

**Sauk Valley Community College
May 19, 2025**

Action Item 4.3

Topic: **Trust Agreement – Capital Development Board (State of Illinois)
Project No. 810-084-014 “Upgrade Parking Lots and Roadways”**

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

Presented By: **Dr. David Hellmich and Richard 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 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.

Sauk Valley Community College has been approved for CDB Project No. 810-084-014, titled “Upgrade Parking Lots and Roadways.” The scope of work provides for the replacement of approximately 255,000 square feet of roads, parking lots, sidewalks, underground utilities, site lighting, and storm sewers as necessary. The work also includes resurfacing the athletic track and installing electric vehicle (EV) charging infrastructure. Construction will be coordinated during the summer months to minimize disruption to college operations.

The Capital Development Board will contribute up to \$3,300,000, representing 75% of the total project cost. The College is required to provide a 25% local match in the amount of \$1,100,000. Under the proposed Trust Agreement, the College will deposit these matching funds with Sauk Valley Bank, to be held in trust and disbursed by CDB as required. This project supports the College’s long-term facility master plan and reinforces its commitment to maintaining a safe, accessible, and modern campus environment.

Recommendation:

The administration recommends the Board approve the attached Trust Agreement with the Capital Development Board and Sauk Valley Bank to proceed with Project No. 810-084-014 – “Upgrade Parking Lots and Roadways.”

TRUST AGREEMENT

This Agreement is made and entered into by and between the Sauk Valley Community College, whose address is 173 IL RT 2, Dixon, Illinois 61021, hereinafter called the Using Educational Agency, and a Bank, Sauk Valley Bank whose address is 201 W. 3rd Street, Sterling, Illinois 61081, hereinafter called Bank.

WITNESSETH

WHEREAS the USING EDUCATIONAL AGENCY is required by law to pay a contribution to that certain project, known as Capital Development Board project number *CDB project # (810-084-014)*, in the amount of one million one hundred thousand dollars; and

WHEREAS, the USING EDUCATIONAL AGENCY may elect to deposit the contribution under a Trust Agreement, with an Illinois Bank of the Using Educational Agency's choice, pursuant to 71 Illinois Administrative Code 30.110, as amended October 1, 1984.

NOW THEREFORE, the parties do hereby agree:

1. That the USING EDUCATIONAL AGENCY does simultaneously with execution hereof deposit with Bank funds totaling one million one hundred thousand dollars (\$1,100,000).
2. That the funds so deposited with the Bank shall be described as the "contribution" and shall be held by the Bank in trust according to the terms of this agreement.
3. That the USING EDUCATIONAL AGENCY shall receive any interest thereon.
4. That earnings on the trust corpus shall be paid by the BANK to the USING EDUCATIONAL AGENCY not less frequently than quarterly.
5. That the Executive Director (in his or her official capacity) or the Administrator of Fiscal Management (in his or her official capacity) of the Capital Development Board is the only person authorized to direct the BANK to make payment out of the trust, other than payment of earnings to the USING EDUCATIONAL AGENCY in accordance with Section 4 hereof.
6. The right of the Executive Director or the Administrator of Fiscal Management of the Capital Development Board to direct payment is restricted in that any such funds so directed shall be made payable only to: "The Order of State Treasurer of Illinois, Capital Development Board, Contributory Trust Fund".
7. That the BANK shall pay such funds within two (2) working days upon the receipt of

the written direction of the Executive Director or the Administrator of Fiscal Management of the Capital Development Board, and that any agreement between the BANK and the USING EDUCATIONAL AGENCY, shall, in no way, affect the duty of the BANK to so pay upon demand.

8. That the BANK, as Trustee, shall invest in securities of the type utilized to collateralize deposits by the Treasurer of the State of Illinois, or time deposits, open accounts, certificates of deposit, savings accounts or enter into a re-purchase agreement; however, all time deposits, open accounts, certificates of deposit, savings accounts shall be covered by a pledge of securities to cover the difference between the FDIC insurance and the total unsecured amount (of the type listed in Paragraph 2, below) on deposit with the depositor bank of the Trustee Bank. A "safekeeping receipt" for such deposits shall be submitted to the USING EDUCATIONAL AGENCY covering the securities pledged, and a certified statement to the effect that all monies invested have been adequately protected shall be submitted to CDB by the BANK. Should the re-purchase agreement cover securities other than those listed in Paragraph 2 of this Section, such agreements shall also be subject to the pledge of securities provision as described in this Section. The term "securities of the type utilized to collateralize deposits by the Treasurer of the State of Illinois" means: direct obligations of the United States Government; general obligations of the State of Illinois; notes, bonds, debentures or participation certificates of the Federal Mortgage Association, Federal Intermediate Credit Bank, Federal Home Loan Bank, Federal Land Bank, Illinois Building Authority, Illinois Toll Highway Commission of Illinois State Toll Highway Authority; Public Housing Authority Notes; obligations of the Export-Import Bank of Washington, D.C.; general obligations municipal bonds (including school districts) within the State of Illinois rated "A" or better by Moodys; and Farmers Home Administration Insured Notes provided such notes are quoted and are non-amortized.

9. That the USING EDUCATIONAL AGENCY shall be responsible for obtaining the written execution of the Trust Agreement by the BANK. Any costs or service fees of the BANK shall be borne by the USING EDUCATIONAL AGENCY.

10. That when the total amount of the contribution has been paid from the account in accordance with the directions of the Executive Director or the Administrator of Fiscal Management of the Capital Development Board, this Agreement shall be terminated and any accumulated interest or earnings thereon shall be paid over to the Using Educational Agency.

IN WITNESS WHEREOF the parties have hereunder set their hands and seals this 19th day of May, 2025.

USING EDUCATIONAL AGENCY

Name of School Phone number

By: _____
Printed Name Title

Signature ATTEST: _____

BANK

Name of Bank Phone number

By: _____
Printed Name Title

ATTEST: _____
Signature

Acknowledgment of Receipt

Funds in the Amount \$ _____

Bank Representative/Printed Name

By: _____
Signature Title

Joel Meints Administrator of Fiscal Management
CAPITAL DEVELOPMENT BOARD

810-084-014 – Upgrade Parking Lots and Roadways

Appropriation: \$3,300,000

Total Project Cost: \$4,400,000

The Sauk Valley Community College – Dixon is a 11-building facility established in 1969.

The scope of work provides for replacement of approximately 255,000 square feet of roads, parking lots, sidewalks, underground utilities, site lighting, and storm sewers as necessary. The work will also include resurfacing the track and provisions for EV charging.

Construction work needs to be coordinated with the college during summer months.

Teams should include a geotechnical consultant.

The A/E will need to determine if any components of this project are eligible for a utility company or other energy grant/rebate and will be responsible for preparing and submitting the grant application if the project qualifies for the rebate.

A/E's are encouraged to include independent cost estimators on their teams to verify estimates are in line with current market conditions to avoid project bids that exceed the available funding for the project. A/E estimates should be updated and verified at each stage of the project in accordance with the "Design and Construction Manual." Designers are reminded that their Professional Services Agreements make them responsible for providing a design that is within budget and they can be held responsible for redesign of the project should bids received exceed project funding.