

## WORKING COMMITTEE MEETING MINUTES

Southwestern Illinois Development Authority  
1022 Eastport Plaza Drive, Collinsville, Illinois  
Thursday, October 21, 2010

**Call to Order:** The working committee meeting of the Southwestern Illinois Development Authority Board of Directors was called to order by Chairman Robert Lombardi at 6:00 p.m. in SWIDA's office at 1022 Eastport Plaza Drive, Collinsville, IL. **Members Present:** Robert Lombardi, Khalil El-Amin, Barbara Johnson, Jim Nations, Roger Poole, Jim Stack, Reggie Sparks and Jim Sullivan. **Members Absent:** Edie Koch, David Miller, Robert Plummer, Dave Willey and two Governor appointees who have not yet been appointed. Others present included SWIDA general counsel Charles L. Jarik by phone, Mike Lundy, Executive Director; Joe Gasparich, Assistant Executive Director and Karen Poole, Admin. Asst.

### 1. Approval of Minutes

- A. The September 16, 2010 committee meeting minutes were unanimously approved as presented on a motion by Mr. Poole seconded by Mr. El-Amin.

### 2. Report of Working Committee:

- A. **RESOLUTION** authorizing the issuance of Local Government Program Revenue Bonds, Series 2010-A (Southwestern Illinois Flood Prevention District Council Project-Tax Exempt Bonds) of the Southwestern Illinois Development Authority in an aggregate principal amount not to exceed \$80,000,000; providing the details thereof; confirming the sale thereof; authorizing the execution and delivery of a Depository Agreement, a Local Government Securities Purchase Agreement, a Purchase Contract and related documents; approving the distribution of a Preliminary Official Statement and an Official Statement; and related matters.
- B. **RESOLUTION** authorizing the issuance of Taxable Local Government Program Revenue Bonds, Series 2010-B (Southwestern Illinois Flood Prevention District Council Project-Build America Bonds) of the Southwestern Illinois Development Authority in an aggregate principal amount not to exceed \$80,000,000; providing the details thereof; confirming the sale thereof; authorizing the execution and delivery of a Depository Agreement, a Local Government Securities Purchase Agreement, a Purchase Contract and related documents; approving the distribution of a Preliminary Official Statement and an Official Statement; and related matters.
- C. **RESOLUTION** authorizing the issuance of Taxable Local Government Program Revenue Bonds, Series 2010-C (Southwestern Illinois Flood Prevention District Council Project-Recovery Zone Economic Development Bonds) of the Southwestern Illinois Development Authority in an aggregate principal amount not to exceed \$30,000,000; providing the details thereof; confirming the sale thereof; authorizing the execution and delivery of a Depository Agreement, a Local Government

*Securities Purchase Agreement, a Purchase Contract and related documents; approving the distribution of a Preliminary Official Statement and an Official Statement; and related matters.*

Mr. Les Sterman, Chief Supervisor of Construction and the Works, Southwestern Illinois Flood Prevention District Council, explained that the Corps of Engineers could not assure that the levee system in the American Bottoms would withstand a 100-year flood. Their concerns were not with the height or structure but with the potential for under-seepage. In 2007, FEMA de-accredited the levees meaning they act as though the levees are not even there. In May 2008, the counties affected by this action approved and began collecting a quarter-cent sales tax to fund the necessary improvements. FEMA is anticipated to issue new flood maps in December 2011, at which time, flood insurance premiums could increase dramatically. Resolutions A, B and C will provide funding for the levee improvements.

- D. Don Johnson \$215,000 Performance Bond** – Mr. Johnson reported he has been awarded a contract to build six, single-family rental units to be owned and operated by the East St. Louis Housing Authority. Contempri Building Systems has been subcontracted to complete the modular homes. Mr. Johnson is requesting that SWIDA, through the East St. Louis Development Fund, provide \$215,000 of the \$286,000 performance bond to be escrowed for approximately six months until the anticipated completion of the project. Mr. Johnson will pledge construction equipment worth an estimated \$420,000 as collateral. Contempri has agreed to withhold \$55,000 as payments are made on their contract to be used by SWIDA if the performance bond is called upon. Mr. Johnson proposes paying a bond fee of 3.75% or \$53,718 to SWIDA on the first construction draw.
- E. East St. Louis Housing Authority Loan**—Ms. Elizabeth Tolliver, Executive Director of the East St. Louis Housing Authority, explained that the Housing Authority and the Emerson Park Development Corporation Youth Build Program have agreed to provide construction skills training to young public housing residents. The Housing Authority is requesting a loan from the East St. Louis Development Fund to allow the program to start as planned. They are requesting a minimum of \$41,766 that would be repaid at the end of December 2010 at the closing of the Senior Housing Development project at 15<sup>th</sup> & Bowman Avenue.
- F. Treasurer's Report**— (Mr. Plummer)—In Mr. Plummer's absence, Mr. Lundy reviewed the September 2010 financial reports for SWIDA and the East Saint Louis Development Fund.

- 3. Other Business/Adjournment:** The Working Committee meeting adjourned at approximately 7:20 p.m.

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The Minutes of the Southwestern Illinois Development Authority Working Committee meeting held on October 21, 2010 were approved as presented   X   corrected \_\_\_\_\_ amended \_\_\_\_\_ by the members of the Working Committee on December 16, 2010.

          /s/Robert P. Lombardi            
Robert P. Lombardi, Chairman