

Sauk Valley Community College
February 27, 2023

Action Item 4.6

Topic: **Amendment to Trust Agreement – Capital Development Board (State of Illinois) Project No. 810-084-013 “Replace Air Handlers”**

College Health Metric: **Campus Environment – College facilities and grounds are clean and updated; the campus is safe, secure, and welcoming.**

Presented by: **Dr. David Hellmich, Kent Sorenson, and Rich Groleau**

Presentation:

The Intergovernmental Cooperation Act (5 ILCS 220 et seq., as amended) authorizes public agencies to enter into agreements and contracts to perform any governmental service, activity, or undertaking authorized by law upon approval of their respective governing bodies.

The Capital Development Board (CDB) is an agency of the State of Illinois created pursuant to 20 ILCS 3105 et seq., which is responsible for managing construction projects for which money has been appropriated or authorized by the General Assembly.

The College had previously established a trust agreement, dated July 20, 2021, where the CDB committed to provide up to seventy-five (75%) of the cost of the proposed project for a maximum contribution of \$1,983,750 to finance the project, and the College committed to provide the balance of the project costs. The CDB will manage the project, and the College will transfer \$661,250 to the CDB under a project trust agreement.

An amendment to the trust agreement is necessary to update the College’s projected share of the project costs after consideration of and approval of construction bids. An additional \$632,500 will be necessary to cover the College’s project share, bringing the College’s total contribution to \$1,293,750.

Total project costs are estimated at \$3,277,500 including a 10% contingency allocation. The State’s share of the project cost will be capped at \$1,983,750,000. The increase to the overall project costs is attributed to increased inflation of material and construction costs since the project was originally contemplated.

The additional \$704,391 will be sourced from restricted bond proceeds.

Recommendation:

The administration recommends the Board approve the attached Amendment to Trust Agreement with the Capital Development Board to proceed with the CDB coordinated project to upgrade the College’s HVAC infrastructure.

AMENDMENT TO TRUST AGREEMENT

This Amendment to that certain Trust Agreement, hereinafter called Trust Agreement dated July 20, 2021 entered into by and between Sauk Valley Community College whose address is 173 IL Route 2, Dixon, IL 61021 hereinafter called the USING EDUCATIONAL AGENCY, and Midland States Bank, hereinafter called BANK.

WITNESSETH

WHEREAS the USING EDUCATIONAL AGENCY has entered into a Trust Agreement for the purpose of depositing six hundred sixty-one thousand two hundred fifty dollars (\$661,250) with BANK as its required contribution to the project known as Capital Development Board (State of Illinois) Project No. 810-084-013 hereinafter called Project, and

WHEREAS the required contribution to the PROJECT by the USING EDUCATIONAL AGENCY has been increased.

NOW THEREFORE, the TRUST AGREEMENT is hereby amended by adding paragraphs as follows:

“11. That the USING EDUCATIONAL AGENCY does simultaneously with the execution hereof deposit with BANK additional funds totaling six hundred thirty-two thousand five hundred dollars (\$632,500) raising the total contribution to one million two hundred ninety-three thousand seven hundred fifty dollars (\$1,293,750).

“12. That the funds so deposited with the BANK shall be part of the contribution and shall be held by the BANK in trust according to the terms of TRUST AGREEMENT and any amendments thereto.”

IN WITNESS WHEREOF the parties have hereunder set their hand and seals this day February 27, 2023.

USING EDUCATIONAL AGENCY

Sauk Valley Community College
Printed Name

815.288.5511
phone number

(Seal)

Signature

Title

ATTEST: _____
Signature

Title

BANK

Printed Name

phone number

Signature

Title

ATTEST:

Signature

Title

Acknowledgement of Receipts of Funds in
the Amount of \$ _____

Printed Name/Signature

Title

Paula Sorensen

Administrator of Fiscal Management
CAPITAL DEVELOPMENT BOARD