

## UTILITIES DIVISION – WATER

### **BUDGET FOOTNOTES**

1. **SALARIES: (\$445,000)** - Provides for 57% of the 12 full time personnel that will be funded through the Utilities budget. Our reorganization plan will combine Street Forestry staff with Utilities staff to form one Operations Division. The Utilities Supervisor positions will be eliminated as part of the plan. Utilities salaries are split with approximately 57% of the total allocated to water supply and distribution, and 43% for sanitary sewer collection system maintenance costs.
2. **METER READERS: (\$35,000)** – Four part-time meter readers read all 8,189 water meters in the Village each month.
3. **TEMPORARY HELP: (\$8,400)** - Provides for two seasonal employees to work on water distribution system maintenance activities.
4. **BANK CHARGES: (\$13,000)** – Costs associated with the acceptance of credit cards as a form of payment at the Village Cashier’s counter.
5. **MAINTENANCE/BUILDINGS & GROUNDS: (\$26,300)** - Provides \$11,300 for annual landscape maintenance contract at the Cottage Avenue elevated tank site, Newton and Wilson Avenue pumping stations, and North and West Pressure Adjusting Stations. Also provides \$1,000 for electrical supplies, \$1,000 to test and or replace fire suppression equipment, \$1,000 for building maintenance supplies, \$5,000 for outsourcing professional repairs, and \$7,000 for repairs to the Village-owned residential house and property at 976 Stacy Court.
6. **MAINTENANCE/ROW: (\$62,500)** - Provides for restoration of streets and parkways disturbed during water system repairs (concrete, asphalt, and landscaping material) including the water portion of the material hauling contract for spoil removal and stone delivery. As a result of excavations the Utilities Division hauls out approximately 2400 cubic yards of spoil, and purchases 1100 tons of gravel each year.
7. **MAINTENANCE/WATER METERS: (\$60,000)** - Provides for water meters, copper horns, and touch pads for new residential and commercial accounts and miscellaneous repair parts as needed. This years budget increase is partially due to an increased rate of meter sales, as well as an 50% cost increase per meter unit associated with the upgrade from a touch pad to radio read technology. These radio read units are currently being installed in new homes and businesses only. The cost associated with this upgrade is incorporated in to the meter fee portion of the building permit for the new home or business.
8. **MAINTENANCE/HYDRANTS: (\$21,000)** – Captures the cost of parts and supplies to maintain and replace hydrants. Non-functioning hydrants are typically replaced instead of repaired because of obsolescence. On average, the Utilities Division replaces 25 hydrants per year (out of a total of 1,200 hydrants).

9. **MAINTENANCE/OTHER: (\$18,000)** - Provides for all materials for water main and service line repairs. Examples include copper tubing, b-boxes, brass fittings, repair clamps, couplers and fittings.
10. **PROFESSIONAL SERVICES/OTHER: (\$60,100)** – Captures the cost of various types of services and studies provided by contractors and consultants. Provides: \$12,000 for water leak location assistance connected with suspected water main breaks; \$5,000 for emergency water main break repairs; \$15,000 for concrete saw cutting; \$4,000 for editing and printing of the Illinois Environmental Protection Agency required annual water quality consumer confidence report; \$2,000 for root pruning prior to excavating to minimize damage to adjacent tree root structures; \$4,000 for traffic control device rental; \$5,500 for chemical water analyses; \$1,500 for bacterial water analyses; \$1,000 for water tower cathodic protection device service; \$5,000 for the large meter testing program; \$4,000 for electrical maintenance and \$1,100 for maintenance to auxiliary electric generators.
11. **DEBT SERVICE / ABATE LEVY: (\$62,500)** - Transfer to the Debt Service Fund to lessen the levy for bond re-payments paid by property taxes for the 1987 \$15 million General Obligation Bond issue, a commitment of the Village Board prior to the 1987 bond referendum. A similar transfer in the amount of \$187,500 is shown in the Sanitary Sewer Division, as well as an additional \$250,000 in the Capital Projects Fund.
12. **IFT / INSURANCE- GENERAL: (\$32,600)** - This line item represents a transfer to the Insurance Fund for general, property, liability, automobile, and workers compensation insurance coverages provided through the Village's participation in the Municipal Insurance Cooperative Agency (MICA).

Contributions to the Insurance Fund for FY06/07 have been reduced by 50% or more in some departments for the following reasons:

1. Beginning May 1, 2005, MICA increased total umbrella coverage to its members at little additional cost. This has eliminated the need for the Village to separately purchase a \$5 million excess liability policy at an annual premium cost of about \$72,000.
2. A one-time reduction of \$150,000 of Insurance Fund transfers is included in the FY06/07 budget, reflecting reduced MICA premiums for the FY05/06 fiscal year.
3. In January, 2006, due to recent State of Illinois increases in the State Unemployment Tax, the Village elected to pay the actual claims of its employees, rather than paying a tax to the State-wide "pot" of unemployment claim dollars. Budgeted costs of Village unemployment claims are now reflected in individual Village Funds, rather than expensing these dollars in the Insurance Fund.

For additional details concerning this line item, please refer to the Insurance Fund budget found in the "Finance" section of this budget.

13. **PURCHASE OF WATER: (\$1,450,000)** – The Village purchases its Lake Michigan water through the DuPage Water Commission. Water from the DWC is metered and billed to the

Village monthly. The Water Commission sets the rates billed to its municipal customers annually and establishes a commodity or “O&M” rate based on the number of gallons purchased and also assesses a monthly “fixed cost” charge to pay for bonds issued to construct the DWC distribution system. Each municipal customer of the Commission pays a portion of the debt service requirement based on an average representing their share of total water purchased. The combination of the O&M and fixed cost components for FY07 is designed to produce a total average customer rate of \$1.45 per 1,000 gallons purchased.

For FY07, the Village’s “water bill” will be \$1,450,000 based in an estimated annual purchase of nearly a billion gallons. The Village’s water bill from the DuPage Water Commission is broken down as shown:

$$\begin{array}{r}
 \text{Cost of water: } \$1.24 \text{ per thousand gallons purchased} \\
 + \text{ Debt payment } \$0.21 \text{ per thousand gallons purchased} \\
 \hline
 \text{Total payment } \$1.45 \text{ per thousand gallons purchased}
 \end{array}$$

14. **CAPITAL PROJECTS: (FY05/06 Estimated Actual - \$1,732,000)** – This line item lists projects undertaken in the current fiscal year and continuing projects with significant payouts also expected in this fiscal year.

<b>Project Description</b>	<b>Estimated Cost</b>
<b>a. Wingate Basin</b> – Final payment for water related expenses for work primarily performed during 2004. The total cost for the water portion of the project (including all phases of engineering) was \$1,375,000.	<b>\$32,000</b>
<b>b. Raintree Subdivision</b> – Final payment to close out the 2004 project in the Raintree Subdivision to replace about 8,500 feet of water main with primarily 8-inch PVC pipe (including open cut and directional boring construction) and service line modifications. The final cost for the water portion of this project (including all phases of engineering) was about \$1,000,000	<b>\$28,000</b>
<b>c. SACROW</b> – Water portion (construction and field engineering) of this 2005 project for the reconstruction and resurfacing of streets in the area bounded by Spring, Waverly, Oxford and Abbotsford/Scott. For a more complete project description, please refer to the footnotes for the Capital Projects Fund.	<b>\$702,000</b>
<b>d. East Panfish Basin</b> – Design work for the replacement of water mains (\$8,000) will be completed this year in advance of the 2006 project. The developer of the Water’s Edge project replaced existing water mains in early 2005 at the Village’s request in areas within the townhome work zone, at a cost of \$54,000.	<b>\$62,000</b>
<b>e. Hillside / Forest</b> – Water portion of this 2005 storm water bond-funded project for construction and field engineering expenses. For a more complete project description, please refer to the footnotes for the Capital Projects Fund.	<b>\$222,000</b>
<b>f. Main / Anthony / Forest</b> – Water portion of this 2005 storm water bond-funded project for construction and field engineering expenses. For complete project description, please refer to the footnotes for the Capital Projects Fund.	<b>\$247,000</b>

<b>g. Arboretum Estates</b> – The first phase of the Arboretum Estates water main extension work was completed in 2005. About one mile of new 8" water main and water service lines were constructed in the subdivision area north of Butterfield Road and east of Park Boulevard. Final payments were made to the contractor and engineer this fiscal year. Total project cost for the Phase I extension work was \$364,000 (construction) + \$73,000 (engineering).	<b>\$146,000</b>
<b>h. Five Corners</b> – The initial 50% payment was made to DuPage County for the water portion of the construction and field engineering expenses associated with the project was made in 2005 in accordance with the terms of the IGA. Construction work will be performed in 2006. For a more complete project description, please refer to the footnotes for the Capital Projects Fund.	<b>\$78,000</b>
<b>i. 2005 Street Improvements</b> – Water main was replaced on Meredith Place and water services transferred on Linden between Newton and Western as part of the reconstruction of these two roadways in 2005.	<b>\$81,000</b>
<b>j. Design Engineering</b> – Funding for water main design work for future projects:	
<b>1. Sunset Avenue Reconstruction / Manor Woods Resurfacing</b> – Pavia-Marting is the project engineer. See below and the Capital Projects Budget footnotes for a complete project description.	<b>\$19,000</b>
<b>2. Prospect Avenue Improvements Project</b> – Kudrna is the project engineer. See below and the Capital Projects Budget footnotes for a complete project description.	<b>\$15,000</b>
<b>3. Duane Street Reconstruction</b> – Civiltech is the project engineer. See below and the Capital Projects Budget footnotes for a complete project description.	<b>\$9,000</b>
<b>4. Hill Avenue Water Main Extension</b> – Deuchler is the project engineer. See below for project description.	<b>\$84,000</b>
<b>k. Miscellaneous Expenditures</b> – Closeout of various projects	<b>\$7,000</b>
<b>Total for line item:</b>	<b>\$1,732,000</b>

15. **CAPITAL PROJECTS: (FY06/07 Budget - \$2,938,000)** – This line item lists projects expected to start in FY 06/07 along with the corresponding estimated costs.

Project Description	Estimated Cost
<b>a. Sunset Avenue Reconstruction / Manor Woods Resurfacing</b> – New water main will be constructed on Sunset and Sunset Ct. as well as Newton Avenue as part of this major street rehabilitation project.	<b>\$372,000</b>

<b>b. Prospect Avenue Improvements</b> – Approximately 3,200 feet of water main replacements will be made in the project to upgrade fire protection along Prospect and Turner.	<b>\$378,000</b>
<b>c. Duane Street Reconstruction</b> – The water portion of the project will fund the transfer of water services to a larger main and the retirement of a 4-inch water main on Duane Street between Park and Taylor.	<b>\$120,000</b>
<b>d. East Panfish Basin</b> – Water portion of the remaining construction for this bond funded project. For complete project description, please refer to the footnotes for the Capital Projects Fund.	<b>\$150,000</b>
<b>e. Lambert Farms Area Improvements</b> – Miscellaneous water system improvements associated with the storm and sanitary sewer project.	<b>\$10,000</b>
<b>f. Kenilworth Basin</b> – Miscellaneous improvements for minor water system upgrades and improvements.	<b>\$10,000</b>
<b>g. Five Corners</b> – The balance of the payment due to DuPage County for water main replacement work along Main Street and a water main extension west of Main Street along St. Charles Road.	<b>\$78,000</b>
<b>h. Grove Avenue Water Main Replacement</b> – Replacement of 550 ft. of deteriorated water main on Grove between Route 53 and Lombard. The main has experienced numerous breaks over the years, with recent incidents resulting in private property damage.	<b>\$100,000</b>
<b>i. Arboretum Estates</b> – Phase II of the project involves the extension of a water main along the north side of Butterfield Road west of Arboretum Drive. About 750 feet of 8-inch main will be constructed.	<b>\$75,000</b>
<b>j. Hill Avenue Water Main Extension</b> - Extension of water mains on Hill Avenue near Glen Oak Country Club and on roadways north of Hill, along with connection to the main on Crescent Boulevard north of the railroad tracks constructed in 1995. This funding will cover the completion of the design, easement costs and construction plus field engineering for 7,700 feet of eight and twelve inch main that will serve approximately 70 households. The total anticipated project cost is \$1,635,000. Construction of this project will be dependent on receiving an Illinois EPA low-interest 2½% loan.	<b>\$1,550,000</b>
<b>k. Design Engineering</b> – Funding to accommodate design engineering for capital projects anticipated in the coming years.	
<b>1. Riford Road Reconstruction</b> –	<b>\$15,000</b>
<b>2. Hawthorne Blvd. Reconstruction</b> –	<b>\$15,000</b>
<b>3. DuPage / Exmoor Reconstruction</b> –	<b>\$15,000</b>

<b>4. 2007 Street Improvements –</b>	<b>\$25,000</b>
<b>5. Recoat Tank –</b> The Cottage Avenue Water Tower is scheduled for repainting in 2007.	<b>\$25,000</b>
<b>Total for line item:</b>	<b>\$2,938,000</b>

16. **EQUIPMENT: (\$14,000)** – This account provides for equipment necessary for ongoing operation and maintenance of our water pumping and distribution system. \$5,000 for the purchase of interchangeable replacement SCADA circuit boards and modems, and \$9,000 for the purchase of 2 new check valves for boosters #1&2 at Newton Pumping Station.