

MINUTES OF THE REGULAR MEETING OF THE MUNICIPAL
SERVICES COMMITTEE OF THE VILLAGE OF WILLOWBROOK HELD ON MONDAY,
JANUARY 9, 2012 IN THE VILLAGE HALL, 7760 QUINCY STREET, IN THE
VILLAGE OF WILLOWBROOK, DUPAGE COUNTY, ILLINOIS

1. CALL TO ORDER

Chairman Mistele called the meeting to order at 6:02 PM.

2. ROLL CALL

Those present at roll call were Chairman Mike Mistele, Trustee Sue Berglund, and Administrator Tim Halik. Absent: None.

3. APPROVAL OF MINUTES

After review of the draft minutes from the November 14, 2011 Special Joint Meeting of the Municipal Services and Finance & Administration Committees, Chairman Mistele made a motion to approve the minutes. Trustee Berglund seconded the motion. Motion carried.

4. DISCUSSION – Village Water Rate Increase

Administrator Halik advised that due to water rate increases imposed by the City of Chicago and the DuPage Water Commission (DWC), the Village is faced with a \$265,650 increase in water purchase expenses. In order to simply break even, the Village would need to raise our local water rates roughly 14%. At the November 14, 2011 special joint meeting of the Finance & Administration and Municipal Services Committees, a recommendation was made that a 20% increase in our local rate be imposed. The excess 6% revenue collected would be used towards future infrastructure improvements, such as the future water tower painting project and other infrastructure improvements, as well as to conduct a water system study relating to the future operation of our water system. Halik advised that the Committee's recommendation was shared with Mayor Napoli who then directed staff to research the possibility of offering a senior discount on water rates, similar to the program that was recently added to the Village refuse collection contract. Upon examining senior discount programs offered in other communities, such as Oswego, Village staff developed a proposed discount program which would offer a 10% discount to eligible senior residents. Under the program, residents would need to provide proof that they meet the following criteria in order to qualify for the discount: Be age 65 or older, be the property owner of record of an owner-occupied dwelling, and be billed at the minimum usage, which is 9,000 gallons per quarter. The program would be aimed at seniors that typically use less water than the minimum billed amount. Halik advised that the Village's water billing ordinance is developed on the basis that aside from the amount of water consumption, there is also a minimum billing amount per water account to ensure the Village raises enough revenue to maintain the water system. The proposed 10% discount would be applied to those eligible seniors that typically use a nominal amount of water, but are consistently charged the minimum bill, currently \$43.09 per quarter, not including the 5% utility tax. Halik further advised that the attached spreadsheet details the estimated financial impact this 10% senior discount would have on the Village's water revenues. If assuming all accounts which currently pay the minimum water bill are from eligible seniors, the discount would cost the Village approximately

\$10,300. The creation of such a discount would have a minimal effect on the water revenue generated. As we considered this concept, it became apparent the discount should be aimed at seniors who typically pay the minimum billing amount based on usage. Individuals within this group have raised concerns in the past that they use little water, but are still charged what they believe to be a high base amount. Therefore, this new discount program would serve to limit the rate increase this group would experience. The Committee responded that they did not believe the proposal was a fair and equitable program. Trustee Berglund advised that approximately 21% of Willowbrook residents are age 65 or over. Chairman Mistele recommended that perhaps the minimum charge should be reduced 10% for all, and not just seniors. In other words, all minimum users should receive a 10% discount. Trustee Berglund agreed. Administrator Halik advised that the members of the Finance & Administration Committee are discussing the same topic in the other conference room. Therefore, he will discuss that Committee's comments with Management Analyst Hummel, generate some additional numbers, and revise the staff proposal. Halik asked the Committee if, afterwards, the revised proposal could be brought to the full Village Board for consideration. The Committee did not object to forwarding a revised proposal to the Board.

5. REPORT – Municipal Services Department

- a. Administrator Halik shared both the November and December monthly permit activity reports showing that we have taken in about \$27,600 in permit revenue for the month of November, and about \$32,000 in December. Halik stated that this represents approximately 76% of our projected total revenue for fiscal year 2011/12.
- b. Administrator Halik shared the water system pumpage report. The report indicates that so far in the fiscal year we have pumped about 3% less water this year than we have in the same time frame from last fiscal year. We have currently pumped about 61% of our pumpage projection seven months into the year, so we are still on-target with our FY 2011/12 pumpage projection of 375,000,000 gallons.

6. VISITOR'S BUSINESS

(none)

7. COMMUNICATIONS

(none)

8. ADJOURNMENT

Motion to adjourn was made by Chairman Mistele. The meeting was adjourned at 6:20 PM.

(Minutes transcribed by: Tim Halik, 3/6/12)