

# City Teams with Bank of Madison County on Bonds to Finance East Fire Station Project

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**EDWARDSVILLE** – The City of Edwardsville is partnering with the Bank of Madison County to finance the construction of its new East Fire Station through the issuance of \$6.87 million in general obligation bonds.

The City Council on Tuesday, November 15, approved an ordinance authorizing the issuance of the bonds, with Mayor Art Risavy subsequently signing the financing

agreement. The bonds will cover costs for the \$5.1 million East Fire Station, 7407 Governors Parkway. They also will cover the costs of a new aerial ladder firetruck and building improvements to the City's Campus Fire Station at Southern Illinois University Edwardsville.

"With the support of our aldermen, we are following through on a pledge to ensure the best response times and emergency services for all of our residents," Risavy said. "We appreciate the support of the Bank of Madison County in helping us to see this important project through to completion."

The bonds are to be paid over 20 years through the quarter-cent public safety sales tax authorized in 2014 to support the City's police and fire services. This tax enabled the City in 2016 to open the Campus Fire Station, followed in 2017 by the Public Safety Building, which serves as headquarters for police and fire services, 333 S. Main St. Requests for proposals for the bonds were sent to approximately 40 local and regional lenders by the City's financial advisors, Hilltop Securities.

The Bank of Madison County, a division of the Bank of Belleville, offered the best interest rate and financing structure of seven that were received that fully met the City's funding requirements, Finance Director Jeanne Wojcieszak said. "It shows the commitment of our local lending institutions to supporting our community," Wojcieszak said.

The Bank of Madison County offered a 3.74% fixed rate for the first 10 years. For the five years after that, the rate adjusts to that of the five-year Treasury note minus .60%. Those same terms also will apply for the final five years.

The rate the City will pay for the final two five-year periods of the bonds cannot go higher than 9% by state law, and historical data indicates it is likely to be much less than that, Wojcieszak said.

"We're excited about the opportunity to participate in this project with the City," said Paul Abert, the Market President for the Bank of Madison County. "We know it will significantly benefit the City and residents."

The East Fire Station is expected to open in November 2023. It will include 8,400 square feet of space, with three double bays to house multiple trucks and ambulances. Once opened, it will replace Station 2 on Montclair Avenue, a smaller facility that opened in 1969.

Morrissey Construction Co. is building the station, while AAIC Inc. is the architect. The placement of the East Fire Station is a response to a service area study that pinpointed the distribution of emergency calls and showed growth in eastern areas of the City.

The location of the three stations will ensure that Edwardsville's public safety, fire and paramedic services are strategically positioned to quickly serve all residents now and in the future.