

VILLAGE OF LIBERTYVILLE
BOARD OF TRUSTEES
WATER & SEWER COMMITTEE

Tuesday, April 12, 2016
7:00 pm
Village Hall

Minutes

Attendance

Committee: Trustee Scott Adams, Trustee Donna Johnson, Trustee Rich Moras

Village Board: Mayor Terry Wepler

Staff: Village Administrator Kevin Bowens, Deputy Village Administrator Kelly Amidei, Public Works Director Paul Kendzior, Finance Director Pat Wesolowski, Finance Director Patrice Sutton, Assistant to the Director Laura Ditanto

Other: Eric Callocchia – Municipal & Financial Services Group

Absent: None

Agenda

Call to Order at 7:02 pm

1. Minutes of March 8, 2016 Meeting

The minutes were approved as written.

2. Water & Sewer Capital Improvement Projects Updates

911 & 915 W. Park Avenue Watermain Easements

The Village Attorney spoke with the property owner on April 6, 2016. A meeting between the Village and property owner has been scheduled for April 8, 2016 to discuss the installation and setback issues. The executed easement agreement should be completed the following week.

2016 Underground Utility Improvements Program

The construction contract was awarded to Trine Construction at the February 23rd Board meeting. Watermain replacement work will occur on Johnson Avenue, Merrill Court, Wheeler Court, West Ellis Avenue, East Ellis Avenue and Fourth Avenue at Paddock Lane. Construction has begun, with work starting on West Ellis Avenue and Merrill Court.

3. Water & Sewer Rate Study

Eric Callocchia of Municipal & Financial Services Group (MFSG) presented his final recommendation for the new water and sewer rate structure to the Committee.

Current Water Rate Structure:

Bi-Monthly Minimum charge = \$30.69

Unit rate for usage above 4,000 gallons = \$6.40 per 1,000 gallons

Proposed Rate Structure:

Fixed Bi-Monthly Fee of \$22.83 (no usage included)

Tiered Rate structure per 1,000 gallons:

Tier 1 – Up to 4,000 = \$2.40

Tier 2 – From 4,000 to 8,000 = \$4.81

Tier 3 – Over 8,000 = \$7.21

Current Sewer Rate Structure:

Sewer Usage capped at 110% of winter water usage

Bi-Monthly Minimum charge = \$21.42

Unit rate for usage above 4,000 gallons = \$4.13 per 1,000 gallons

Proposed Rate Structure:

Sewer usage capped at 110% of winter water usage

Fixed Bi-Monthly Fee of \$7.66 (no usage included)

Unit rate for all usage = \$4.68 per 1,000 gallons (The \$4.68 includes the \$0.37 County Sewer Fee)

The proposed increases are recommended to build the utility cash balance for future surpluses that may be directed toward capital project or debt mitigation for currently planned projects:

	Fiscal Year								
	2017	2018	2019	2020	2021	2022	2023	2024	2025
Water Revenue Increase	5.0%	5.0%	5.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Sewer Revenue Increase	20.0%	12.0%	12.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%

Staff will include a notice of any increase related to the Wastewater Treatment Plant on any future water bills.

Riva Ridge Billing

The units in Riva Ridge share several units for one water meter. Currently, the Village bills Riva Ridge per water meter, and not per unit. Under the new rate structure the Riva Ridge residents will see a small increase on their water bill if the Village continues to bill per water meter. If Riva Ridge residents were billed per unit under the rate structure, their bill would increase 14% - 24%.

The Committee concurred with the recommendation from MFSG.

4. Response to Lead in Water Article

Director Kendzior gave an update to the Committee regarding the article published in the Daily Herald about lead in water pipes. The Daily Herald began a series of articles and editorials on the subject of lead in the water system, which started on March 28th. The first of these articles is attached and Libertyville is mentioned as a community that had a sole high lead test result at 720 parts per billion (PPB), which is above the Action (allowable) Limit of 15 ppb.

The Village purchases its domestic water from the Central Lake County Joint Action Water Agency (CLCJAWA). Water distribution mains then deliver the water throughout the Village. A service line from the main then delivers the water to each home and business. The major source

of lead in the water supply would be from lead service lines and fixtures and faucets inside the home or business. A lead service can be identified by its dull gray color, can be scratched with a key and is not magnetic. This is particularly common in, but not exclusive to structures built before World War 2. CLCJAWA adds orthophosphate to their water, which is a certified corrosion inhibitor that coats the inside of pipes and prevents lead from leaching into the water supply. This was not done when the city of Flint, Michigan converted their water supply from the City of Detroit to the Flint River.

The Village does test for lead in the water system every three years under the direction of the Illinois Environmental Protection Agency. The last testing was completed in 2014. As part of this testing program, the Village collected and analyzed 30 representative samples. 15 sampling locations must come from homes with lead service lines. From the testing in 2014, we had one sample over the Action Limit of 15 parts per billion (ppb). Two other samples had traces of lead, but well below the Action Limit. The other 27 had no traces of lead. The 90 percentile is used for the final results, which was 0.00 ppb for lead in our water supply. The Village also completes and publishes an annual Consumer Confidence Report (which is also referred to as the Water Quality Report) under the direction of the IEPA. The Report contains pertinent information on the Village's water system, including numerous test results for a wide range of contaminants, including lead. For this year's Report, Staff desires to professionally print and distribute via a bulk mailing to all our water customers. This will cost approximately \$2,000, in which we are reviewing the FY 2016/17 Budget to ensure that funds are available to cover this expenditure.

If lead service lines from the main to the B-Box (outside shut-off valve) are encountered as part of the Village's annual water main replacement programs, they are replaced with copper and the property owner is encouraged to replace the remaining portion of the service that they are responsible for. The Village's Water Connection Upgrade Fee will also be waived. Staff plans to replace about 50 lead services this year.

Staff has included this information in the upcoming Village Views, which also contains details on how a property owner can obtain a lead test kit. Test kits can be picked up and dropped off at the Lake County Environmental Laboratory located at the County's Central Permit Facility, which is located at 500 W. Winchester Road, Libertyville, IL 60048. The cost of the test kit is \$25.00. We have also encouraged residents and business owners that are concerned if they may have a lead water service or have any questions regarding lead to please contact our Streets & Utilities Division to schedule an appointment for an inspection by our staff.

The Committee may want to consider an incentive for residents to replace their portion of the lead service line. A typical construction cost is approximately \$3,500. Under the current incentive plan of waiving the Connection Upgrade Fee, there are still not very many residents who are replacing their lead service lines. Staff needs to think of ways to encourage residents to take advantage of this program.

Adjournment at 7:45 pm

Respectfully Submitted:

Laura Ditanto, Assistant to the Director