

## New Utility Rates Adopted for the Next Four Years beginning 10/01/08

On August 11<sup>th</sup>, the Village Council approved the Water and Sewer Rate Study performed by AB&H Donohue of Chicago. The four year rates approved (fiscal years 2009 – 2012) are required to fund **Water system** improvements and expenditures as follows:

- \$2,250,000 for an 800,000 gallon underground water reservoir in fiscal 2010;
- additional chlorinator for \$102,000;
- \$80,000 annually for repair of water main breaks and main replacements;
- City of Chicago 15% water rate increase projected for next three years;
- Increased operation and maintenance expenses;
- The rate increase includes a \$6.50 capital improvement fee necessary to pay the \$1,750,000 bond over a 20 year period.

## **New Utility Rates Adopted for the Next Four Years beginning 10/01/08**

The four year rates approved (fiscal years 2009 – 2012) are required to fund **Sewer system** improvements and expenditures as follows:

- \$50,000 annually necessary to maintain 12 sewer lift stations;
- \$50,000 annually in anticipation of sewer main repairs;
- \$299,000 for purchase of televising equipment, including trailer and jetting equipment and generator;
- Increased operations and maintenance costs;
- The rate increase includes a \$6.50 capital improvement fee in addition to the increased sewer rate to create the required fund balance.

1. The current schedule of rates and charges:

Water Volume Charge (per 1,000 gallons)	\$5.30
Minimum Bi-Monthly Water Volume Charge (6,000 gallons)	\$31.80
Sewer Volume Charge (metered) per 1,000 gallons	\$0.75
Minimum Bi-Monthly Sewer Volume Charge (6,000 gallons)	\$9.00
Minimum Bi-Monthly Sewer Line Charge (Unmetered)	\$15.00

2. The October 1<sup>st</sup> 2008 schedule of rates and charges:

Water Volume Charge (per 1,000 gallons)	\$6.75
Minimum Bi-Monthly Water Volume Charge (6,000 gallons)	\$40.50
Sewer Volume Charge (metered) per 1,000 gallons	\$1.20
Minimum Bi-Monthly Sewer Volume Charge (6,000 gallons)	\$7.20
Minimum Bi-Monthly Sewer Line Charge (Unmetered)	\$24.00
Minimum Bi-Monthly Capital Improvement Fee (\$13 Sewer & Water)	\$26.00

## Four Year Sewer and Water Rate Increases Beginning October 1, 2008

\*New Monthly Fee \$6.50 Capital Improvements Fee for Water & \$6.50 for Sewer

	Capital Improvement Fee	Per 1,000 gallon Rate	Capital Imprvmt. Fees	Per 1,000 gallons rate	Average Bi-Monthly Bill**
2008-Current	-	\$ 5.30	\$	\$ 0.75	\$ 84.70
May 1, 2008	\$ 6.50	\$ 6.75	\$ 6.50	\$ 1.20	\$ 137.30
May 1, 2009	\$ 6.50	\$ 8.15	\$ 6.50	\$ 1.75	\$ 164.60
May 1, 2010	\$ 6.50	\$ 9.75	\$ 6.50	\$ 1.85	\$ 188.40
May 1, 2011	\$ 6.50	\$ 9.75	\$ 6.50	\$ 2.00	\$ 190.50

\*The \$6.50 capital improvement fee on the water bill will create the revenue stream to pay down the 20 year bond issue in the amount of \$1,750,000 to construct an underground water reservoir in fiscal 2010.

The \$6.50 capital improvement fee for sewer use will be used to purchase televising and sewer maintenance equipment for the sewer mains and twelve sanitary sewer lift stations including motors, pumps and computerized monitoring devices.

\*\*Average residential bi-monthly bill assuming 14,000 gallons billed usage.