

040035 JXF

VILLAGE OF LOMBARD
REQUEST FOR BOARD OF TRUSTEES ACTION
For Inclusion on Board Agenda

 X Resolution or Ordinance (Blue) _____ *Waiver of First Requested*
_____ Recommendations of Boards, Commissions & Committees (Green)
_____ Other Business (Pink)

TO: PRESIDENT AND BOARD OF TRUSTEES

FROM: William T. Lichter, Village Manager

DATE: March 9, 2004 (COW)(B of T) March 18, 2004

TITLE: Ordinances Amending Title 5, Chapter 50 of the Lombard Village Code in Regard to Water and Sewer Rates.

SUBMITTED BY: Leonard J. Flood, Director of Finance

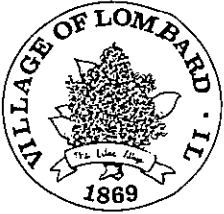
BACKGROUND/POLICY IMPLICATIONS:

Attached are two ordinances that amend the Village Code as it relates to water and sewer rates for FYE 2005. At their February 26, 2004 meeting, the Finance Committee voted unanimously to recommend to the Village Board approval of the FYE 2005 Proposed Budget. The budget as proposed included an increase in water and sewer rates that would become effective with bills issued on or after June 1, 2004. In addition to the rate increases, the budget as proposed included an increase to the per bill service charge.

Review (as necessary):

Village Attorney	<u> X </u>	_____	Date _____
Finance Director	<u> X </u>	<u>Leonard J. Flood</u>	Date <u>3/10/04</u>
Village Manager	<u> X </u>	<u>W. T. Lichter</u>	Date <u>3/10/04</u>

NOTE: All materials must be submitted to and approved by the Village Manager's Office by 12:00 noon, Wednesday, prior to the Agenda Distribution.



To: William T. Lichter
Village Manager

From: Leonard J. Flood
Director of Finance

Date: March 9, 2004

Subject: FYE 2005 Water & Sewer Rate Increases

At their February 26, 2004 meeting, the Finance Committee voted unanimously to recommend to the Village Board approval of the FYE 2005 Proposed Budget. The Proposed Budget includes an increase in water and sewer rates that would become effective with bills issued on or after June 1, 2004. In addition to the rate increases, the budget as proposed included an increase to the per bill service charge.

ATTACHMENT A summarizes the proposed water and sewer rate increases for FYE 2005. **ATTACHMENT B** indicates the proposed and projected rate increases for metered water and sewer service for the period FYE 2005 – FYE 2010 as well as the proposed and projected impact on the average residential and commercial users. As indicated in the latter attachment, the average residential customer using 12,000 gallons of water bimonthly would see an increase of 9.1% for FYE 2005. The average commercial customer using 61,000 gallons bimonthly would see an increase of 9.3% for FYE 2005.

- c. Tim Sexton, Assistant Director of Finance
Rhonda Heabel, Management Analyst
Sharon Myers, Customer Service Supervisor

FYE 2005 Proposed
Water and Sewer Rate Increases

Metered Consumption				
	<u>Within Village Limits</u>		<u>Outside Village Limits</u>	
	<u>Current</u>	<u>Proposed</u>	<u>Current</u>	<u>Proposed</u>
Water	\$3.94	\$4.12	\$7.88	\$8.24
Sewer	\$2.97	\$3.44	\$5.94	\$6.88
TOTAL	\$6.91	\$7.56	\$13.82	\$15.12

Service Charge	<u>Current</u>	<u>Proposed</u>
per Bill*	\$5.50	\$5.75

[*Note: The Service Charge covers the cost of administrative expenses related to billing, collection, meter reading and meter maintenance. This charge applies to all customers and all bills for service both within and outside the Village.]

Sanitary Sewer Service Only		
Service Charge	<u>Current</u>	<u>Proposed</u>
per Bill**	\$2.60	\$2.95

[Note: The Service Charge covers the cost of administrative expenses related to billing and collection. This charge applies to sanitary sewer only customers for service both within and outside the Village.]**

**Proposed and Projected
Water & Sewer Rates and Service Charge Fee
FYE 2005 - 2010***

		Service Charge	Per 1000 gallons			Inc. in Rate over PY	
			Water Rate	Sewer Rate	Total Rate	Amt.	%
FYE 2004	CURRENT	\$5.50	\$3.94	\$2.97	\$6.91	\$0.18	2.7%
FYE 2005	PROPOSED	\$5.75	\$4.12	\$3.44	\$7.56	\$0.65	9.4%
FYE 2006	PROJECTED	\$6.05	\$4.34	\$3.91	\$8.25	\$0.69	9.1%
FYE 2007	PROJECTED	\$6.35	\$4.60	\$4.28	\$8.88	\$0.63	7.6%
FYE 2008	PROJECTED	\$6.70	\$4.91	\$4.65	\$9.56	\$0.68	7.7%
FYE 2009	PROJECTED	\$7.05	\$5.21	\$5.04	\$10.25	\$0.69	7.2%
FYE 2010	PROJECTED	\$7.40	\$5.51	\$5.41	\$10.92	\$0.67	6.5%

[*NOTE: Projected rates anticipate funding of all water and sewer capital improvement projects from water and sewer rates.]

**Increase to Avg. Residential Bi-Monthly Bill
(12,000 gallons/bill avg. usage)**

		Bi-Monthly		%
		Bill	Annually	
FYE 2005	PROPOSED	\$8.05	\$48.30	9.1%
FYE 2006	PROJECTED	\$8.58	\$51.48	8.9%
FYE 2007	PROJECTED	\$7.86	\$47.16	7.5%
FYE 2008	PROJECTED	\$8.51	\$51.06	7.5%
FYE 2009	PROJECTED	\$8.63	\$51.78	7.1%
FYE 2010	PROJECTED	\$8.39	\$50.34	6.5%

**Increase to Avg. Commercial Bi-Monthly Bill
(61,000 gallons/bill avg. usage)**

		Bi-Monthly		%
		Bill	Annually	
FYE 2005	PROPOSED	\$39.90	\$239.40	9.3%
FYE 2006	PROJECTED	\$42.39	\$254.34	9.1%
FYE 2007	PROJECTED	\$38.73	\$232.38	7.6%
FYE 2008	PROJECTED	\$41.83	\$250.98	7.6%
FYE 2009	PROJECTED	\$42.44	\$254.64	7.2%
FYE 2010	PROJECTED	\$41.22	\$247.32	6.5%

ORDINANCE NO. _____

ORDINANCE AMENDING TITLE 5, CHAPTER 50, SECTION 50.114 OF THE LOMBARD VILLAGE CODE IN REGARD TO WATER RATES

BE IT ORDAINED by the President and Board of Trustees of the Village of Lombard, DuPage County, Illinois, as follows:

SECTION 1: That Title 5, Chapter 50, Section 50.114 of the Lombard Village Code is amended to read in its entirety as follows:

“50.114 WATER RATES

(A) There are established rates or charges for the use of services of the waterworks system of the Village as follows:

- (1) Water Rates Within the Village Limits:
\$4.12 per 1,000 gallons.
- (2) Water Rates Outside the Village Limits:
\$8.24 per 1,000 gallons.

(B) In addition to the rates and charges set forth in Subsection (A) above, each customer account shall be charged a flat fee of \$5.75 per billing period as an administrative service charge to cover the Village’s administrative expenses relating to providing utility service, including, but not limited to, the expenses of billing, collecting, meter reading and meter maintenance.”

SECTION 2: That this Ordinance shall be in full force and effect from and after its passage, approval and publication in pamphlet form as provided by law.

Passed on first reading this _____ day of _____, 2004.

First reading waived by action of the Board of Trustees this ___ day of _____, 2004.

Passed on second reading this _____ day of _____, 2004.

Ayes: _____

Nays: _____

Absent: _____

Approved this _____ day of _____, 2004.

William J. Mueller
Village President

ATTEST:

Barbara A. Johnson
Deputy Village Clerk

Ordinance No. _____
Ordinance Amending Title 5, Chapter 50, Section 50.114
Page 2

Published by me in pamphlet form this _____ day of _____, 2004.

Barbara A. Johnson, Deputy Village Clerk

ORDINANCE NO. _____

**ORDINANCE AMENDING TITLE 5, CHAPTER 50 OF THE
LOMBARD VILLAGE CODE IN REGARD TO
WASTEWATER COLLECTION AND TREATMENT CHARGES**

BE IT ORDAINED by the President and Board of Trustees of the Village of Lombard, DuPage County, Illinois, as follows:

SECTION 1: That Title 5, Chapter 50, Section 50.106(B) of the Lombard Village Code is amended to read in its entirety as follows:

“(B) There is hereby established a wastewater collection and treatment charge as follows:

- (1) Within the Village limits: \$3.44 per 1,000 gallons of water metered to, or sewage measured from, each user during the billing period.
- (2) Outside the Village limits: \$6.88 per 1,000 gallons of water metered to, or sewage measured from, each user during the billing period.”

SECTION 2: That Title 5, Chapter 50, Section 50.107 of the Lombard Village Code is amended to read in its entirety as follows:

“The minimum charge for 1,000 gallons of usage in one billing period shall be:

- (A) \$3.44 within the Village limits; and
- (B) \$6.88 outside the Village limits.”

SECTION 3: That Title 5, Chapter 50, Section 50.113 (F) of the Lombard Village Code is amended to read in its entirety as follows:

“(F) In addition to the rates and charges set forth in this Chapter 50 in regard to wastewater collection and treatment, each sanitary sewer only customer account shall be charged a flat fee of \$2.95 per billing period as an administrative service charge to cover the Village’s administrative expenses relating to providing utility service, including, but not limited to, the expenses of billing, collecting, and administration.”

SECTION 4: That this Ordinance shall be in full force and effect from and after its passage, approval and publication in pamphlet form as provided by law.

Passed on first reading this _____ day of _____, 2004.

First reading waived by action of the Board of Trustees this ___ day of _____, 2004.

Passed on second reading this _____ day of _____, 2004.

Ayes: _____

Nays: _____

Absent: _____

Ordinance No. _____
Ordinance Amending Title 5, Chapter 50
Page 2

Approved this _____ day of _____, 2004.

William J. Mueller
Village President

ATTEST:

Barbara A. Johnson
Deputy Village Clerk

Published by me in pamphlet form this _____ day of _____, 2004.

Barbara A. Johnson, Deputy Village Clerk