

**VILLAGE OF DOWNERS GROVE
REPORT FOR THE VILLAGE COUNCIL MEETING
MARCH 20, 2012 AGENDA**

SUBJECT:	TYPE:	SUBMITTED BY:
Amend Municipal Code for Water Rates Charged to Residents in the Knottingham Subdivision	✓ Resolution Ordinance Motion Discussion Only	Judy Buttny Finance Director

SYNOPSIS

An ordinance has been prepared to delete the special rates for the sale of water to residents in the Knottingham Subdivision.

STRATEGIC PLAN ALIGNMENT

The goals for 2011-2018 for include *Steward of Financial and Environmental Sustainability*.

FISCAL IMPACT

This ordinance will make the water rate for residents in the Knottingham Subdivision equal to the rate paid by all other incorporated Downers Grove water users. This adjustment will result increase revenues to the Water Fund by approximately \$37,350 annually.

RECOMMENDATION

Approval on the April 3, 2012 active agenda.

BACKGROUND

Residents in the Knottingham Subdivision (249 households) receive water from the Village of Downers Grove that is purchased from the City of Darien based on an agreement established between the Village and Darien in 1978. As a result of this agreement, the Village created a separate water rate for these residents in the Municipal Code. The special rate was put in place to make sure that the Village sells the water to the Knottingham residents for an amount at least equal to the cost of purchasing the water from Darien. That rate is currently set at \$2.88 per 100 cubic feet and has not been adjusted in recent years. The City of Darien has recently increased its rate for water, which means that if the special rate is not changed, the Village will be paying more to the City of Darien for the purchase of water than the Village sells it to the Knottingham residents. Eliminating the special rate in the Municipal Code will continue to allow the Village to sell the water to Knottingham residents at an amount at least equal to the cost of purchasing the water from Darien. Eliminating the special rate will result in the Knottingham residents paying the same amount for water as residents and business throughout the rest of incorporated Downers Grove.

If approved, the current rate of \$2.88 per 100 cubic feet will increase to \$4.13 per 100 cubic feet, and the fixed charge based on meter size will be applied to the bills. The new rate will go into effect for bills sent out after May 1. Staff will communicate directly to these residents in the subdivision to make them aware of this change.

ATTACHMENTS

Ordinance

Knottingham Water Rates

ORDINANCE NO. _____

AN ORDINANCE AMENDING CERTAIN RATES CHARGED FOR WATER

BE IT ORDAINED by the Village Council of the Village of Downers Grove in DuPage County, Illinois, as follows: (Additions are indicated by **shading**/underline; deletions by ~~strikeout~~):

Section 1. Section 25.30. is hereby repealed in its entirety

25.30. Same--Exception--Rates for water furnished by other municipalities.

_____The Village of Downers Grove has entered into **an** intergovernmental agreements with ~~the City of Darien and~~ the Village of Westmont to provide water service to certain locations within the corporate limits or jurisdictional boundary of Downers Grove. The Village Council has determined that ~~such~~ **intergovernmental** agreements provide the most efficient and economical water service and are necessary and desirable. Pursuant to these intergovernmental agreements, the Village of Downers Grove is required to assess and pay water charges to the municipality providing the water at the in-town residential rate of such providing municipality as follows:

(a) ~~Water purchased from the City of Darien and furnished to consumers in the Knottingham Subdivision Unit 1, Unit 2, and Unit 3, Queen's Court Subdivision, and Florence Estates Subdivision areas shall be at the rate of two dollars and eighty eight cents (\$2.88) per one hundred cubic feet of water consumed.~~

_____ (b) ~~Water purchased from the Village of Westmont furnished to consumers in the Roslyn Road area shall be at the following rate based on bimonthly reading:~~

Units of Water	Rate per Unit
(750 gallons = 1 unit)	
0 - 1	\$4.00
2 - 13	\$2.25
over 13	\$3.00

Section 2. That all ordinances or parts of ordinances in conflict with the provisions of this ordinance are hereby repealed.

Section 3. That this ordinance shall be in full force and effect from and after its passage and publication in the manner provided by law.

Mayor

Passed:
Published:
Attest: _____
Village Clerk