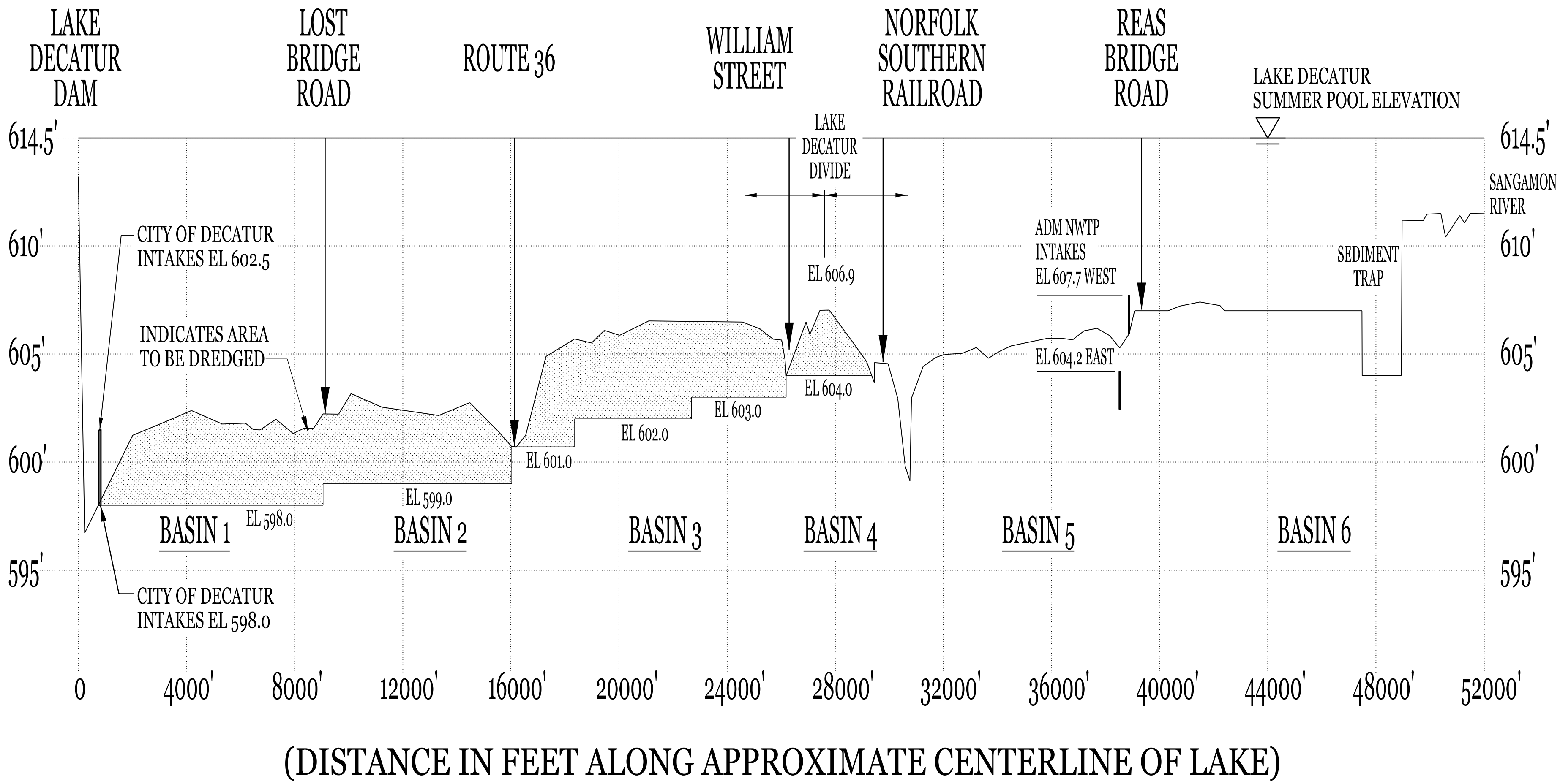
POTENTIAL OBJECTION:
None foreseen.

INPUT FROM OTHER SOURCES:
Chastain & Associates, several federal and state regulatory agencies.

Exhibits

cc: Jon Nieman, Great Lakes Dredge & Dock
Gregg Foltz, Chastain & Associates
Bill Manley, ADM Co.
Jerry Stevens, Engineering Services Coordinator
Randy Miller, Water Services Manager


BASIN 1 - AREA 2
BASIN 1 - AREA 1
BASIN 1
(SAND CREEK ARM)
BASIN 1
BASIN 2
BASIN 3
BASIN 4
BASIN 5
BASIN 6
SEDIMENTATION BASIN
BASIN 1
SEDIMENT TRAP
BASIN 1
(BIG CREEK ARM)
BASIN 1
SEDIMENT TRAP
LAKE DECATUR
N
CHASTAIN
& ASSOCIATES LLC
CONSULTING ENGINEERS
DECATUR (217) 422-8544
CHICAGO (773) 714-0050
ROCKFORD (815) 489-0050
184-001397
EXHIBIT 1



CHASTAIN
& ASSOCIATES LLC
CONSULTING ENGINEERS

DECATUR (217) 422-8544
CHICAGO (773) 714-0050
ROCKFORD (815) 489-0050
184-001397

EXHIBIT 2

Project Name: Lake Decatur Dredging of Basins 1-4 and
Rehabilitation of Oakley Sediment Basin

Project Number: W1314

Bid Date: Fridaty, December 13, 2013

Time: 2:00 P.M.

Fund:

Organization Code:
Object Code:

				Engineer's Estimate Chastain & Associates, LLC #5 N. Country Club Rd Decatur, IL 62521		Great Lakes Dredge & Dock Company, LLC 2041 Trade Center Drive East St. Peters, MO 63376 Theresa Messer Executive Assistant 314.696.0082		Manson Construction Co. 5209 E Marginal Way S. PO Box 24067 Seattle, WA 98124 Jessica (Gibson) Grey Proposal Manager 206.764.8563 Dir. 206.762.0850 Office jgrey@mansonconstruction		Orion Marine Construction, Inc. 5440 W. Tyson Ave. Tampa, FL 33611 Curtis K. Huggins Chuggins@orionmarinegroup.com	
Item Number	Pay Item	QTY	Unit	Unit Price	Total	Unit Price	Total	Unit Price	Total	Unit Price	Total
20100110	TREE REMOVAL (6 TO 15 UNITS DIAMETER)	250	UNIT	$30.00	$7,500.00	$49.50	$12,375.00	$29.00	$7,250.00	$131.93	$32,982.50
20200100	EARTH EXCAVATION	3,614	CU YD	$24.00	$86,736.00	$2.25	$8,131.50	$5.00	$18,070.00	$12.57	$45,427.98
20201200	REMOVAL AND DISPOSAL OF UNSUITABLE MATERIAL	97,023	CU YD	$10.00	$970,230.00	$2.70	$261,962.10	$5.00	$485,115.00	$13.75	$1,334,066.25
20400800	FURNISHED EXCAVATION (SEDIMENT BASIN)	861,322	CU YD	$8.75	$7,536,567.50	$12.70	$10,938,789.40	$7.20	$6,201,518.40	$15.10	$13,005,962.20
20800150	TRENCH BACKFILL	14	CU YD	$60.00	$840.00	$11.00	$154.00	$80.00	$1,120.00	$150.78	$2,110.92
21001000	GEOTECHNICAL FABRIC FOR GROUND STABILIZATION	6,410	SQ YD	$1.10	$7,051.00	$1.00	$6,410.00	$3.00	$19,230.00	$3.93	$25,191.30
25000100	SEEDING, CLASS 1	10	ACRE	$1,600.00	$16,000.00	$1,100.00	$11,000.00	$1,060.00	$10,600.00	$1,750.00	$17,500.00
25000305	SEEDING, CLASS 3A	57.5	ACRE	$1,350.00	$77,625.00	$1,580.00	$90,850.00	$1,510.00	$86,825.00	$2,500.00	$143,750.00
25100105	MULCH, METHOD 1	10	ACRE	$750.00	$7,500.00	$680.00	$6,800.00	$652.00	$6,520.00	$2,000.00	$20,000.00
25100630	EROSION CONTROL BLANKET	276,400	SQ YD	$0.75	$207,300.00	$1.43	$395,252.00	$1.30	$359,320.00	$3.83	$1,058,612.00
28000250	TEMPORARY EROSION CONTROL SEEDING	6,750	POUND	$2.25	$15,187.50	$1.24	$8,370.00	$2.30	$15,525.00	$3.33	$22,477.50
28000305	TEMPORARY DITCH CHECKS	160	FOOT	$14.50	$2,320.00	$26.70	$4,272.00	$51.00	$8,160.00	$78.53	$12,564.80
28000400	PERIMETER EROSION BARRIER	16,111	FOOT	$2.50	$40,277.50	$1.39	$22,394.29	$2.00	$32,222.00	$10.99	$177,059.89
28000500	INLET AND PIPE PROTECTION	14	EACH	$200.00	$2,800.00	$157.28	$2,201.92	$296.00	$4,144.00	$250.00	$3,500.00
28100807	STONE DUMPED RIPRAP, CLASS A4	1,846	TON	$26.00	$47,996.00	$75.84	$140,000.64	$83.00	$153,218.00	$150.00	$276,900.00
28100809	STON DUMPED RIPRAP, CLASS A5	285	TON	$35.00	$9,975.00	$67.50	$19,237.50	$110.00	$31,350.00	$200.00	$57,000.00
28200200	FILTER FABRIC	2,283	SQ YD	$3.25	$7,419.75	$1.44	$3,287.52	$3.00	$6,849.00	$5.40	$12,328.20
28400100	GABIONS	32	CU YD	$275.00	$8,800.00	$267.00	$8,544.00	$826.00	$26,432.00	$2,500.00	$80,000.00
31102100	SUBBASE GRANULAR MATERIAL, TYPE C 4"	9	SQ YD	$70.00	$630.00	$157.00	$1,413.00	$17.00	$153.00	$241.77	$2,175.93
35101400	AGGREGATE SURFACE COURSE, TYPE B	300	TON	$24.50	$7,350.00	$43.00	$12,900.00	$60.00	$18,000.00	$66.00	$19,800.00
35102000	AGGREGATE BASE COURSE, TYPE B, 8"	5,901	SQ YD	$16.25	$95,891.25	$17.25	$101,792.25	$20.00	$118,020.00	$34.00	$200,634.00
35501316	HOT-MIX ASPHALT BASE COURSE, 8"	9	SQ YD	$200.00	$1,800.00	$524.00	$4,716.00	$450.00	$4,050.00	$750.00	$6,750.00
542D0217	PIPE CULVERTS, CLASS D, TYPE 1, 12"	613	FOOT	$31.00	$19,003.00	$41.00	$25,133.00	$52.00	$31,876.00	$138.22	$84,728.86
542D0229	PIPE CULVERTS, CLASS D, TYPE 1, 24"	133	FOOT	$37.50	$4,987.50	$66.00	$8,778.00	$70.00	$9,310.00	$235.59	$31,333.47
54215547	METAL END SECTIONS, 12"	4	EACH	$182.50	$730.00	$286.00	$1,144.00	$308.00	$1,232.00	$750.00	$3,000.00
54215559	METAL END SECTIONS, 24"	2	EACH	$315.00	$630.00	$344.00	$688.00	$376.00	$752.00	$1,200.00	$2,400.00
550A1920	STORM SEWERS, CLASS A, TYPE 7, 36"	57	FOOT	$115.00	$6,555.00	$195.00	$11,115.00	$157.00	$8,949.00	$471.19	$26,857.83
55100500	STORM SEWER REMOVAL 12"	69	FOOT	$17.50	$1,207.50	$22.00	$1,518.00	$23.00	$1,587.00	$69.11	$4,768.59
60218400	MANHOLES, TYPE A, 4'-DIAMETER, TYPE 1 FRAME, CLOSED LID	1	EACH	$1,950.00	$1,950.00	$4,000.00	$4,000.00	$3,650.00	$3,650.00	$5,500.00	$5,500.00
60236200	INLETS, TYPE A, TYPE 8 GRATE	1	EACH	$3,250.00	$3,250.00	$964.00	$964.00	$1,110.00	$1,110.00	$3,750.00	$3,750.00
60500040	REMOVING MANHOLES	1	EACH	$750.00	$750.00	$686.00	$686.00	$910.00	$910.00	$3,000.00	$3,000.00
60500105	FILLING MANHOLES	5	EACH	$825.00	$4,125.00	$1,680.69	$8,403.45	$1,710.00	$8,550.00	$4,500.00	$22,500.00
66501500	WOVEN WIRE GATES, 4' X 14' DOUBLE	1	EACH	$1,600.00	$1,600.00	$2,100.00	$2,100.00	$3,880.00	$3,880.00	$6,000.00	$6,000.00
67000400	ENGINEER'S FIELD OFFICE, TYPE A	12	CAL MO	$4,500.00	$54,000.00	$2,100.00	$25,200.00	$3,200.00	$38,400.00	$3,750.00	$45,000.00
67100100	MOBILIZATION	1	L SUM	$1,750,000.00	$1,750,000.00	$10,700,000.00	$10,700,000.00	$50,096,845.90	$50,096,845.90	$35,786,482.78	$35,786,482.78
X0326696	SIGN AND POST	1	EACH	$625.00	$625.00	$266.00	$266.00	$570.00	$570.00	$1,528.45	$1,528.45
X6650202	WOVEN WIRE FENCE REMOVAL	28	FOOT	$22.50	$630.00	$27.00	$756.00	$24.00	$672.00	$43.62	$1,221.36
X7240300	SIGN REMOVAL	1	EACH	$200.00	$200.00	$106.00	$106.00	$182.00	$182.00	$550.00	$550.00
XX101793	ALTERATIONS, CANCELLATIONS, EXTENSIONS, DEDUCTIONS AND EXTRA WORK	1	L SUM	$250,000.00	$250,000.00	$250,000.00	$250,000.00	$250,000.00	$250,000.00	$250,000.00	$250,000.00
XXXXXXX1	YARD HYDRANT TO BE REMOVED	1	EACH	$650.00	$650.00	$6,500.00	$6,500.00	$800.00	$800.00	$9,423.64	$9,423.64
XXXXXXX2	WATER CONTROL STRUCTURE 1	1	EACH	$125,000.00	$125,000.00	$265,500.00	$265,500.00	$380,000.00	$380,000.00	$400,000.00	$400,000.00

Project Name: Lake Decatur Dredging of Basins 1-4 and
Rehabilitation of Oakley Sediment Basin

Project Number: W1314

Bid Date: Fridaty, December 13, 2013

Time: 2:00 P.M.

Fund:

Organization Code:
Object Code:

				Engineer's Estimate Chastain & Associates, LLC #5 N. Country Club Rd Decatur, IL 62521		Great Lakes Dredge & Dock Company, LLC 2041 Trade Center Drive East St. Peters, MO 63376 Theresa Messer Executive Assistant 314.696.0082		Manson Construction Co. 5209 E Marginal Way S. PO Box 24067 Seattle, WA 98124 Jessica (Gibson) Grey Proposal Manager 206.764.8563 Dir. 206.762.0850 Office jgrey@mansonconstruction		Orion Marine Construction, Inc. 5440 W. Tyson Ave. Tampa, FL 33611 Curtis K. Huggins Chuggins@orionmarinegroup.com	
Item Number	Pay Item	QTY	Unit	Unit Price	Total	Unit Price	Total	Unit Price	Total	Unit Price	Total
XXXXXXX3	WATER CONTROL STRUCTURE 2	1	EACH	$126,000.00	$126,000.00	$269,400.00	$269,400.00	$415,000.00	$415,000.00	$415,000.00	$415,000.00
XXXXXXX4	DREDGE MATERIAL	10,736,733	CU YD	$6.75	$72,472,947.75	$5.83	$62,595,153.39	$4.90	$52,609,991.70	$15.18	$162,983,606.94
XXXXXXX5	BASIN 2 - 16" DUCTILE IRON WATER MAIN	1	EACH	$2,500,000.00	$2,500,000.00	$1,518,000.00	$1,518,000.00	$2,415,000.00	$2,415,000.00	$3,005,588.00	$3,005,588.00
XXXXXXX6	BASIN 3 - 16" DUCTILE IRON WATER MAIN	1	EACH	$1,900,000.00	$1,900,000.00	$1,485,000.00	$1,485,000.00	$2,090,000.00	$2,090,000.00	$2,369,354.00	$2,369,354.00
XXXXXXX7	STEEL CASING REMOVAL NO. 1	30	FOOT	$25.00	$750.00	$59.00	$1,770.00	$46.00	$1,380.00	$0.00	$0.00
XXXXXXX8	STEEL CASING REMOVVAL NO. 2	26	FOOT	$15.00	$390.00	$59.00	$1,534.00	$58.00	$1,508.00	$0.00	$0.00
Z0068200	STEEL CASINGS 30"	56	FOOT	$75.00	$4,200.00	$178.00	$9,968.00	$235.00	$13,160.00	$0.00	$0.00
	TOTALBASE BIDS (AS CORRECTED)				$88,387,977.25		$89,254,535.96		$115,999,007.00		$222,018,387.39
	Percent Over Under ENGINEER'S ESTIMATE						0.98%		31.24%		151.19%
				ALTERNATE 1							
No. 1	DREDGE BASIN 1-3 ONLY						-$2,529,400.00		-$4,616,000.00		-$12,757,648.26
	DEDUCT BASIN 4 DREDGE MATERIAL (748,587)	-748,587	CU YD	$6.75	-$5,052,962.25						
	MOBILIZATION										
	ADJUST FOR REMAINING DREDGING AMOUNT	9,988,146	CU YD	$0.25	$2,497,036.50						
	TOTAL ALT 1 BIDS (AS CORRECTED)				-$2,555,925.75		-$2,529,400.00		-$4,616,000.00		-$12,757,648.26
	TOTAL BASE BID + TOTAL ALT 1 BID (AS CORRECTED)				$85,832,051.50		$86,725,135.97		$111,383,007.00		$209,260,739.13
	Percent Over Under ENGINEER'S ESTIMATE						1.04%		29.77%		143.80%
				ALTERNATE 2							
No. 2	DREDGE BASIN 1-2 ONLY						-$15,328,558.00		-$14,780,000.00		-$49,288,493.07
	DEDUCT BASIN 3 & 4 DREDGE MATERIAL	-3,494,480	CU YD	6.75	-$23,587,740.00						
	DEDUCT FOR BASIN 3 WATER MAIN	-1	EACH	-$1,900,000.00	-$1,900,000.00						
	ADJUST FOR REMAINING DREDGING AMOUNT	7,242,253	CU YD	0.5	$3,621,126.50						
	TOTAL ALT 2 BIDS (AS CORRECTED)				-$21,866,613.50		-$15,328,558.00		-$14,780,000.00		-$49,288,493.07
	TOTAL BASE BID + TOTAL ALT 2 BID (AS CORRECTED)				$68,421,363.75		$73,925,977.96		$101,219,007.00		$172,729,894.32
	Percent Over Under ENGINEER'S ESTIMATE						8.05%		47.93%		152.45%
				ALTERNATE 3							
No. 3	CORLEY LANDFILL-TRUCK, PLACE AND SPREAD	13,310	CU YD	$18.50	$246,235.00	$28.00	$372,680.00	$24.00	$319,440.00	$33.83	$450,277.30
	TOTAL ALT 3 BIDS (AS CORRECTED)				$246,235.00		$372,680.00		$319,440.00		$450,277.30
	TOTAL BASE BID + TOTAL ALT 3 BID (AS CORRECTED)				$88,634,212.25		$89,627,215.96		$116,318,447.00		$222,468,664.69
	Percent Over Under ENGINEER'S ESTIMATE						1.12%		31.23%		151.00%
				ALTERNATE 4							
No. 4	MODIFICATION TO BASE BID LABOR FORCE		BASE BID	$88,387,977.25	$0.00		$534,600.00		$0.00		$636,713.59
	ALL BASINS										
	TOTAL ALT 4 BIDS (AS CORRECTED)				$0.00		$534,600.00		$0.00		$636,713.59

Project Name: Lake Decatur Dredging of Basins 1-4 and Rehabilitation of Oakley Sediment Basin Project Number: W1314 Bid Date: Friday, December 13, 2013 Time: 2:00 P.M. Fund: Organization Code: Object Code:				Engineer's Estimate Chastain & Associates, LLC #5 N. Country Club Rd Decatur, IL 62521		Great Lakes Dredge & Dock Company, LLC 2041 Trade Center Drive East St. Peters, MO 63376 Theresa Messer Executive Assistant 314.696.0082		Manson Construction Co. 5209 E Marginal Way S. PO Box 24067 Seattle, WA 98124 Jessica (Gibson) Grey Proposal Manager 206.764.8563 Dir. 206.762.0850 Office jgrey@mansonconstruction		Orion Marine Construction, Inc. 5440 W. Tyson Ave. Tampa, FL 33611 Curtis K. Huggins Chuggins@orionmarinegroup.com	
Item Number	Pay Item	QTY	Unit	Unit Price	Total	Unit Price	Total	Unit Price	Total	Unit Price	Total
	TOTAL BASE BID + TOTAL ALT 4 BID (AS CORRECTED)				$88,387,977.25		$89,789,135.96		$115,999,007.00		$222,655,100.98
	Percent Over Under ENGINEER'S ESTIMATE						1.59%		31.24%		151.91%
ALTERNATE 5											
No. 5	MODIFICATION TO BASE BID ALTERNATE 1 -- LABOR FORCE		ALT 1 DED	-$2,555,925.75	-$2,428,129.46		$534,600.00		$0.00		$0.00
	BASINS 1-3 ONLY										
	TOTAL ALT 5 BIDS (AS CORRECTED)				-$2,428,129.46		$534,600.00		$0.00		$0.00
	TOTAL BASE BID + TOTAL ALT 5 BID (AS CORRECTED)				$85,959,847.79		$89,789,135.96		$115,999,007.00		$222,018,387.39
	Percent Over Under ENGINEER'S ESTIMATE						4.45%		34.95%		158.28%
ALTERNATE 6											
No. 6	MODIFICATION TO BASE BID ALTERNATE 2 -- LABOR FORCE		ALT 2 DED	-$19,966,613.50	-$18,968,282.83		$534,600.00		$0.00		$0.00
	BASINS 1-2 ONLY										
	TOTAL ALT 6 BIDS (AS CORRECTED)				-$18,968,282.83		$534,600.00		$0.00		$0.00
	TOTAL BASE BID + TOTAL ALT 6 BID (AS CORRECTED)				$69,419,694.42		$89,789,135.96		$115,999,007.00		$222,018,387.39
	Percent Over Under ENGINEER'S ESTIMATE						29.34%		67.10%		219.82%

[signature]
Matthew C. Newell, P.E., City Engineer

1-9-14
Date

Lake Decatur Basins 1, 2, 3 & 4 Dredging Schedule and Expenses **Exhibit 4**

Task	FY14	FY15	FY16	FY17	FY18	FY19	Totals
Temporary Easement Payments by City	$60,000						$60,000
Mobilization by Contractor	$6,955,000	$535,000	$535,000	$535,000	$535,000	$1,605,000	$10,700,000
Rehabilitate Oakley Sediment Basin by Contractor	$12,956,383						$12,956,383
Dredging by Contractor	$4,750,000	$13,000,000	$13,000,000	$13,000,000	$13,000,000	$5,845,153	$62,595,153
New Water Mains in Lake by Contractor			$1,518,000	$1,485,000			$3,003,000
Oakley Township Road Improvements by Contractor		$200,000					$200,000
Construction Project Management by Consulting Engineer	$165,000	$165,000	$165,000	$165,000	$165,000	$72,900	$897,900
Cost per Fiscal Year	$24,886,383	$13,900,000	$15,218,000	$15,185,000	$13,700,000	$7,523,053	**$90,412,436**

Contractor bid is	$89,254,536
Unit cost per cubic yard of dredged material is	$8.42

RESOLUTION NO. R2014-____

RESOLUTION ACCEPTING THE BID AND
AUTHORIZING THE EXECUTION OF A CONTRACT FOR
OAKLEY SEDIMENT BASIN REHABILITATION AND
LAKE DECATUR DREDGING BASINS 1 THROUGH 4
CITY PROJECT W1314

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF DECATUR, ILLINOIS:

Section 1. That the Base Bid of Great Lakes Dredge & Dock Company, LLC be accepted and a contract be awarded, accordingly.

Section 2. That all Alternate Bids of Great Lakes Dredge & Dock Company, LLC be rejected.

Section 3. That the Mayor and City Clerk be, and they are hereby, authorized and directed to execute said contract between the City of Decatur, Illinois, and Great Lakes Dredge & Dock Company, LLC for their Base Bid price of $89,254,535.96.

PRESENTED and ADOPTED this 3rd day of February, 2014.

MICHAEL T. MCELROY, MAYOR

ATTEST:

LINDA M. SWARTZ, CITY CLERK

FINANCIAL MANAGEMENT DEPARTMENT
#2014-01

DATE: January 29, 2014

TO: Honorable Mayor McElroy and City Council Members

FROM: Ryan P. McCrady, City Manager
Gregg D. Zientara, City Treasurer & Director of Finance

SUBJECT: Ordinance providing for the issuance of not to exceed $26,000,000 of general obligation bonds to finance the expansion of the City's water supply by the dredging of Lake Decatur.

SUMMARY RECOMMENDATION:

It is recommended that the City Council approve the attached Parameters Ordinance, which upon Council approval and passage, will authorize the City to issue 2014 Series bond debt, to finance the expansion of the City's water supply by the dredging of Lake Decatur.

The General Obligation Bonds issued by authority of Council approval of this ordinance will be abated from the City tax levy in future periods with debt service payments to be made from the net revenues of the City's Water Utility.

BACKGROUND:

This ordinance will establish not to exceed financing parameters to be used as the maximum limits authorized for the financing offering to potential purchasers of the bonds. The parameters in the ordinance are as follows:

Maximum Par Value	$26,000,000
Maximum Par per Year	$ 2,000,000
Maximum coupon rate	5.5%
Maximum maturity date	March 1, 2034
Maximum call date	March 1, 2024
Maximum annual levy	$ 2,000,000
Minimum purchase price	98.5% of Par Value exclusive of OID if any

The ordinance will authorize the issuance of twenty (20) year bonds up to a maximum of $26,000,000 of principal with an annual debt financing interest rate not to exceed 5.5%. The bonds will mature annually on March 1 with a final maturity date of March 1, 2034. The ordinance sets a maximum annual debt service principal and interest cost of $2,000,000.

The parameters as contained in this ordinance are within the financial projections as included in the City's Water pro-forma rate increase and debt service model, and therefore are covered by the water rate increases approved and enacted by Council in Ordinance 2013-20 dated April 1, 2013.

The City will use the BrechnitzGroup as an agent for sale of bonds to investors, Raymond James & Associates as the underwriter; Speer Financial, Inc. as financial advisor; and Chapman and Cutler, LLP, as bond counsel.

POTENTIAL OBJECTIONS:

There are no known objections to this ordinance request.

INPUT FROM OTHER SOURCES:

City Department of Water Management,
Speer Financial, Inc., Debt Issuance Financial Advisor,
Raymond James and Associates, Inc., Underwriter,
Chapman & Cutler, LLP., Bond Counsel

STAFF REFERENCES:

Ryan P. McCrady, City Manager
Gregg D. Zientara, City Treasurer & Director of Finance

BUDGET/TIME IMPLICATIONS:

The 2014 Budget approved by Council included provision for the issuance of bonds in the amount of $18.3 million for the purpose of the dredging project. Council passage of this ordinance will amend the 2014 budget to include the final revenue based on the proceeds received at the time of sale and 2014 dredging project expense in accordance with the final number approved with Council passage of the dredging contract award.

Approval action by the Council is time sensitive to enabling monies to be available to defray the cost of the dredging project in accordance with the construction schedule timelines of the dredging contractor.

EXTRACT OF MINUTES of the regular public meeting of the Council of the City of Decatur, Macon County, Illinois, held in the Council Chamber, located on the third floor of the Decatur Civic Center, One Gary K. Anderson Plaza, in said City, at 5:30 p.m., on Monday, the 3rd day of February, 2014.

The Mayor called the meeting to order and directed the City Clerk to call the roll. Upon the roll being called, Mayor McElroy and the following Council Members were physically present at said location: ____ ____ .

The following Council Members were allowed by a majority of the members of the Council in accordance with and to the extent allowed by rules adopted by the Council to attend the meeting by video or audio conference: ____________________________________ .

No Council Member was not permitted to attend the meeting by video or audio conference.

The following Council Members were absent and did not participate in the meeting in any manner or to any extent whatsoever: ______________________________________ .

The Council then considered an ordinance providing for the issuance of general obligation bonds of the City to finance the expansion of the City's water supply by the dredging of Lake Decatur, authorizing designated officials to sell said bonds by the execution of a notification of sale and providing for the levy and collection of a direct annual tax for the payment of the principal of and interest on said bonds.

Thereupon, the City Clerk presented, the Director of Finance explained, and there was read by title an ordinance as follows, a copy of which was provided to each Council Member prior to said meeting and to everyone in attendance at said meeting who requested a copy:

> AN ORDINANCE providing for the issuance of not to exceed $26,000,000 General Obligation Bonds, Series 2014, of the City of Decatur, Macon County, Illinois, to finance the expansion of the City's water supply by the dredging of Lake Decatur, authorizing designated officials to sell said bonds by the execution of a notification of sale and providing for the levy and collection of a direct annual tax sufficient for the payment of the principal of and interest on said bonds.

(the *"Bond Ordinance"*).

Council Member ______________ moved and Council Member ______________ seconded the motion that the Bond Ordinance as presented be adopted.

A Council discussion of the matter followed. During the Council discussion, the Director of Finance gave a public recital of the nature of the matter, which included a reading of the title of the Bond Ordinance and statements (1) that the Bond Ordinance provided for the issuance of general obligation bonds to finance the expansion of the City's water supply by the dredging of Lake Decatur, (2) that the bonds are issuable without referendum pursuant to the home rule powers of the City, (3) that the sale of bonds will be by certain designated officials of the City, (4) that the Bond Ordinance provides for the levy of taxes to pay the bonds, and (5) that the Bond Ordinance provides many details for the bonds, including tax-exempt status covenants, provision for terms and form of the bonds, and appropriations.

The Mayor directed that the roll be called for a vote upon the motion to adopt the Bond Ordinance.

Upon the roll being called, the following Council Members voted AYE:

____

____

and the following Council Members voted NAY: ___________________________________.

WHEREUPON, the Mayor declared the motion carried and the Bond Ordinance adopted, and henceforth did approve and sign the same in open meeting, and did direct the City Clerk to record the same in full in the records of the Council of the City of Decatur, Macon County, Illinois.

Other business was duly transacted at said meeting.

Upon motion duly made and carried, the meeting adjourned.

____

City Clerk

ORDINANCE NUMBER _______

AN ORDINANCE providing for the issuance of not to exceed $26,000,000 General Obligation Bonds, Series 2014, of the City of Decatur, Macon County, Illinois, to finance the expansion of the City's water supply by the dredging of Lake Decatur, authorizing designated officials to sell said bonds by the execution of a notification of sale and providing for the levy and collection of a direct annual tax sufficient for the payment of the principal of and interest on said bonds.

Adopted by the Council on the
3rd day of February, 2014.

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ORDINANCE NUMBER _______

AN ORDINANCE providing for the issuance of not to exceed $26,000,000 General Obligation Bonds, Series 2014, of the City of Decatur, Macon County, Illinois, to finance the expansion of the City's water supply by the dredging of Lake Decatur, authorizing designated officials to sell said bonds by the execution of a notification of sale and providing for the levy and collection of a direct annual tax sufficient for the payment of the principal of and interest on said bonds.

WHEREAS by virtue of its population, the City of Decatur, Macon County, Illinois (the *"City"*), and pursuant to the provisions of Section 6 of Article VII of the Constitution of the State of Illinois, the City is a home rule unit and may exercise any power or perform any function pertaining to its government and affairs including, but not limited to, the power to tax and to incur debt; and

WHEREAS pursuant to the provisions of said Section 6, the City has the power to incur debt payable from ad valorem property tax receipts or from any other lawful source and maturing within 40 years from the time it is incurred without prior referendum approval; and

WHEREAS on the 25th day of February, 1982, the Council of the City (the *"Council"*) did adopt an ordinance determining the procedures to be followed in the borrowing of money for public purposes of the City and in evidence of such borrowing the issuing of full faith and credit bonds of the City without referendum approval, such ordinance being entitled:

ORDINANCE NO. 82-22

AN ORDINANCE establishing procedures to be followed in incurring indebtedness for corporate purposes, issuing bonds to evidence such indebtedness and directing the levying of taxes, without limit as to rate or amount, for the purpose of paying principal and interest on such bonds as the same become due.

(the *"Enabling Ordinance"*); and

WHEREAS the Council has determined that it is advisable and in the best interests of the City and its residents to expand the City's water supply by the dredging of Lake Decatur, all in accordance with the preliminary estimate of costs, which have been approved by the Council and are now on file in the office of the City Clerk of the City (including the engineering, legal, financial and administrative expense related thereto, the *"Project"*); and

WHEREAS the estimated cost of the Project is not less than $26,000,000, and there are insufficient funds on hand and lawfully available to pay such costs; and

WHEREAS pursuant to the hereinafter defined Act, the City is authorized to issue its general obligation bonds to pay the costs of the Project; and

WHEREAS the Council does hereby determine that it is necessary and desirable to borrow not to exceed $26,000,000 at this time pursuant to the Act for such purpose and, in evidence of such borrowing, issue its general obligation bonds in the principal amount of not to exceed $26,000,000:

NOW THEREFORE Be It Ordained by the Council of the City of Decatur, Macon County, Illinois, in the exercise of its home rule powers and in accordance with the Enabling Ordinance, as follows:

Section 1. Definitions. In addition to such other words and terms used and defined in this Ordinance, the following words and terms used in this Ordinance shall have the meanings given them, unless the context or use clearly indicates another or different meaning is intended.

A. The following words and terms are defined in the preambles.

City

Council

Enabling Ordinance

Project

B. The following words and terms are defined as set forth.

"Act" means, collectively, the Illinois Municipal Code, as supplemented and amended, the home rule powers of the City under Section 6 of Article VII of the Constitution of the State of Illinois and the Enabling Ordinance adopted pursuant to such home rule powers; and, in the event of conflict between the provisions of said code and home rule powers, the home rule powers shall be deemed to supersede the provisions of said code.

"Bond" or *"Bonds"* means one or more, as applicable, of the not to exceed $2,600,000 General Obligation Bonds, Series 2014, authorized to be issued by this Ordinance.

"Bond Fund" means the Bond Fund established and defined in Section 16 of this Ordinance.

"Bond Notification" means the Bond Notification as authorized to be executed by the Designated Officials of the City in Section 15 of this Ordinance and by which the final terms of the Bonds will be established.

"Bond Register" means the books of the City kept by the Bond Registrar to evidence the registration and transfer of the Bonds.

"Bond Registrar" means U.S. Bank National Association, Indianapolis, Indiana, or a successor thereto or a successor designated as Bond Registrar hereunder.

"City Clerk" means the City Clerk of the City.

"Code" means the Internal Revenue Code of 1986, as amended.

"County Clerk" means the County Clerk of The County of Macon, Illinois.

"Designated Officials" means the Mayor, the City Manager of the City and the Director of Finance of the City, acting together.

"Mayor" means the Mayor of the City.

"Ordinance" means this Ordinance, numbered as set forth on the title page hereof, and passed by the Council on the 3rd day of February, 2014.

"Paying Agent" means U.S. Bank National Association, Indianapolis, Indiana, or a successor thereto or a successor designated as Paying Agent hereunder.

"Pledged Taxes" means the taxes levied on the taxable property within the City to pay principal of and interest on the Bonds as made in Section 13 hereof.

"Purchaser" means Raymond James & Associates, Inc., Chicago, Illinois.

"Tax-exempt" means, with respect to the Bonds, the status of interest paid and received thereon as excludable from the gross income of the owners thereof under the Code for federal income tax purposes.

"Term Bonds" means Bonds subject to mandatory redemption and designated as term bonds in the Bond Notification.

"Treasurer" means the Treasurer of the City.

Section 2. Incorporation of Preambles. The Council hereby finds that all of the recitals contained in the preambles to this Ordinance are true, correct and complete and does incorporate them into this Ordinance by this reference.

Section 3. Determination to Issue Bonds. It is necessary and desirable to undertake the Project, to pay all related costs and expenses incidental thereto, and to borrow money and issue the Bonds for such purposes. It is hereby found and determined that such borrowing of money is necessary for the welfare of the government and affairs of the City, is for a proper public purpose or purposes and is in the public interest, and is authorized pursuant to the Act; and these findings and determinations shall be deemed conclusive.

Section 4. Bond Details. For the purpose of providing for such costs, there shall be issued and sold the Bonds in the principal amount of not to exceed $26,000,000. The Bonds shall each be designated *"General Obligation Bond, Series 2014"*; shall be dated such date (not prior to February 1, 2014, and not later than August 1, 2014) (the *"Dated Date"*) as set forth in the Bond Notification, and shall also bear the date of authentication, shall be in fully registered form, shall be in denominations of $5,000 each or authorized integral multiples thereof (but no single Bond shall represent installments of principal maturing on more than one date), and shall be numbered 1 and upward. The Bonds shall become due and payable serially or be subject to mandatory redemption (subject to prior redemption as hereinafter described) as shall be set forth in the Bond Notification, and in such principal amounts as shall be set forth therein; *provided, however,* that the final maturity shall be due on or before March 1, 2034, and each maturity or sinking fund payment shall not exceed $2,000,000. Each Bond shall bear interest, at a rate not to exceed 5.50% per annum, from the later of its Dated Date as herein provided or from the most recent interest payment date to which interest has been paid or duly provided for, until the principal amount of such Bond is paid or duly provided for, such interest (computed upon the basis of a 360-day year of twelve 30-day months) being payable on March 1 and September 1 of each year, commencing on September 1, 2014, or as provided in the Bond Notification.

Interest on each Bond shall be paid by check or draft of the Paying Agent, payable upon presentation thereof in lawful money of the United States of America, to the person in whose name such Bond is registered at the close of business on the applicable Record Date (the *"Record Date"*), and mailed to the registered owner of the Bond as shown in the Bond Registrar or at such other address furnished in writing by such registered owner. The Record Date shall be the 15th day of the month next preceding any regular or other interest payment date occurring on the 1st day of any month and 15 days preceding any interest payment date occasioned by the redemption of Bonds on other than the 1st day of a month. The principal of or redemption price due on the Bonds shall be payable in lawful money of the United States of America upon presentation thereof at the principal corporate trust office of the Paying Agent, or at successor Paying Agent and locality.

Section 5. *Global Book-Entry System*. The Bonds shall be initially issued in the form of a separate single fully registered Bond for each of the maturities of the Bonds as provided in Section 4 hereof, and the ownership of each such Bond shall be registered in the Bond Register in the name of Cede & Co., or any successor thereto (*"Cede"*), as nominee of The Depository Trust Company, New York, New York, and its successors and assigns (*"DTC"*). All of the outstanding Bonds shall be registered in the Bond Register in the name of Cede, as nominee of DTC, except as hereinafter provided. The Mayor, the Treasurer and the City Clerk are hereby authorized to execute and deliver on behalf of the City such letters to or agreements with DTC and the Bond Registrar as shall be necessary to effectuate such book-entry system (any such letter or agreement being referred to herein as the *"Representation Letter"*).

With respect to the Bonds registered in the Bond Register in the name of Cede, as nominee of DTC, the City and the Bond Registrar shall have no responsibility or obligation to any broker-dealer, bank or other financial institution for which DTC holds Bonds from time to time as securities depository (each such broker-dealer, bank or other financial institution being referred to herein as a *"DTC Participant"*) or to any person on behalf of whom such a DTC Participant holds an interest in the Bonds. Without limiting the immediately preceding sentence, the City and the Bond Registrar shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede or any DTC Participant with respect to any ownership interest in the Bonds, (ii) the delivery to any DTC Participant or any other person, other than a registered owner of a Bond as shown in the Bond Register, of any notice with respect to the Bonds, including any notice of redemption, or (iii) the payment to any DTC Participant or any other person, other than a registered owner of a Bond as shown in the Bond Register, of any amount with respect to principal of or interest on the Bonds. The City and the Bond Registrar may treat and consider the person in whose name each Bond is registered in the Bond Register as the holder and absolute owner of such Bond for the purpose of payment of principal and interest with respect to such Bond, for the purpose of giving notices of redemption and other matters with respect to such Bond, for the purpose of registering transfers with respect to such Bond, and for all other purposes whatsoever. The Bond Registrar shall pay all principal of and interest on the Bonds only to or upon the order of the respective registered owners of the Bonds, as shown in the Bond Register, or their respective attorneys duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the City's obligations with respect to payment of principal of and interest on the Bonds to the extent of the sum or sums so paid. No person other than a registered owner of a Bond as shown in the Bond Register, shall receive a Bond certificate evidencing the obligation of the City to make payments of principal and interest with respect to any Bond. Upon delivery by DTC to the Bond Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede, the name *"Cede"* in this Ordinance shall refer to such new nominee of DTC.

In the event that (i) the City determines that DTC is incapable of discharging its responsibilities described herein and in the Representation Letter, (ii) the agreement among the City, the Bond Registrar and DTC evidenced by the Representation Letter shall be terminated for any reason or (iii) the City determines that it is in the best interests of the beneficial owners of the Bonds that they be able to obtain certificated Bonds, the City shall notify DTC and DTC Participants of the availability through DTC of Bond certificates and the Bonds shall no longer be restricted to being registered in the Bond Register in the name of Cede, as nominee of DTC. At the time, the City may determine that the Bonds shall be registered in the name of and deposited with such other depository operating a global book-entry system, as may be acceptable to the City, or such depository's agent or designee, and if the City does not select such alternate global book-entry system, then the Bonds may be registered in whatever name or names registered owners of Bonds transferring or exchanging Bonds shall designate, in accordance with the provisions of Section 11 hereof.

Notwithstanding any other provision of this Ordinance to the contrary, so long as any Bond is registered in the name of Cede, as nominee of DTC, all payments with respect to principal of and interest on such Bond and all notices with respect to such Bond shall be made and given, respectively, in the manner provided in the Representation Letter.

Section 6. Execution; Authentication. The Bonds shall be executed on behalf of the City by the manual or facsimile signature of the Mayor and attested by the manual or facsimile signature of the City Clerk, as they may determine, and shall have impressed or imprinted thereon the corporate seal or facsimile thereof of the City. In case any such officer whose signature shall appear on any Bond shall cease to be such officer before the delivery of such Bond, such signature shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until delivery. All Bonds shall have thereon a certificate of authentication, substantially in the form hereinafter set forth, duly executed by the Bond Registrar as authenticating agent of the City and showing the date of authentication. No Bond shall be valid or obligatory for any purpose or be entitled to any security or benefit under this Ordinance unless and until such certificate of authentication shall have been duly executed by the Bond Registrar by manual signature, and such certificate of authentication upon any such Bond shall be conclusive evidence that such Bond has been authenticated and delivered under this Ordinance. The certificate of authentication on any Bond shall be deemed to have been executed by it if signed by an authorized officer of the Bond Registrar, but it shall not be necessary that the same officer sign the certificate of authentication on all of the Bonds issued hereunder.

Section 7. Term Bonds, Mandatory Redemption and Covenants. The Bonds may be subject to mandatory redemption (as Term Bonds) as provided in the Bond Notification; *provided, however,* that in such event the amounts due as provided for under such mandatory redemption shall be the amount set forth in Section (4) of this Ordinance for the maximum amount of principal due on the Bonds in any given period. Bonds designated as Term Bonds shall be made subject to mandatory redemption by operation of the Bond Fund at a price of not to exceed par and accrued interest, without premium, on a given date of the years and in the amounts as shall be determined in the Bond Notification.

The City covenants that it will redeem Term Bonds pursuant to the mandatory redemption requirement for such Term Bonds. Proper provision for mandatory redemption having been made, the City covenants that the Term Bonds so selected for redemption shall be payable as at maturity, and taxes shall be levied and collected as provided herein accordingly.

Section 8. Optional Redemption. All or a portion of the Bonds, if any, may be subject to redemption prior to maturity at the option of the City, from any available funds, in whole or in part, on any date on or after the date provided in the Bond Notification (not later than March 1, 2024) and if in part, in such order of maturities (and, if applicable, order of mandatory redemption payments) as shall be specified in the Bond Notification, and if less than an entire maturity, in integral multiples of $5,000, selected by lot by the Bond Registrar as hereinafter provided, at the redemption price of par plus accrued interest to the redemption date.

Section 9. Term Bonds Purchase or Redemption. If the City redeems pursuant to optional redemption as hereinabove provided or purchases Term Bonds of any maturity and cancels the same from Bond Moneys (as defined in Section 13 of this Ordinance), then an amount equal to the principal amount of Term Bonds so redeemed or purchased shall be deducted from the mandatory redemption requirements provided for Term Bonds of such maturity, first, in the current year of such requirement, until the requirement for the current year has been fully met, and then in any order of such Term Bonds as due at maturity or subject to mandatory redemption in any year, as the City shall determine. If the City redeems pursuant to optional redemption or purchases Term Bonds of any maturity and cancels the same from moneys other than Bond Moneys, then an amount equal to the principal amount of Term Bonds so redeemed or purchased shall be deducted from the amount of such Term Bonds as due at maturity or subject to mandatory redemption requirement in any year, as the City shall determine.

Section 10. Redemption Procedure. For a mandatory redemption of Term Bonds, the Bond Registrar shall proceed without further authorization or direction to provide for such redemption. For optional redemptions, the City shall, at least 45 days prior to the redemption date (unless a shorter time period shall be satisfactory to the Bond Registrar), notify the Bond Registrar for the Bonds of such redemption date and of the maturities and principal amounts of Bonds to be redeemed. In the event of an optional redemption of less than all of a given maturity of Term Bonds, the City shall also notify the Bond Registrar of the allocation of the amount to be redeemed to the mandatory redemption requirements for such Term Bonds. For purposes of any redemption of less than all of the Bonds of a single maturity, the particular Bonds or portions of Bonds to be redeemed shall be selected by lot not more than 60 days prior to the redemption date by the Bond Registrar for the Bonds of such maturity by such method of lottery as the Bond Registrar shall deem fair and appropriate; *provided, however,* that such lottery shall provide for the selection for redemption of Bonds or portions thereof so that any $5,000 Bond or $5,000 portion of a Bond shall be as likely to be called for redemption as any other such $5,000 Bond or $5,000 portion.

The Bond Registrar shall promptly notify the City and the Paying Agent in writing of the Bonds or portions of Bonds selected for redemption and, in the case of any Bond selected for partial redemption, the principal amount thereof to be redeemed.

Unless waived by the registered owner of Bonds to be redeemed, official notice of any such redemption shall be given by the Bond Registrar on behalf of the City by mailing the redemption notice by first class mail not less than 30 days and not more than 60 days prior to the date fixed for redemption to each registered owner of the Bond or Bonds to be redeemed at the address shown on the Bond Register or at such other address as is furnished in writing by such registered owner to the Bond Registrar.

All official notices of redemption shall include the full name of the Bonds to be redeemed and at least the information as follows:

(a) the redemption date;

(b) the redemption price;

(c) if less than all of the outstanding Bonds of a particular maturity are to be redeemed, the identification (and, in the case of partial redemption of Bonds within such maturity, the respective principal amounts) of the Bonds to be redeemed;

(d) a statement that on the redemption date the redemption price will become due and payable upon each such Bond or portion thereof called for redemption and that interest thereon shall cease to accrue from and after said date;

(e) the place where such Bonds are to be surrendered for payment of the redemption price, which place of payment shall be the principal corporate trust office of the Paying Agent; and

(f) such other information then required by custom, practice or industry standard.

Unless moneys sufficient to pay the redemption price of the Bonds to be redeemed shall have been received by the Paying Agent prior to the giving of such notice of redemption, such notice may, at the option of the City, state that said redemption shall be conditional upon the receipt of such moneys by the Paying Agent on or prior to the date fixed for redemption. If such moneys are not received, such notice shall be of no force and effect, the City shall not redeem such Bonds, and the Bond Registrar shall give notice, in the same manner in which the notice of redemption shall have been given, that such moneys were not so received and that such Bonds will not be redeemed. Otherwise, prior to any redemption date, the City shall deposit with the Paying Agent an amount of money sufficient to pay the redemption price of all the Bonds or portions of Bonds which are to be redeemed on that date.

Subject to the provisions for a conditional redemption described above, notice of redemption having been given as aforesaid, the Bonds or portions of Bonds so to be redeemed shall, on the redemption date, become due and payable at the redemption price therein specified, and from and after such date (unless the City shall default in the payment of the redemption price) such Bonds or portions of Bonds shall cease to bear interest. Upon surrender of such Bonds for redemption in accordance with said notice, such Bonds shall be paid by the Paying Agent at the redemption price. The procedure for the payment of interest due as part of the redemption price shall be as herein provided for payment of interest otherwise due. Upon surrender for any partial redemption of any Bond, there shall be prepared for the registered owner a new Bond or Bonds of like tenor, of authorized denominations, of the same maturity, and bearing the same rate of interest in the amount of the unpaid principal.

If any Bond or portion of a Bond called for redemption shall not be so paid upon surrender thereof for redemption, the principal shall, until paid or duly provided for, bear interest from the redemption date at the rate borne by the Bond or portion of Bond so called for redemption. All Bonds which have been redeemed shall be cancelled and destroyed by the Bond Registrar and shall not be reissued.

As part of their respective duties hereunder, the Bond Registrar and Paying Agent shall prepare and forward to the City a statement as to notice given with respect to each redemption together with copies of the notices as mailed and published.

Section 11. Registration and Exchange or Transfer of Bonds; Persons Treated as Owners. The City shall cause books (the *"Bond Register"*) for the registration and for the transfer of the Bonds as provided in this Ordinance to be kept at the principal corporate trust office of the Bond Registrar in the City of Indianapolis, Indiana, which is hereby constituted and appointed the registrar of the City for the Bonds. The City is authorized to prepare, and the Bond Registrar or such other agent as the City may designate shall keep custody of, multiple Bond blanks executed by the City for use in the transfer and exchange of Bonds.

Any Bond may be transferred or exchanged, but only in the manner, subject to the limitations, and upon payment of the charges as set forth in this Ordinance. Upon surrender for transfer or exchange of any Bond at the principal corporate trust office of the Bond Registrar, duly endorsed by or accompanied by a written instrument or instruments of transfer or exchange in form satisfactory to the Bond Registrar and duly executed by the registered owner or an attorney for such owner duly authorized in writing, the City shall execute and the Bond Registrar shall authenticate, date and deliver in the name of the transferee or transferees or, in the case of an exchange, the registered owner, a new fully registered Bond or Bonds of like tenor, of the same maturity, bearing the same interest rate, of authorized denominations, for a like aggregate principal amount.

The Bond Registrar shall not be required to transfer or exchange any Bond during the period from the close of business on the Record Date for an interest payment to the opening of business on such interest payment date or during the period of 15 days preceding the giving of notice of redemption of Bonds or to transfer or exchange any Bond all or a portion of which has been called for redemption.

The execution by the City of any fully registered Bond shall constitute full and due authorization of such Bond, and the Bond Registrar shall thereby be authorized to authenticate, date and deliver such Bond; *provided, however,* that the principal amount of Bonds of each maturity authenticated by the Bond Registrar shall not at any one time exceed the authorized principal amount of Bonds for such maturity less the amount of such Bonds which have been paid.

The person in whose name any Bond shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of the principal of or interest on any Bond shall be made only to or upon the order of the registered owner thereof or his or her legal representative. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

No service charge shall be made for any transfer or exchange of Bonds, but the City or the Bond Registrar may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any transfer or exchange of Bonds, except in the case of the issuance of a Bond or Bonds for the unredeemed portion of a Bond surrendered for redemption.

Section 12. Form of Bond. The Bonds shall be in substantially the form hereinafter set forth; *provided, however,* that if the text of the Bonds is to be printed in its entirety on the front side of the Bonds, then the second paragraph on the front side and the legend "See Reverse Side for Additional Provisions" shall be omitted and the text of paragraphs set forth for the reverse side shall be inserted immediately after the first paragraph.

[FORM OF BOND - FRONT SIDE]

REGISTERED	REGISTERED
NO. _____	$_________

UNITED STATES OF AMERICA
STATE OF ILLINOIS
THE COUNTY OF MACON
CITY OF DECATUR
GENERAL OBLIGATION BOND, SERIES 2014

See Reverse Side for Additional Provisions.

Interest Rate: ____%	Maturity Date: March 1, 20__	Dated Date: __________, 2014	CUSIP: 243127 ___

Registered Owner: CEDE & CO.

Principal Amount: DOLLARS

KNOW ALL PERSONS BY THESE PRESENTS that the City of Decatur, Macon County, Illinois, a municipality, home rule unit, and political subdivision of the State of Illinois (the *"City"*), hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner identified above, or registered assigns as hereinafter provided, on the Maturity Date identified above, the Principal Amount identified above and to pay interest (computed on the basis of a 360-day year of twelve 30-day months) on such Principal Amount from the later of the Dated Date of this Bond identified above or from the most recent interest payment date to which interest has been paid or duly provided for, at the Interest Rate per annum identified above, such interest to be payable on March 1 and September 1 of each year, commencing September 1, 2014, until said Principal Amount is paid or duly provided for. The principal of this Bond is payable in lawful money of the United States of America upon presentation hereof at the principal corporate trust office of U.S. Bank National Association, in the City of Indianapolis, Indiana, as paying agent (the *"Paying Agent"*). Payment of interest shall be made to the Registered Owner hereof as shown on the registration books of the City maintained by U.S. Bank

National Association, in the City of Indianapolis, Indiana, as bond registrar (the *"Bond Registrar"*), at the close of business on the applicable Record Date (the *"Record Date"*). The Record Date shall be the 15th day of the month next preceding any regular or other interest payment date occurring on the 1st day of any month and 15 days preceding any interest payment date occasioned by the redemption of Bonds on other than the 1st day of a month. Interest shall be paid by check or draft of the Paying Agent, payable upon presentation in lawful money of the United States of America, mailed to the address of such Registered Owner as it appears on such registration books or at such other address furnished in writing by such Registered Owner to the Bond Registrar, or as otherwise agreed by the City and Cede & Co., as nominee, or successor, for so long as this Bond is held by The Depository Trust Company, New York, New York, the depository, or nominee, in book-entry only form as provided for same.

Reference is hereby made to the further provisions of this Bond set forth on the reverse hereof, and such further provisions shall for all purposes have the same effect as if set forth at this place.

It is hereby certified and recited that all conditions, acts and things required by the Constitution and Laws of the State of Illinois to exist or to be done precedent to and in the issuance of this Bond, including the authorizing Act, have existed and have been properly done, happened and been performed in regular and due form and time as required by law; that the indebtedness of the City, represented by the Bonds, and including all other indebtedness of the City, howsoever evidenced or incurred, does not exceed any constitutional or statutory or other lawful limitation; and that provision has been made for the collection of a direct annual tax, in addition to all other taxes, on all of the taxable property in the City sufficient to pay the interest hereon as the same falls due and also to pay and discharge the principal hereof at maturity.

This Bond shall not be valid or become obligatory for any purpose until the certificate of authentication hereon shall have been signed by the Bond Registrar.

IN WITNESS WHEREOF the City of Decatur, Macon County, Illinois, by its Council, has caused this Bond to be executed by the manual or duly authorized facsimile signature of its Mayor and attested by the manual or duly authorized facsimile signature of its City Clerk and its corporate seal or a facsimile thereof to be impressed or reproduced hereon, all as appearing hereon and as of the Dated Date identified above.

____
Mayor, City of Decatur
Macon County, Illinois

ATTEST:

____
City Clerk, City of Decatur
Macon County, Illinois

[SEAL]

Date of Authentication: ____________, 2014

CERTIFICATE
OF
AUTHENTICATION

This Bond is one of the Bonds described in the within-mentioned Ordinance and is one of the General Obligation Bonds, Series 2014, having a Dated Date of ___________, 2014, of the City of Decatur, Macon County, Illinois.

U.S. BANK NATIONAL ASSOCIATION,
as Bond Registrar

By______________________________
Authorized Officer

Bond Registrar and Paying Agent:
U.S. Bank National Association
Indianapolis, Indiana

[FORM OF BOND - REVERSE SIDE]

This bond is one of a series of bonds (the *"Bonds"*) in the aggregate principal amount of $______,000 issued by the City to finance the expansion of the City's water supply by the dredging of Lake Decatur and pay expenses incidental thereto, all as described and defined in the ordinance authorizing the Bonds (the *"Ordinance"*), pursuant to and in all respects in compliance with the applicable provisions of the Illinois Municipal Code, as supplemented and amended, and as further supplemented and, where necessary, superseded, by the powers of the City as a home rule unit under the provisions of Section 6 of Article VII of the Illinois Constitution of 1970 and the City's enabling ordinances adopted pursuant to such home rule powers (such code, powers and enabling ordinance, collectively, being the *"Act"*), and with the Ordinance, which has been duly passed by the Council of the City, approved by the Mayor, and published, in all respects as by law required.

Subject to the provisions relating to this Bond remaining in book-entry only form, this Bond may be transferred or exchanged, but only in the manner, subject to the limitations, and upon payment of the charges as set forth in the Ordinance. Upon surrender for transfer or exchange of this Bond at the principal corporate trust office of the Bond Registrar in the City of Chicago, Illinois, duly endorsed by or accompanied by a written instrument or instruments of transfer or exchange in form satisfactory to the Bond Registrar and duly executed by the Registered Owner or an attorney for such owner duly authorized in writing, the City shall execute and the Bond Registrar shall authenticate, date and deliver in the name of the transferee or transferees or, in the case of an exchange, the Registered Owner, a new fully registered Bond or Bonds of like tenor, of the same maturity, bearing the same interest rate, of authorized denominations, for a like aggregate principal amount.

The Bond Registrar shall not be required to transfer or exchange any Bond during the period from the close of business on the Record Date for an interest payment to the opening of business on such interest payment date or during the period of 15 days preceding the giving of notice of redemption of Bonds or to transfer or exchange any Bond all or a portion of which has been called for redemption.

The Bonds may be subject to optional [and mandatory] redemption, and the holder of this Bond shall refer to the provisions of the Ordinance for the terms and provision for notice of redemption.

The City, the Bond Registrar and the Paying Agent may deem and treat the Registered Owner hereof as the absolute owner hereof for the purpose of receiving payment of or on account of principal hereof and interest due hereon and for all other purposes, and the City, the Bond Registrar and the Paying Agent shall not be affected by any notice to the contrary.

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto

	Here insert Social Security Number, Employer Identification Number or other Identifying Number

____

____

(Name and Address of Assignee)

the within Bond and does hereby irrevocably constitute and appoint ________________________

____

as attorney to transfer the said Bond on the books kept for registration thereof with full power of substitution in the premises.

Dated: ______________________________ ______________________________

Signature guaranteed: ______________________________

NOTICE: The signature to this transfer and assignment must correspond with the name of the Registered Owner as it appears upon the face of the within Bond in every particular, without alteration or enlargement or any change whatever.

Section 13. *Tax Levy*. For the purpose of providing funds required to pay the interest on the Bonds promptly when and as the same falls due, and to pay and discharge the principal thereof at maturity, *there is hereby levied upon all of the taxable property within the City, in the years for which any of the Bonds are outstanding (namely, 2014 through 2032), a direct annual tax sufficient for that purpose in a yearly amount not to exceed $2,000,000 (the "Pledged Taxes"). Such levy shall be fully set forth in the Bond Notification; and if there shall be more than one series of the Bonds, the levy for each such series shall be set forth in the Bond Notification therefor*.

The Pledged Taxes and other moneys on deposit (collectively, the *"Bond Moneys"*) in the Bond Fund shall be applied to pay principal of and interest on the Bonds.

Interest or principal coming due at any time when there are insufficient funds on hand from the Pledged Taxes to pay the same shall be paid promptly when due from current funds on hand in advance of the collection of the Pledged Taxes herein levied; and when the Pledged Taxes shall have been collected, reimbursement shall be made to said funds in the amount so advanced. The City covenants and agrees with the purchasers and registered owners of the Bonds that so long as any of the Bonds remain outstanding, the City will take no action or fail to take any action which in any way would adversely affect the ability of the City to levy and collect the foregoing tax levy. The City and its officers will comply with all present and future applicable laws in order to assure that the Pledged Taxes may be levied, extended and collected as provided herein and deposited into the Bond Fund.

Whenever other funds from any lawful source are made available for the purpose of paying any principal of or interest on the Bonds so as to enable the abatement of the Pledged Taxes levied for the payment of same, the Council shall, by proper proceedings, direct the deposit of such funds into the Bond Fund and further shall direct the abatement of the taxes by the amount so deposited. A certified copy or other notification of any such proceedings abating Pledged Taxes shall be filed with the County Clerk in a timely manner to effect such abatement.

Section 14. Filing with County Clerk. Promptly, as soon as this Ordinance becomes effective, a copy hereof, certified by the City Clerk, shall be filed with the County Clerk; and the County Clerk shall in and for each of the years 2014 to 2032, inclusive, ascertain the rate percent required to produce the aggregate tax hereinbefore provided to be levied as set forth in each of said years; and the County Clerk shall (to the extent said tax has not been abated as provided herein) extend the same for collection on the tax books in connection with other taxes levied in said years in and by the City for general corporate purposes of the City; and in said years such annual tax shall be levied and collected by and for and on behalf of the City in like manner as taxes for general corporate purposes for said years are levied and collected, and in addition to and in excess of all other taxes.

Section 15. Sale of Bonds; Bond Notification; Bond Series. The Designated Officials are hereby authorized to proceed, without any further authorization or direction whatsoever from the Council, to sell and deliver the Bonds upon the terms as prescribed in this Section, pursuant to one or more Bond Notifications. The Bonds shall be sold and delivered to the Purchaser at the price of not less than 98.5% of the par value of the principal amount thereof (exclusive of original issue discount, if any), plus accrued interest, if any, to the date of delivery. Such sale shall be made upon the advice (in the form of a written certificate or report) of Speer Financial, Inc., the financial advisor to the City (*"Speer"*) that the terms of the Bonds are fair and reasonable in view of current conditions in the bond markets. As additional limitations on the sale of the Bonds, the Designated Officials shall find and determine that the Bonds have been sold at such price and bear interest at such rates that either the true interest cost (yield) or the net interest rate received upon the sale of the Bonds does not exceed the maximum rate otherwise authorized by applicable law. Nothing in this Section shall require the Designated Officials to sell any of the Bonds if in their judgment the conditions in the bond markets shall have deteriorated from the time of adoption of this Ordinance or the sale of all or any portion of the Bonds shall for some other reason not be deemed advisable, but the Designated Officials shall have the authority to sell the Bonds in any event so long as the limitations set forth in this Ordinance and the conditions of this Section shall have been met. As a further exercise of this authority, the Designated Officials may sell the Bonds in more than one series; and, in such event, shall be authorized to change the name of the Bonds for each such series so that such series may properly be identified separately. Further, in such event, the provisions for registration, redemption and exchange of Bonds shall be read as applying to Bonds only of each series, respectively, and not as between series. Upon the sale of the Bonds or any series of the Bonds, the Designated Officials and any other officers of the City as shall be appropriate, shall be and are hereby authorized and directed to approve or execute, or both, such documents of sale of the Bonds as may be necessary, including, without limitation, the Bond Notification, Preliminary Official Statement, Official Statement, Bond Purchase Contract (as hereinafter defined), and closing documents. The Designated Officials must find and determine in the Bond Notification that no person holding any office of the City either by election or appointment, is in any manner financially interested either directly, in his or her own name, or indirectly in the name of any other person, association, trust or corporation in said Bond Purchase Contract with the Purchaser for the purchase of the Bonds. The distribution of the Preliminary Official Statement relating to the Bonds is hereby in all respects authorized and approved, and the proposed use by the Purchaser of an Official Statement (in substantially the form of the Preliminary Official Statement but with appropriate variations to reflect the final terms of the Bonds) is hereby approved. The Designated Officials shall execute a bond purchase contract for the sale of the

Bonds to the Purchaser (the *"Bond Purchase Contract"*) in the form approved by the corporation counsel of the City. Upon the sale of the Bonds, the Designated Officials shall prepare the Bond Notification, which shall include the pertinent details of sale as provided herein, and such shall be entered into the records of the City and made available to all Council members at the next public meeting thereof. The Designated Officials shall also file with the County Clerk the Bond Notification. The authority granted in this Ordinance to the Designated Officials to sell Bonds as provided herein shall expire on August 1, 2014.

Section 16. Creation of Funds and Appropriations.

A. There is hereby created the *"General Obligation Bonds, Series 2014, Bond Fund"* (the *"Bond Fund"*), which shall be the fund for the payment of principal of and interest on the Bonds. Accrued interest received upon delivery of the Bonds, if any, shall be deposited into the Bond Fund and be applied to pay first interest coming due on the Bonds.

B. The Pledged Taxes shall either be deposited into the Bond Fund and used solely and only for paying the principal of and interest on the Bonds or be used to reimburse a fund or account from which advances to the Bond Fund may have been made to pay principal of or interest on the Bonds prior to receipt of Pledged Taxes. Interest income or investment profit earned in the Bond Fund shall be retained in the Bond Fund for payment of the principal of or interest on the Bonds on the interest payment date next after such interest or profit is received or, to the extent lawful and as determined by the Council, transferred to such other fund as may be determined. The City hereby pledges, as equal and ratable security for the Bonds, all present and future proceeds of the Pledged Taxes for the sole benefit of the registered owners of the Bonds, subject to the reserved right of the Council to transfer certain interest income or investment profit earned in the Bond Fund to other funds of the City, as described in the preceding sentence.

C. The amount necessary from the sale proceeds of the Bonds shall be deposited into a separate fund, hereby created, designated the *"2014 Expense Fund"* to be used as necessary to pay expenses of issuance of the Bonds. Disbursements from such fund shall be made from time to time as necessary. Any excess in said fund shall be transmitted by the Treasurer for deposit into the Bond Fund after six months from the date of issuance of the Bonds.

D. The remaining sale proceeds of the Bonds shall be used to pay costs of the Project and to that end shall be deposited into a separate and segregated account of the City, hereby created, and to be known as the *"2014 Water Utility Project Fund"* (the *"Project Fund"*). Monies on deposit in and to the credit of the Project Fund shall be disbursed from time to time as needed by the Treasurer, without further official action or direction of the Council, in accordance with normal City procedures for disbursements of corporate funds for capital projects. Upon the completion of the Project, as certified to the Treasurer by the architect or engineer in responsible charge of the Project, remaining funds, if any, on deposit in and to the credit of the Project Fund shall be transferred by the Treasurer, without further official action of or direction by the Council, to the Bond Fund. Monies on deposit in and to the credit of the Project Fund may be invested by the Treasurer in any investments for City funds as may be from time to time authorized under Illinois law, without further official action of or direction by the Council.

Without further official action of or direction by the Council, if necessary to ensure the timely payment of principal of and interest on the Bonds, monies on deposit in the Project Fund may be transferred by the Treasurer at any time to the Bond Fund in anticipation of the collection of Pledged Taxes. Any amount so transferred shall be immediately repaid upon the collection of Pledged Taxes.

Section 17. General Arbitrage Covenants. The City hereby covenants that it will not take any action, omit to take any action or permit the taking or omission of any action within its control (including, without limitation, making or permitting any use of the proceeds of the Bonds) if taking, permitting or omitting to take such action would cause any of the Bonds to be an arbitrage bond or a private activity bond within the meaning of the Code or would otherwise cause the interest on the Bonds to be included in the gross income of the recipients thereof for federal income tax purposes. The City acknowledges that, in the event of an examination by the Internal Revenue Service (the *"IRS"*) of the exemption from federal income taxation of interest on the Bonds, under present rules, the City may be treated as a "taxpayer" in such examination and agrees that it will respond in a commercially reasonable manner to any inquiries from the IRS in connection with such an examination.

The City also agrees and covenants with the purchasers and holders of the Bonds from time to time outstanding that, to the extent possible under Illinois law, it will comply with whatever federal tax law is adopted in the future which applies to the Bonds and affects the Tax-exempt status of the Bonds.

The Council hereby authorizes the officials of the City responsible for issuing the Bonds, the same being the Mayor, the City Clerk and the Treasurer, to make such further covenants and certifications as may be necessary to assure that the use thereof will not cause the Bonds to be arbitrage bonds and to assure that the interest on the Bonds will be exempt from federal income taxation. In connection therewith, the City and the Council further agree: (a) through their officers, to make such further specific covenants, representations as shall be truthful, and assurances as may be necessary or advisable; (b) to consult with counsel approving the Bonds and to comply with such advice as may be given; (c) to pay to the United States, as necessary, such sums of money representing required rebates of excess arbitrage profits relating to the Bonds; (d) to file such forms, statements, and supporting documents as may be required and in a timely manner; and (e) if deemed necessary or advisable by their officers, to employ and pay fiscal agents, financial advisors, attorneys, and other persons to assist the City in such compliance.

Section 18. Registered Form. The City recognizes that Section 149(a) of the Code requires the Bonds to be issued and to remain in fully registered form in order to be and remain Tax-exempt. In this connection, the City agrees that it will not take any action to permit the Bonds to be issued in, or converted into, bearer or coupon form.

Section 19. Rights and Duties of Bond Registrar and Paying Agent. If requested by the Bond Registrar or the Paying Agent, or both, any officer of the City is authorized to execute standard forms of agreements between the City and the Bond Registrar or Paying Agent with respect to the obligations and duties of the Bond Registrar or Paying Agent hereunder. In addition to the terms of such agreements and subject to modification thereby, the Bond Registrar and Paying Agent by acceptance of duties hereunder agree:

(a) to act as bond registrar, paying agent, authenticating agent, and transfer agent as provided herein;

(b) as to the Bond Registrar, to maintain a list of Bondholders as set forth herein and to furnish such list to the City upon request, but otherwise to keep such list confidential to the extent permitted by law;

(c) as to the Bond Registrar, to give notice of redemption of Bonds as provided herein;

(d) as to the Bond Registrar, to cancel and/or destroy Bonds which have been paid at maturity or submitted for exchange or transfer;

(e) as to the Bond Registrar, to furnish the City at least annually a certificate with respect to Bonds cancelled and/or destroyed; and

(f) to furnish the City at least annually an audit confirmation of Bonds paid, Bonds outstanding and payments made with respect to interest on the Bonds.

The City Clerk is hereby directed to file a certified copy of this Ordinance with the Bond Registrar and the Paying Agent.

Section 20. Defeasance. Any Bond or Bonds which (a) are paid and cancelled, (b) which have matured and for which sufficient sums been deposited with the Paying Agent to pay all principal and interest due thereon, or (c) for which sufficient U.S. funds and direct U.S. Treasury obligations have been deposited with the Paying Agent or similar institution to pay, taking into account investment earnings on such obligations, all principal of and interest on such Bond or Bonds when due at maturity or as called for redemption, pursuant to an irrevocable escrow or trust agreement, shall cease to have any lien on or right to receive or be paid from the Bond Moneys or Pledged Taxes hereunder and shall no longer have the benefits of any covenant for the registered owners of outstanding Bonds as set forth herein as such relates to lien and security of the outstanding Bonds. All covenants relative to the Tax-exempt status of the Bonds; and payment, registration, transfer, and exchange; are expressly continued for all Bonds whether outstanding Bonds or not.

Section 21. Continuing Disclosure Undertaking. The Mayor and the Treasurer are each hereby authorized, empowered and directed to execute and deliver the Continuing Disclosure Undertaking (the *"Continuing Disclosure Undertaking"*) in substantially the same form as now before the Council, or with such changes therein as the individual executing the Continuing Disclosure Undertaking on behalf of the City shall approve, the official's execution thereof to constitute conclusive evidence of the approval of such changes. When the Continuing Disclosure Undertaking is executed and delivered on behalf of the City as herein provided, the Continuing Disclosure Undertaking will be binding on the City and the officers, employees and agents of the City, and the officers, employees and agents of the City are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Continuing Disclosure Undertaking as executed. Notwithstanding any other provision of this Ordinance, the sole remedies for failure to comply with the Continuing Disclosure Undertaking shall be the ability of the beneficial owner of any Bond to seek mandamus or specific performance by court order, to cause the City to comply with its obligations under the Continuing Disclosure Undertaking.

Section 22. Record-Keeping Policy and Post-Issuance Compliance Matters. On November 15, 2010, the Council adopted a record-keeping policy to assist the City in demonstrating compliance with its covenants and expectations to ensure the appropriate federal tax status for the Bonds and other debt obligations of the City (collectively, the *"Policy"*). The Council amended the Policy on August 5, 2013.

Section 23. Publication of Ordinance. A full, true and complete copy of this Ordinance shall be published within ten days after passage in pamphlet form by authority of the Council.

Section 24. Severability. If any section, paragraph, clause or provision of this Ordinance shall be held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the other provisions of this Ordinance.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

Section 25. Superseder and Effective Date. All ordinances, resolutions and orders, or parts thereof, in conflict herewith, are to the extent of such conflict hereby superseded; and this Ordinance shall be in full force and effect immediately upon its passage, approval and publication.

AYES: ______________________________

____

NAYS: ______________________________

ABSENT: ______________________________

ADOPTED: February 3, 2014

APPROVED: February 3, 2014

____
Mayor, City of Decatur
Macon County, Illinois

Recorded in City Records: February 3, 2014.

Published in pamphlet form by authority of the Council on February 3, 2014.

ATTEST:

____
City Clerk, City of Decatur
Macon County, Illinois

STATE OF ILLINOIS)
) SS
COUNTY OF MACON)

CERTIFICATION OF MINUTES AND ORDINANCE

I, the undersigned, do hereby certify that I am the duly qualified and acting City Clerk of the City of Decatur, Macon County, Illinois (the *"City"*), and as such official I am the keeper of the official journal of proceedings, books, records, minutes and files of the City and of the Council (the *"Council"*) thereof.

I do further certify that the foregoing is a full, true and complete transcript of that portion of the minutes of the meeting of the Council held on the 3rd day of February, 2014 insofar as the same relates to the adoption of an ordinance, numbered _______ entitled:

> AN ORDINANCE providing for the issuance of not to exceed $26,000,000 General Obligation Bonds, Series 2014, of the City of Decatur, Macon County, Illinois, to finance the expansion of the City's water supply by the dredging of Lake Decatur, authorizing designated officials to sell said bonds by the execution of a notification of sale and providing for the levy and collection of a direct annual tax sufficient for the payment of the principal of and interest on said bonds.

a true, correct and complete copy of which said ordinance as adopted at said meeting appears in the foregoing transcript of the minutes of said meeting.

I do further certify that the deliberations of the Council on the adoption of said ordinance were taken openly; that the vote on the adoption of said ordinance was taken openly; that said meeting was held at a specified time and place convenient to the public; that notice of said meeting was duly given to all newspapers, radio or television stations and other news media requesting such notice; that an agenda for said meeting was posted at the location where said meeting was held and at the principal office of the Council at least 72 hours in advance of the holding of said meeting, that said agenda contained a separate specific item concerning the proposed adoption of said ordinance, a true, correct and complete copy of said agenda as so posted being attached to this Certificate as *Exhibit A,* that said meeting was called and held in strict compliance with the provisions of the Open Meetings Act of the State of Illinois, as amended, and the Illinois Municipal Code, as amended, and that the Council has complied with all of the provisions of said Act and said Code and with all of the procedural rules of the Council in the adoption of said ordinance.

IN WITNESS WHEREOF I hereunto affix my official signature and the seal of the City this 3rd day of February, 2014.

____
[SEAL] City Clerk

[Attach Exhibit A]

STATE OF ILLINOIS)
) SS
COUNTY OF MACON)

CERTIFICATE OF PUBLICATION IN PAMPHLET FORM

I, the undersigned, do hereby certify that I am the duly qualified and acting City Clerk of the City of Decatur, Macon County, Illinois (the *"City"*), and as such official I am the keeper of the official journal of proceedings, books, records, minutes, and files of the City and of the Council (the *"Council"*) thereof.

I do further certify that on the 3rd day of February, 2014 there was published in pamphlet form, by authority of the Council, a true, correct and complete copy of Ordinance Number _______ of the City providing for the issuance of not to exceed $26,000,000 General Obligation Bonds, Series 2014, of the City and that said ordinance as so published was on said date readily available for public inspection and distribution, in sufficient number to meet the needs of the general public, at my office as City Clerk located in the City.

IN WITNESS WHEREOF I have affixed hereto my official signature and the seal of the City this 3rd day of February, 2014.

____
City Clerk

[SEAL]

STATE OF ILLINOIS)
) SS
COUNTY OF MACON)

CERTIFICATE OF FILING

I, the undersigned, do hereby certify that I am the duly qualified and acting County Clerk of The County of Macon, Illinois, and as such officer I do hereby certify that on the ____ day of February, 2014 there was filed in my office a properly certified copy of Ordinance Number ______ passed by the Council of the City of Decatur, Macon County, Illinois, on the 3rd day of February, 2014 and entitled:

> AN ORDINANCE providing for the issuance of not to exceed $26,000,000 General Obligation Bonds, Series 2014, of the City of Decatur, Macon County, Illinois, to finance the expansion of the City's water supply by the dredging of Lake Decatur, authorizing designated officials to sell said bonds by the execution of a notification of sale and providing for the levy and collection of a direct annual tax sufficient for the payment of the principal of and interest on said bonds.

and that the same has been deposited in, and all as appears from, the official files and records of my office.

IN WITNESS WHEREOF I have hereunto affixed my official signature and the seal of The County of Macon, Illinois, this ____ day of February, 2014.

____
County Clerk of The County of Macon, Illinois

[SEAL]

COUNCIL INFORMATION MEMORANDUM
NO. 2014 - 03

DATE: **January 24, 2014**

TO: **Honorable Mayor McElroy and City Council Members**

FROM: **Ryan P. McCrady, City Manager**
Richard G. Marley, P.E., Public Works Director

SUBJECT: **Planned Illinois Rt. 105 Improvement**

The City recently received a Letter of Intent (attached) from the Illinois Department of Transportation (IDOT) regarding a planned improvement to Illinois Route 105 (22nd Street and Lake Shore Drive) from Route 36 to Route 51. The project plan is to resurface the roadway, improve sidewalk curb ramps, and upgrade traffic signals along the route. The work will include a total replacement of the traffic signals at Lost Bridge Road and Lake Shore Drive.

The City will be asked to financially participate in project work that affects adjacent City owned streets as outlined in the Letter of Intent. This work includes resurfacing into the radius returns at the identified intersections, sidewalk curb ramp adjustments and traffic signal improvements.

The proposed project was not specifically included in the City's 2014 Capital Improvement Plan approved by Council. IDOT currently estimates the City's portion of the project to cost just under $66,000. This number will be refined as the project plans are completed and a City-State Agreement is prepared. City staff intends to recommend that the City's portion of the project costs be paid with Motor Fuel Tax funds.

The City generally receives a formal City-State Agreement from IDOT prior to bidding projects involving the City. It is expected that this agreement will be received for Council action in late March or early April.

The project is scheduled to begin late this summer with final completion in 2015.

This is for your information.

Illinois Department of Transportation
Division of Highways / Region 4 / District 7
400 West Wabash / Effingham, Illinois / 62401-2699
Telephone 217/342-3951

January 15, 2014

Letter of Intent
FAP 712 (IL 105)
Section: 128RS RS-4, (48K) RS-2
Macon County
Contract No.: 74475
Job Number: C-97-117-10
Description: US 36 to Old Business 51 in Decatur

Mr. Matt Newell
City of Decatur
#1 Gary K Anderson Plaza #177
Decatur, Illinois 62523

Dear Mr. Newell:

The Illinois Department of Transportation is planning to improve FAP 712 (IL 105) State Section 128RS RS-4, (48K) RS-2) from IL 36 to US 51 in the City of Decatur by milling and resurfacing, replacing sidewalk curb ramps and upgrading traffic signals Right of way will not be required. The work will be done under stage construction. Local Streets will be affected by the work shown on the following spread sheet.

1. Per a previous request from the CITY, the STATE plans to completely remove and replace the signal system at Lost Bridge Road.

2. Signals at Prairie Street, Wood Street, Jasper Street and Martin Luther King Street will be upgraded.

3. The sidewalk curb ramps that do not require right of way or utility relocations will be added or upgraded as needed and as shown on the table following table.

4. Side road approaches will be milled and resurfaced to the radius returns. The City will also be required to maintain these radius returns upon completion.

As discussed in the phone conversation between the City Engineer and the Project Support Engineer on January 10, 2014, the CITY will be required to participate in the costs of parts of the improvement. The State is asking the CITY, at this time, to provide comment and/or agreement on the proposed plan and the financial and maintenance responsibilities as described in this letter.

The City will be given an opportunity for final plan approval, when they are completed and will be required to give written approval of that portion of the plans and specifications relative to the CITY financial and maintenance obligations prior to the STATE'S advertising for the improvement.

June 13

The project is tentatively scheduled for the ~~April 25,~~ 2014 letting. If you have any questions concerning the agreement, please feel free to contact the Project Support Engineer, Theresa (Terri) Petersen at 217-342-8317.

Very Truly Yours,

Roger L. Driskell, P.E.
Deputy Director of Highways
Region Four Engineer

Greg Jamerson

Greg Jamerson
District Program Development Engineer

TLP:rr
cc: Project Support
Enclosures

SIDEROAD LOCATIONS ADJACENT TO ADA RAMP WORK
WEST SIDE OF PRAIRIE ST.
EAST SIDE OF MAIN ST.
WEST SIDE OF WOOD ST.
WEST SIDE OF CLAY ST.
EAST SIDE OF CLAY ST.
WEST SIDE OF HENDRIX ST.
EAST SIDE OF CANTRELL ST.
NORTH SIDE OF LOST BRIDGE RD.
SOUTH SIDE OF LOST BRIDGE RD.
NORTH SIDE OF JASPER ST.
SOUTH SIDE OF JASPER ST.
TOTAL = 11

LOCATION	NO. OF SIDEROADS
PRAIRIE ST.	2
MAIN ST.	2
WOOD ST.	2
CLAY ST.	2
JOHNS AVE.	2
DECATUR ST.	2
HENDRIX ST.	2
POWERS BLVD.	1
LAWRENCE ST.	1
WHITMER ST.	1
MOORE ST.	1
CANTRELL ST.	2
ROOSEVELT AVE.	1
EAST RIVERSIDE AVE.	1
LOST BRIDGE ROAD	2
JASPER ST.	2
SILAS ST.	1
TEMPLE HILL	1
MAFFIT ST.	1
MLK JR. DR.	1
CLEVELAND AVE.	2
	32

	State		CITY		TOTAL
Type of Work	Cost	%	Cost	%	Total
All constr. costs excluding the following	$2,308,736	100	$0	0	$2,308,736
<u>Side Streets</u>					
Mill and resurface	$0	0	$4,221	100	$4,221
Resurface approaches	$23,793	50	$23,793	50	$47,586
Sidewalks	$0	0	$1	100	$1
Sidewalk Removal	$0	0	$1	100	$1
<u>ADA</u>					
Milling	$1,769	80	$442	20	$2,211
Resurfacing	$19,941	80	$4,985	20	$24,926
Sidewalk Removal	$2,138	80	$535	20	$2,673
Sidewalk Ramps	$6,138	80	$1,535	20	$7,673
Curb and gutter removal and replacement	$11,868	80	$2,967	20	$14,835
Detectible warnings	$3,568	50	$3,568	50	$7,135
<u>Traffic Signals</u>	$0	0	$0	0	$0
Prairie Street	$47,500	95	$2,500	5	$50,000
Wood Street	$47,500	95	$2,500	5	$50,000
Jasper Street	$47,500	95	$2,500	5	$50,000
Lost Bridge Road	$164,900	97	$5,100	3	$170,000
MLK	$47,500	95	$2,500	5	$50,000
All Emergency Pre-emption	$0	0	$1	100	$1
Highway Lighting	$0	0	$1	100	$1
Sub Total	$2,732,851		$57,149		$2,790,000
P&C Engr. 15%	$409,928		$8,572		$418,500
Total	$3,142,778		$65,722		$3,208,500