

**CITY OF BYRON
MINUTES OF THE COMMITTEE OF THE WHOLE
SPECIAL MEETING
WEDNESDAY, SEPTEMBER 2, 2020, 5:00 PM
BYRON CITY HALL**

Mayor Rickard called the meeting to order at 5:00 pm.

1. ROLL CALL:

MEMBERS PRESENT: Alderman Todd Isaacs, Alderman Emily Gerdes (by phone), Alderman Mittzi Fulrath, Alderman Dan Reilly, Alderman Zeke Hobbie, Alderman Jessica Nehring, Alderman Mike Gyorkos, Alderman Christy Hanlin

MEMBERS ABSENT: None

OTHERS PRESENT: City Attorney Kim Krahenbuhl (by phone), Mayor John Rickard, Clerk Caryn Huber, Development Director Larry Hewitt, Public Works Director Aaron Vincer, Byron Water Utility Billing Clerk Deb Johnson, Citizens Bill Pirnat and Pam Kultgen

- 2. WATER RATE STUDY** – Director Vincer summarized the recently completed water rate study. The water and sewer system does not get funded by the general public. It is funded by the sale of water and the charge for the process of cleaning wastewater. The goal of the study is to find out what we are making and what we are losing, with the goal of solvency. The findings indicate that water is losing \$14,445.58 or -2.14%. According to IRWA (Illinois Rural Water Association), the ideal target for surplus is 15-20%, which allows room for projects and improvements. Wastewater rates show a shortfall of \$370,522.05, or -36.79%. The department is paying the shortfalls with money from the capital improvement account, which should be used for improvements. The first recommendation is to change the base rate from 2,000 gal. to 1,000 gal. minimum. This change takes into account our smaller users and residents on fixed incomes, as it could potentially keep them at the same rate. This change alone would produce a gain of \$50,298.93, or +7.47%. A \$1.00 increase per 1,000 gal. on the consumption rate would increase our annual gain by 20.25%. In the wastewater account, if we move the consumption rate to \$9.00 (an actual increase of \$5.37), it leaves a surplus of 18%, or \$190,000. Director Vincer suggested introducing an increase in fall or winter, when usage is the lowest, and the increases would have the least amount of impact. He recommends raising the base rate first, then possibly spreading out the additional increase over a period of several years. Alderman Hobbie asked what the average resident would use. Director Vincer replied it is typically 4-5 units. Alderman Fulrath asked about rain water in the system, and Director Vincer said there is no way to tell exactly how much is getting in, but pumping increases considerably during heavy rain events. Factors that make our costs higher on the sewer side are electric costs (which they are speaking to ENGIE about) and the infiltration of rain water into the collection system. Sewer lining or replacement would help with that, and we have recently applied for a grant to fund lining. The water rates do increase with the cost of living index. This year was 3%. Director Vincer added that if we would have a failure that we couldn't afford to fix, the EPA will give a loan, but then they will set your rates for you. The subject of water loss was addressed, and the department has been trying to minimize the loss by upgrading water

meters and fixing leaks and water mains. The last rate increase, other than COLA, was prior to 2006.

A special meeting of the Committee of the Whole will be held again on September 16 at 5:00pm, to continue this discussion.

3. ADJOURN – Meeting was adjourned by Mayor Rickard at 5:32 p.m.

Respectfully submitted,

Caryn A. Huber, City Clerk of Byron, Illinois