

RESOLUTION NO. _____

Date Passed: April 14, 2014

**ESTABLISHING CITY OF ROCHELLE WATER RATES,
EFFECTIVE MAY 1, 2014**

WHEREAS, the City of Rochelle is a body politic and corporate, organized and existing pursuant to the Illinois Municipal Code, 65 ILCS 5/1-1-1, et. seq.; and

WHEREAS, the City provides utility services, including electric, water, sewer, wastewater treatment and advanced communications to the greater Rochelle community through the Utility Department, which is commonly referred to as Rochelle Municipal Utilities (RMU); and

WHEREAS, Section 98-4 of the Rochelle Municipal Code provides that charges and rates for utility services provided by the utility department, including water, shall be established and modified from time to time by City Council resolution; and

WHEREAS, RMU has caused a water rate study to be prepared by Willett-Hofmann & Associates, Inc. of Dixon, and the findings of the study have been presented to the Utility Advisory Board and the City Council; and

WHEREAS, the City Council finds that an increase in water rates, to be phased in over three years, will ensure that the Water Division can meet its obligations, including borrowing it has engaged in to increase capacity of the water system and drill a new well, and that it is appropriate that water rates be increased, effective May 1, 2014, in accordance with the findings contained in the Willett-Hofmann study and the Rochelle Municipal Utilities, City of Rochelle Water Rates schedules attached hereto as Exhibit A;

NOW, THEREFORE BE IT RESOLVED by the Mayor and Council of the City of Rochelle as follows:

1. The Rochelle Municipal Utilities, City of Rochelle Water Rates schedules attached hereto as Exhibit A and made a part hereof are hereby approved, effective May 1, 2014.
2. The City Manager is authorized to set a fee for water-related services not specifically listed in the water rate schedules referenced in the above paragraph.

PASSED AND APPROVED this 14th day of April, 2014.

ATTEST:

City Clerk

Mayor

**EXHIBIT A
(Water Rate Schedule)**

PRICE SCHEDULE OF UTILITY CHARGES AND RATES FOR WATER

Pursuant to Section 98-4 of the Rochelle Municipal Code, this Price Schedule provides user charges and rates for water and replaces and supersedes those charges and rates previously established. There are five (5) water user categories for billing water. These categories are Residential, General Service, Industrial, Lawn Irrigation, and General Service Bulk Purchase. The definition of each user category and the current and recommended rate structure are detailed below.

A. RESIDENTIAL

1. Definition

Residential rate is available to customers residing in a metered one-family dwelling unit, usually physically separate. Customers outside the Rochelle City corporate boundaries will be charged two times the charges.

2. Rate Schedule

The rate charge has a fixed charge and a variable usage charge component. The current fixed charge is based on the water meter size and is a fixed dollar amount charge per month per user. The recommended fixed charge is a fixed dollar amount charge per month per user for all meter sizes. The current and recommended fixed charges are detailed below.

Fixed Charge

Meter Size	Current Charge	FY 2014/15 Charge	FY 2014/15 Charge	FY 2014/15 Charge
< or = 5/8"	\$ 9.90	\$9.95	\$10.15	\$10.45
3/4"	\$11.50	\$9.95	\$10.15	\$10.45
1"	\$13.10	\$9.95	\$10.15	\$10.45
>1"	\$28.74	\$9.95	\$10.15	\$10.45

The variable charge is based on the metered volume used. The current and recommended basic user charges are summarized below.

Usage Charge Rates

Charge	Current Rate	FY 2014/15 Rate	FY 2015/16 Rate	FY 2016/17 Rate
Basic User Rate	\$1.94/HCF	\$1.44/HCF	\$1.49/HCF	\$1.53/HCF
Equipment Replacement Rate	\$0.00/HCF	\$0.05/HCF	\$0.05/HCF	\$0.07/HCF
Non-Debt Funded Projects Rate	\$0.00/HCF	\$0.92/HCF	\$0.92/HCF	\$0.92/HCF

Capital Recovery Rate	\$0.00/HCF	\$0.00/HCF	\$0.14/HCF	\$0.29/HCF
Total	\$1.94/HCF	\$2.41/HCF	\$2.60/HCF	\$2.81/HCF

B. GENERAL SERVICE

1. Definition

General Service rate is available to customers not qualifying as Residential rate and having a monthly usage less than 500,000 cubic feet (3,740,000 gallons) during the current month or in any of the previous 11 billing months. Customers outside the Rochelle City corporate boundaries will be charged two times the charges.

2. Rate Schedule

The rate charge has a fixed charge and a variable usage charge component. The current fixed charge is based on the water meter size and is a fixed dollar amount charge per month per user. The recommended fixed charge is a fixed dollar amount charge per month per user for all meter sizes. The current and recommended fixed charges are detailed below.

Fixed Charge

Meter Size	Current Charge	FY 2014/15 Charge	FY 2014/15 Charge	FY 2014/15 Charge
< or = 1"	\$ 13.10	\$9.95	\$10.15	\$10.45
> 1" or = 2"	\$ 28.74	\$9.95	\$10.15	\$10.45
3"	\$108.58	\$9.95	\$10.15	\$10.45
4"	\$138.38	\$9.95	\$10.15	\$10.45
6"	\$207.58	\$9.95	\$10.15	\$10.45
8"	\$287.42	\$9.95	\$10.15	\$10.45

The variable charge is based on the metered volume used. The current and recommended basic user charge is summarized below.

Usage Charge Rates

Charge	Current		FY 2014/15	
	0-100,000 CF	Over 100,000 CF	0-100,000 CF	Over 100,000 CF
Basic User Rate	\$1.94/HCF	\$0.78/HCF	\$1.44/HCF	\$0.39/HCF
Equipment Replacement Rate	\$0.00/HCF	\$0.00/HCF	\$0.05/HCF	\$0.05/HCF
Non-Debt Funded Projects Rate	\$0.00/HCF	\$0.00/HCF	\$0.92/HCF	\$0.24/HCF
Capital Recovery Rate	\$0.00/HCF	\$0.00/HCF	\$0.00/HCF	\$0.15/HCF
Total	\$1.94/HCF	\$0.78/HCF	\$2.41/HCF	\$0.83/HCF

Charge	FY 2015/16		FY 2016/17	
	0-100,000 CF	Over 100,000 CF	0-100,000 CF	Over 100,000 CF
Basic User Rate	\$1.49/HCF	\$0.41/HCF	\$1.53/HCF	\$0.42/HCF
Equipment Replacement Rate	\$0.05/HCF	\$0.05/HCF	\$0.07/HCF	\$0.07/HCF
Non-Debt Funded Projects Rate	\$0.92/HCF	\$0.24/HCF	\$0.92/HCF	\$0.24/HCF
Capital Recovery Rate	\$0.14/HCF	\$0.18/HCF	\$0.29/HCF	\$0.23/HCF
Total	\$2.60/HCF	\$0.88/HCF	\$2.81/HCF	\$0.96/HCF

C. INDUSTRIAL

1. Definition

Industrial rate is available to Industrial water customers that have a monthly usage of 500,000 cubic feet (3,740,000 gallons) during the current billing month or in any of the previous 11 billing months. The variable charge is based on the higher of the current billing month's usage or 40% of the highest usage recorded in the previous 11 billing months. Customers outside the Rochelle City corporate boundaries will be charged two times the charges.

2. Rate Schedule

The rate charge has a fixed charge and a variable usage charge component. The current fixed charge is based on the water meter size and is a fixed dollar amount charge per month per user. The recommended fixed charge is a fixed dollar amount charge per month per user for all meter sizes. The current and recommended fixed charges are detailed below.

Fixed Charge

Meter Size	Current Charge	Recommended Charge
< 12"	\$375.77	\$9.95
= or > 12"	\$474.77	\$9.95

The variable charge is based on the metered volume used. The current and recommended user charges are summarized below.

Usage Charge Rates

Charge	Current		FY 2014/15	
	0-100,000 CF	Over 100,000 CF	0-100,000 CF	Over 100,000 CF
Basic User Rate	\$1.94/HCF	\$0.78/HCF	\$1.44/HCF	\$0.39/HCF
Equipment Replacement Rate	\$0.00/HCF	\$0.00/HCF	\$0.05/HCF	\$0.05/HCF
Non-Debt Funded Projects Rate	\$0.00/HCF	\$0.00/HCF	\$0.92/HCF	\$0.24/HCF
Capital Recovery Rate	\$0.00/HCF	\$0.00/HCF	\$0.00/HCF	\$0.15/HCF
Total	\$1.94/HCF	\$0.78/HCF	\$2.41/HCF	\$0.83/HCF

Charge	FY 2015/16		FY 2016/17	
	0-100,000 CF	Over 100,000 CF	0-100,000 CF	Over 100,000 CF
Basic User Rate	\$1.49/HCF	\$0.41/HCF	\$1.53/HCF	\$0.42/HCF
Equipment Replacement Rate	\$0.05/HCF	\$0.05/HCF	\$0.07/HCF	\$0.07/HCF
Non-Debt Funded Projects Rate	\$0.92/HCF	\$0.24/HCF	\$0.92/HCF	\$0.24/HCF
Capital Recovery Rate	\$0.14/HCF	\$0.18/HCF	\$0.29/HCF	\$0.23/HCF
Total	\$2.60/HCF	\$0.88/HCF	\$2.81/HCF	\$0.96/HCF

D. LAWN IRRIGATION

1. Definition

Lawn Irrigation rate is available to customers who install a separate meter with a shut-off valve and check valve for the inlet side, installed by a licensed plumber and approved by the Rochelle Water Division. This rate may be used only for non-sanitary sewer related uses, i.e. lawn irrigation. The usage registered on this meter will not be subject to sewer charges. Abuse may result in the termination of application of this rate to the customer.

The Rochelle Water Division reserves the right to periodically inspect plumbing whenever it deems it necessary and appropriate to do so.

The fixed charge is applicable only to bills for meter readings on or after June 30 until and including September 30 (usage during the months of June, July and August).

Customers outside the Rochelle City corporate boundaries will be charged two times the charges.

2. Rate Schedule

The current fixed charge is based on the water meter size and is a fixed dollar amount charge per month per user. The recommended fixed charge is a fixed dollar amount charge per month per user for all meter sizes. The current and recommended fixed charges are detailed below.

Fixed Charge

Meter Size	Current Charge	FY 2014/15 Charge	FY 2014/15 Charge	FY 2014/15 Charge
< or = 5/8"	\$ 9.90	\$9.95	\$10.15	\$10.45
3/4"	\$11.50	\$9.95	\$10.15	\$10.45
1"	\$13.10	\$9.95	\$10.15	\$10.45
>1"	\$28.74	\$9.95	\$10.15	\$10.45

The variable charge is based on the metered volume used. The current and recommended basic user charge is summarized below.

Usage Charge Rates

Charge	Current Rate	FY 2014/15 Rate	FY 2015/16 Rate	FY 2016/17 Rate
Basic User Rate	\$1.94/HCF	\$1.44/HCF	\$1.49/HCF	\$1.53/HCF
Equipment Replacement Rate	\$0.00/HCF	\$0.05/HCF	\$0.05/HCF	\$0.07/HCF
Non-Debt Funded Projects Rate	\$0.00/HCF	\$0.92/HCF	\$0.92/HCF	\$0.92/HCF
Capital Recovery Rate	\$0.00/HCF	\$0.00/HCF	\$0.14/HCF	\$0.29/HCF
Total	\$1.94/HCF	\$2.41/HCF	\$2.60/HCF	\$2.81/HCF

E. GENERAL SERVICE BULK PURCHASE

1. Definition

General Service Bulk Purchase rate is available to customers for temporary or short-term purchases from the WRP or a fire hydrant meter. The customer is required to obtain a temporary meter and backflow preventer from the Water Division.

The Rochelle Water Division reserves the right to periodically inspect attachments and proper meter readings. Water misuse or bypassing the meter may result in discontinuing water service to the customer or prosecution.

2. Rate Schedule

The rate charge has a fixed charge and a variable usage charge component. The fixed charge is for all or a portion of the month.

a. Bulk Water at WRP

Usage Charge Rates

	Current Rate
First 5,000 Gallons	\$0.02/Gallon
Over 5,000 Gallons	\$0.01/Gallon

If customer wants to be billed, then there is a \$35.00 processing fee.

b. Bulk Water From Hydrant

Fixed Charges

	Current Rates
Meter Deposit	\$500.00
Meter and RPZ Deposit	\$1,000.00
Hydrant Meter Handling Fee	\$75.00
Hydrant Meter Rental Fee	\$35.00/Month
Hydrant Meter and RPZ Rental Fee	\$60.00/Month

Usage Charges

Current Rate	Recommended Rate
\$0.00496/Gallon	\$0.00644/Gallon

F. FIRE PROTECTION

1. Definition

The private fire protection connection rate was established in June 2011 and was not changed in the current revisions. A private fire protection rate is charged to all users that have a private connection that feeds a fire protection system inside a building or a fire loop around a building and the charge will be based on the size of the fire protection main connection. The user will be charged for each private fire protection line connection to the system if there is more than one connection. There is no rate charge for the volume of water used during a fire event.

2. Rate Schedule

The Private Fire Protection charge is a fixed monthly charge for any user with a fire protection connection to the water system. The fixed monthly charge is based on the size of the fire protection line connection. A Private Fire Protection user must also pay the Public Fire Protection charge above.

Private Fire Protection Charge

Fire Protection Line Connection Size	Rate
2"	\$4.27/Connection/Month
3"	\$6.89/Connection/Month
4"	\$14.69/Connection/Month
6"	\$42.67/Connection/Month
8"	\$90.93/Connection/Month
10"	\$163.52/Connection/Month