

Council Minutes

NOVEMBER 27, 2001

MINUTES OF A ZION CITY COUNCIL SPECIAL MEETING/WORKSHOP
TUESDAY, NOVEMBER 27, 2001, AT 3:35 P.M. IN THE CITY COUNCIL
CHAMBERS, CITY HALL, ZION, ILLINOIS

Mayor Harrison called the meeting to order at 3:35 P.M.

On call of the roll the following answered present: Commissioners Taylor, Bennett, Rogers, DeTienne and Mayor Harrison.

Also present: City Clerk Mackey, Brian Usher, John Stark, Bill Johansen

Representing Baxter & Woodman Consulting Engineers: Carl Moon, Bill Heinz

WATER RATE STUDY

The purpose of the water rate study is to evaluate the financial capability of the City's water and sewer rates, in order to provide for the systems' cost of operation, maintenance and debt service. Baxter & Woodman presented a draft base line study, with recommendations as follows:

- A staff of seven employees operates and maintains the water and sewer systems. Baxter & Woodman recommended increasing staff by one to a total of eight.
- The City's water and sewer system consists of approximately 100 miles each of water and sewer mains. The anticipated life of a main is 50 years, and much of the current system is older than 50 years. Baxter & Woodman recommended budgeting for capital improvements to replace the entire system over a 50-year cycle. This would require replacing two miles of both water and sewer mains each year. It is estimated the capital expenditures for this program for 2002/03 would be \$3.4 million.
- The present method of billing for water and sewer is done quarterly. Baxter & Woodman recommended changing the billing cycle to bimonthly, and instituting a basic service charge to pay for general expenses. Baxter & Woodman also recommended increasing the penalty for late payments from five percent to twenty-five percent.
- Baxter & Woodman recommended a structure for water and sewer connection fees, including a tap fee, water for construction fee, and a water connection fee.

- Alternate proposals and costs would depend on whether or not capital improvements would be made and at what level.

Commissioner Bennett stated water usage has been relatively flat for the past 5 years, and there are no plans to allow additional multi-family construction. Mayor Harrison stated the current water allocation is at 100%, and as the need develops, then the allocation can be increased from the state. Mayor Harrison stated the City is not receiving enough revenue to cover expenses for the water and sewer system. Brian Usher stated money is needed in the water maintenance fund, and suggested implementing any new programs for the start of the new fiscal year. John Stark stated the City currently has a basic charge for low water usage, and noted the garbage billing cycle would also need to be coordinated with any changes in the water billing.

Commissioner Taylor recommended and the Council agreed for a committee to be formed of Commissioner Taylor, Commissioner Bennett, Brian Usher, and John Stark for the purpose of reviewing the water rate study and presenting recommendations back to the Council by the end of January 2002.

There being no further business to come before the Council at this time, it was moved by Commissioner Taylor, seconded by Commissioner DeTienne and unanimously approved the meeting be adjourned at 4:26 p.m. Motion carried.