

WATER & SEWER COMMITTEE MEETING MINUTES
JUNE 8, 2010 – 6:30 p.m.

Chairman Marzahl called the Water & Sewer Committee Meeting to order at 6:30 p.m. Committee members present: Alderman Marzahl, Ulmer, Opper and Adams. Also present were Mayor Nolan, Aldermen Szczap and Perkins, City Clerk Wells and Administrator Nelson.

Water & Sewer Rates

Administrator Nelson reviewed the survey of area communities for water and sewer charges and the budget with respect to costs for wages, insurance and electricity. There was not an increase in the City's water and sewer rates last January. In order to maintain current costs, Mayor Nolan and Administrator Nelson recommend a 5% increase across the board in water and sewer rates in January, 2011, and 5% in January, 2012, which would generate approximately \$70,000 gross increase per year in revenue. There would not be an increase in the flat charge maintenance fee of \$12.50. The increase is .26 per unit with an average increase of \$3.60 per billing cycle per customer.

Moved by Adams, seconded by Opper to recommend to the City Council a 5% increase in the water and sewer rates effective January 1, 2011 and a 5% increase in the water and sewer rates effective January 1, 2012. The Committee discussed only increasing the rate for one year and looking at the financial situation again next year. Aldermen Adams and Opper rescinded their motion and second respectively.

Moved by Opper, seconded by Adams to recommend to the City Council a 5% increase in the water and sewer rates effective August 1, 2010. All ayes. Motion carried.

Mayor Nolan presented a proposal with respect to sewer only users to be more in line with what customers who are on both water and sewer actually pay for sewer. Currently there are two commercial accounts that are sewer only users. On the commercial accounts, the difference between what the City is currently charging and what is equitable is about \$100 a month. Moved by Adams, seconded by Ulmer to recommend to the City Council to establish a commercial rate for sewer only users at \$200 plus the \$12.50 maintenance fee per billing cycle, effective August 1, 2010. All ayes. Motion carried.

Administrator Nelson reported there are seven residential accounts that are sewer only users, four of which are out by Lawrence where the City pays the monthly costs to maintain the pumping station and noted that said costs should be passed on to the residents. Moved by Opper, seconded by Adams to recommend to the City Council to establish a private pumping station fee in the amount of \$100 plus the \$12.50 maintenance fee per billing cycle, effective August 1, 2010. All ayes. Motion carried.

Capital Improvement Plan

Administrator Nelson noted that the capital improvement plan wasn't on the agenda, so the Committee can't take any action.

Administrator Nelson reviewed the prioritized capital improvements for the Utility Dept., Sewer Improvements and Water Main Improvements as attached. The consensus was for Administrator Nelson to work with Mayor Nolan and Chairman Marzahl to attach a dollar amount to each of the improvements and come up with a plan to divert some of the City's cash balances on a yearly basis from the water business to schedule improvements each year.

At 7:38 p.m., moved by Adams, seconded by Opper to adjourn the meeting. All ayes. Motion carried.

Submitted by:
Chairman Chuck Marzahl

WATER SEWER CHARGES 2010

| | Unit Charge | Flat Charge | Billed 15 Units 11,200 gallons |
|-------------------------|---------------|----------------|-----------------------------------|
| Lakewood | \$4.37 | \$118.80 | \$184.35 |
| Fontana | \$8.22 | \$52.00 | \$175.30 |
| Elkhorn | \$7.16 | \$62.40 | \$169.80 |
| Genoa City 2009 | \$8.10 | \$47.33 | \$168.83 |
| Walworth 2009 | \$8.81 | \$33.60 | \$165.75 |
| Darien | \$7.70 | \$48.36 | \$163.86 |
| Delevan | \$7.35 | \$27.98 | \$138.23 |
| Fox River Grove | \$4.55 | \$69.50 | \$137.75 |
| Hebron 2009 | \$6.41 | \$26.66 | \$122.81 |
| LITH | \$2.80 | \$77.26 | \$119.26 |
| Hampshire | \$6.25 | \$12.25 | \$106.00 |
| Woodstock | \$6.08 | \$0.00 | \$91.20 |
| Harvard | \$5.20 | \$12.50 | \$90.50 |
| Marengo | \$4.67 | \$18.02 | \$88.07 |
| Huntley | \$4.98 | \$12.84 | \$87.54 |
| McHenry | \$5.13 | \$8.94 | \$85.89 |
| Crystal Lake | \$3.99 | \$14.00 | \$73.85 |
| Cary | \$4.67 | \$2.00 | \$72.05 |
| Algonquin | \$4.78 | \$0.00 | \$71.70 |
| average 15 units | | | \$120.98 |
| Minimum 2008 | | | \$24.78 |
| Minimum 2009 | | | \$25.85 |
| Minimum 2010 | | | \$26.38 |

Utility Department

1. A Third Primary settling tank. This would improve the effluent by giving more space for settling and reducing the amount of solids going over the weirs.
2. Addition of Sludge Digestion space. With all of the expansions this plant has had digestion space has never been increased. This is a operation problem.
3. Sludge storage. This plant has not had an increase in sludge storage scene the 1996 expansion. We need Sludge Drying beds or a Sludge storage tank.
4. Replace sewer line from Dewey lift station run to the Kennedy st lift station.
5. Scada system Upgrade. Bring all Wells, Water Towers, Wastewater Treatment Plant and Lift Stations into one system.

Sewer Improvements

1. Hayes St.: Between E. McKinley and Hayes Court, manholes 4.58 to 4.57
2. Hayes St : Between E. Brown and E. Blackman, manholes 4.56 to 4.55
3. W. Roosevelt: from 2nd St to 8th St. This entire line is a major source of infiltration.
4. Ridgelande: From Admiral Dr. to S. Park Ave. manholes 3-2.3 to 3-2.2.

5. *AYER ST FRONT TO PARK 4.72 to 4.70*

Water main Improvements

1. Connect Dewey St. main to Park Pointe Sub.
2. Connect Marengo Rd. main across W. Brink St. to E. Metzen St. main.
3. Connect Kennedy St. main to Jefferson St. main.
4. Replace the 6'' main on S. Park Ave.- 16 Main breaks since 6/1992
5. Replace the 6'' main on N. Howard- 10 Main breaks since 6/1992
6. Replace the 6'' main in the 700 block of W. Burbank- 9 Main breaks since 6/1992
7. Replace the 6'' main on Garfield north from Bourne St.- 12 Main breaks since 6/1992
8. Replace the 6'' main on Marengo Rd. From W. Brink to Airport Rd.- 10 breaks since 6/1992