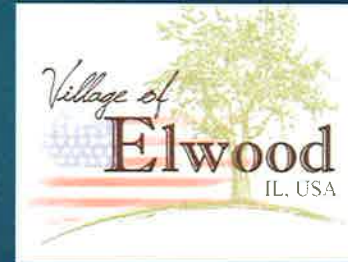


Financial Management Plan: Village Infrastructure Benefits & Bond Issues

JANUARY 3, 2017



Joliet Army Ammunition Plant property declared surplus in 1993

- ▶ Some land designated “Super Fund” site
- ▶ Re-use proposals: landfill, coal-fired energy plant, intermodal and business park



Uses of Proceeds of Grant and Loans



Water Supply

Jada Wells	\$1,400,000
Water Treatment Plant	\$2,300,000
Elevated Storage Tanks	\$1,400,000
Drummond (Baseline to 1930' east old Diagonal Road)	\$567,000
East Access (Baseline to Chicago)	\$657,011
Diagonal (Drummond to East Access)	\$209,081
Mississippi Street (New Diagonal to Chicago)	\$396,675
Mississippi Street (Chicago to Route 53)	\$255,225
Chicago Street (Diagonal to Mississippi)	\$230,100
Chicago Street (South of Mississippi)	\$331,010
Baseline (Drummond to East Access)	\$209,082
Baseline (South of East Access)	\$206,955
Baseline (South of East Access)	\$350,830
Miscellaneous Streets - 8" Water	\$2,079,280
Water Supply Sub-Total	\$10,592,249
Well & WTP & Tank Contingency - 10% of construction	\$510,000
Engineering Services - 13% of construction	\$1,376,993
Water Supply Total	\$12,479,242

Wastewater Conveyance

Drummond Interceptor	\$1,582,000
Intermodal Area	\$450,000
Steffes Farm Interceptor	\$280,500
Brandon Road PS & Force Main	\$1,951,500
Mississippi Street Interceptor	\$481,675
Mississippi Street PS & Force Main	\$459,000
I & I Study and Rehabilitation	\$130,000
Wastewater Treatment Plant	\$4,844,803
Wastewater Subtotal	\$10,179,478
Contingency - 10% of construction	\$1,017,948
Engineering Services - 13% of construction	\$1,323,332
Wastewater Total	\$12,520,758

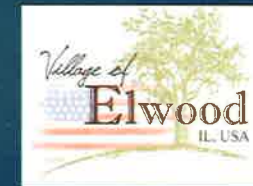
Water and Wastewater Total \$25,000,000



Infrastructure Financing

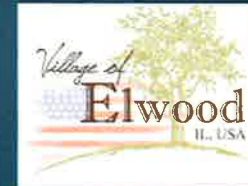
Water & Wastewater Infrastructure Improvements

- ▶ Grant (\$10.5M) & Loans (\$14.5M) from State of Illinois
- ▶ Loan repayment to State 2006 to 2020



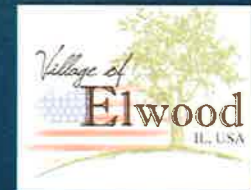
Infrastructure Improvements Overview

- ▶ Major water and wastewater facilities \$25,000,000



Infrastructure Financing

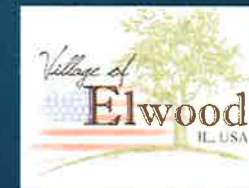
- ▶ 3.5 mile wastewater outfall to Des Plaines River funded by CenterPoint through a 9% \$8.5M loan to Village. CenterPoint granted 50% of wastewater treatment plant capacity.
- ▶ CenterPoint granted \$10M to the Village for infrastructure improvements.



Infrastructure Improvements Overview

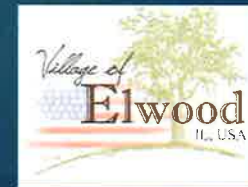
- ▶ Major water and wastewater facilities \$25,000,000
- ▶ WWTP outfall \$ 8,500,000
- ▶ CenterPoint Grant to the Village 2003 \$10,000,000

- ▶ **Total** **\$43,500,000**



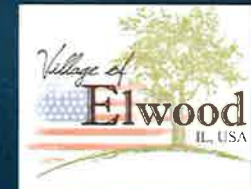
Bond Issues 2005 & 2006

- ▶ Amounts and purposes
 - ▶ Replacement of water and sewer lines throughout village
 - ▶ Street reconstruction
 - ▶ Curbs and gutters
 - ▶ Storm sewers
 - ▶ Village Hall
 - ▶ November 2005 - \$6.7M
 - ▶ January 2006 - \$6.2M



Infrastructure and Facility Improvements Overview

▶ Major water and wastewater facilities	\$25,000,000
▶ WWTP outfall	\$ 8,500,000
▶ CenterPoint Grant to the Village 2003	\$10,000,000
▶ Bond Issues 2005/2006	\$12,900,000
▶ Total	\$56,400,000



Village Repayment of State Loans

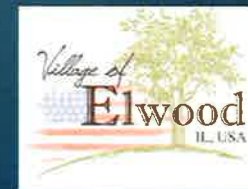
- ▶ \$14.5M plus interest & penalties
- ▶ Negotiated repayment in 2010
 - ▶ Village contributes sewer & water funds
\$2,000,000
 - ▶ CenterPoint building permit fee credits
\$2,000,000
 - ▶ 2010 A bond issue
\$3,800,000
 - ▶ 2010 B bond issue CenterPoint funded
\$4,500,000

State accepts repayment of \$12,300,000



Infrastructure Repayment

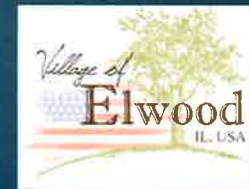
In addition to State repayment settlement, the 3.5 mile wastewater outfall to Des Plaines River funded by CenterPoint through a 9% \$8.5M loan to Village was forgiven and CenterPoint returned 50% of wastewater treatment plant capacity to the Village.



Reduction of Debt

In 2015, the 2005 bond issue was refinanced for a lower interest rate generating more than \$250,000 savings in interest.

In 2016, the Village settled its lawsuit with CenterPoint resulting in a 1% reduction of its interest rate on the 2010B bonds.



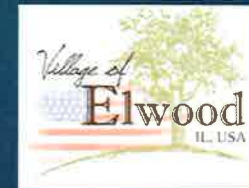
Reduction of Debt

- ▶ State repayment savings \$ 2,200,000
- ▶ CenterPoint forgives outfall loan \$ 8,500,000
- ▶ Village refinances 2005 bonds \$ 250,000
- ▶ Village settles law suit with CenterPoint reducing interest rate on bonds.
- ▶ Village gains 50% of wastewater treatment plant capacity
- ▶ **Debt reduction savings \$10,950,000**



Infrastructure and Facility Improvements Overview

▶ Major water and waste water facilities	\$25,000,000
▶ WWTP outfall	\$ 8,500,000
▶ CenterPoint Grant to the Village in 2003	\$10,000,000
▶ Bond Issues 2005/2006	\$12,900,000
▶ Total	\$56,400,000



Bond Payments

The Village is currently able to meet debt payments. The Village is paying \$1.25M on the 2010A and 2015 bond payments annually.

In 2023, the 2006 and 2010B bonds will be due. Current Village revenues are not sufficient to fund these bonds.

IF THE VILLAGE WERE ABLE TO PAY ALL OF IT'S BOND DEBT TODAY, IT WOULD BE APPROXIMATELY \$26M.

