

City of Joliet

Summary of Water & Sewer Rate Increase

Back Ground

- Water & Sewer is an “Enterprise Fund” operation meaning it “Runs Like a Business”
 - o Expenses need to be paid with revenues collected from water & sewer customers
 - o General Taxes DO NOT Pay For Water & Sewer
- Current rates are lowest in area because gaming subsidized revenues for 15 years and development tap-on fees were used to help support operations
 - o Annual Gaming revenues have dropped \$16 million making subsidy unfeasible
 - o Annual Tap-on fees revenues have dropped \$9 million compared to 2005
- Operation costs are increasing & capital investment is still required
 - o Utilities & chemical costs for new water treatment plants are expected to increase
 - o Aging infrastructure (water mains, sewer pipes) needs to be maintained

Changes approved at September 15, 2009 City Council Meeting

- October 1, 2009
 - o Eliminate Gaming Abatements
 - This change takes away the “Water Credit”, “Sewer Credit”, and “Riverboat Credit” on monthly bills
 - o Increase all volume charges by 35%
 - All 9 customer categories receive 35% increase
 - Meter readings scheduled for October 1, 2009 or later subject to increase
 - First mailing of bills with new rates are scheduled for October 13, 2009
 - o New Senior discount - Senior Citizens will see “Senior Discount” on their bills
 - Discount is flat \$0.1787/day or \$5.36 on a 30 day bill
 - \$5.36 represents the increase to an “Average” Senior Citizen Water Customer bill due to the 35% rate increase (Average use = 5 HCF).
- October 1, 2010
 - o Daily fees increase 5%
 - There are three (3) possible daily fees on a customer bill
 - Customer charge for Water
 - Customer charge for Sewer
 - Sewer Separation Fee
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- October 1, 2011
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