

**OPERATIONS DIVISION – WATER FUND  
BUDGET FOOTNOTES**

1. **Salaries: (\$383,000)** Provides for one-half (50%) of the salaries of the Project Coordinator, Senior Plant Operator, and Customer Service Worker. Also provides for a percentage (30%) of the seventeen members of our Operations Division that will be funded through the Operations – Water Fund budget.
2. **Meter Readers: (\$28,000)** Four part-time meter readers read all 8,200 water meters in the Village each month.
3. **Temporary Help: (\$19,600)** Provides for a percentage (30%) of eight summer seasonal employees and two extended seasonal employees that work for the Operations Division of Public Works. Seasonal employees work on all aspects of Operations including water distribution system maintenance activities.
4. **Bank Charges: (\$8,000)** Costs associated with the acceptance of credit cards as a form of payment at the Village Cashier’s counter (\$6,000) as well as a share of retail lockbox services utilized for the automated processing of monthly Village utility bill payments (\$2,000).
5. **Maintenance / Buildings & Grounds: (\$46,500)** Provides \$16,300 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 for miscellaneous supplies, \$2,000 to disconnect well #4 from Newton Reservoir, \$12,000 for two security vent covers at Newton Reservoir and Wilson Reservoir, \$7,500 for security hatch bars at Newton Reservoir and Wilson Reservoir, and \$6,700 for replacing the magnetos and high idle solenoids for well #6 and booster #3 at Wilson Pumping Station.
6. **Maintenance / ROW: (\$74,000)** 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 2,400 cubic yards of spoil, and purchases 1,100 tons of gravel each year.
7. **Maintenance / Water Meters: (\$58,000)** Provides for water meters, copper horns, and radio reads for new residential and commercial accounts and miscellaneous repair parts as needed. These radio-read units are currently being installed in new homes and businesses only. The cost associated with this upgrade is recovered in the meter fee portion of the building permit for the new home or business.
8. **Maintenance / Hydrants: (\$39,600)** This account provides \$20,000 to fund the purchase 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 8 hydrants per year (out of a total of 1,222 hydrants). These hydrant replacements are in addition to those replaced as part of our extensive Capital Improvements Program. This year will be the first year of a 5 year program to sand blast and repaint all 1222 hydrants. 245 hydrants will be painted this year for \$ 19,600.

9. **Maintenance / Other: (\$10,000)** 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: (\$89,700)** Captures the cost of various types of services and studies provided by contractors and consultants. Provides: \$8,000 for water leak location assistance connected with suspected water main breaks; \$5,000 for emergency water main break repairs; \$10,000 for concrete saw cutting; \$4,500 for editing and printing of the required Illinois Environmental Protection Agency 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; \$6,000 for chemical water analyses; \$3,000 for bacterial water analyses; \$10,000 for the large meter testing program; \$4,000 for electrical maintenance and \$1,200 for maintenance to auxiliary electric generators, \$8,000 for outsourcing the printing and distribution of more than 100,000 water bills annually and a \$4,000 one-time cost to complete a required update to our customer billing software. This year we will be awarding a contract to provide a leak survey of the entire village. The cost of this survey is \$20,000.
11. **Debt Service / Abate Levy: (\$0)** Transfer to the Debt Service Fund to reduce the levy for bond re-payments paid by property taxes for the 1987 \$15 million General Obligation referendum bonds, a commitment of the Village Board prior to the 1987 bond referendum. The Village completed its obligation and no further transfers are necessary.
12. **Purchase of Water: (\$1,700,000)** 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. The combination of the O&M and fixed cost components for FY09/10 is designed to produce a total average customer rate of \$1.70 per 1,000 gallons purchased.

May 1, 2009 marks the second of three planned annual increases in the cost of water charged to Commission members, essentially passing-through a City of Chicago imposed 50% rate increase over 3 years. In our current fiscal year, the Village's cost of purchasing water was increased by 16%, from \$1.25 to \$1.45 per 1,000 gallons purchased. Beginning May 1, 2009, this cost will increase again by 17%, from \$1.45 to \$1.70. A similar increase is anticipated for May 1, 2010.

This increase in our operating cost structure will need to be passed on to our customers if we are to continue to effectively maintain the water distribution system, keep operating income in line with operating expenditures, and meet our 25% cash reserve minimum policy level.

13. **Capital Projects: (FY08/09 Estimated Actual - \$1,203,000)** This line item contains capital improvement projects undertaken in the current fiscal year and continuing projects with significant payouts in this fiscal year.

Project Description	Estimated Cost
a. <b>Parkside / Summerdale Reconstruction (#00802)</b> – The water portion of the project funded the replacement of approximate 6,000 ft. of water mains on reconstructed roadways as well as on Forest and Dorset Avenue. Costs shown include construction plus field engineering.	<b>\$788,000</b>
b. <b>Lambert Farms Utility Improvements (#00404)</b> – The final project payout included extra work performed to replace deteriorated valve bonnet bolts in the subdivision water main system.	<b>\$12,000</b>
c. <b>Arboretum Estates II – Butterfield Road Main (#00408)</b> – Final payment to the contractor for the installation about 650 feet of 8-inch main along the north side of Butterfield Road west of Arboretum Drive in late 2007.	<b>\$17,000</b>
d. <b>East Panfish Basin (#00402)</b> – Final payment to the developer of the Water’s Edge subdivision for water main installation on Nicoll Way installed in 2004	<b>\$12,000</b>
e. <b>Duane Street Reconstruction (#00508)</b> – Final payment to the contractor for water system improvements performed in the 2007 project.	<b>\$9,000</b>
f. <b>2007 Street Improvements (#00605)</b> – Final contractor payment for water system improvements completed in the late fall of 2007.	<b>\$22,000</b>
g. <b>2008 Street Improvements (#00701)</b> – Project water system improvements included new service lines on Phillips and miscellaneous system upgrades at other locations.	<b>\$97,000</b>
h. <b>Cottage Water Tank Recoating</b> – In 2008, the Cottage tower was painted (interior and exterior) under a long-term maintenance services agreement with Utility Service Company entered into in April 2008. Costs shown include the second of three annual payments of \$68,000 + change order expenses of \$14,000 for additional expenses associated with the initial cleaning of the tank.	<b>\$82,000</b>
i. <b>Design Engineering</b> – Funding for water main design work for future projects:	<b>0</b>
<b>1. Park / GE Place / Prairie Project (#00603)</b> – Design engineering expenses	<b>\$7,000</b>

for water system improvements on Park, Glen Ellyn Place and Prairie.	
<b>2. Riford Road Reconstruction (#00505)</b> – Phase II engineering services for water main replacement on the north section of Riford Road, Grand Avenue and Lake Road.	<b>\$8,000</b>
<b>3. Braeside Area / Surrey Drive / Grove Avenue Improvements (#00613)</b> – Engineering costs for the design of replacement water mains on Surrey and Grove.	<b>\$13,000</b>
<b>4. 2009 Street Improvements (#00901)</b> – Design for miscellaneous water system improvements associated with the project including replacement water main on sections of Taylor and Lowden	<b>\$25,000</b>
<b>5. Sunset / Turner Improvements (#00902)</b> – Water main replacement is scheduled for Sunset between Fairview and Turner.	<b>\$40,000</b>
<b>6. Hill Avenue Water Main Extension (#00511)</b> – Deuchler is the project engineer for the project to extend utilities into the area north of Hill Avenue and east of Cumnor	<b>\$71,000</b>
<b>Total for line item:</b>	<b>\$1,203,000</b>

**Capital Projects: (FY09/10 Budget - \$2,048,000)** – This line item lists projects expected to start in FY09/10 along with the corresponding estimated costs.

Project Description	Estimated Cost
<b>a. Surrey Drive and Grove Avenue Water Main Replacements (#00613)</b> – As part of the Surrey Drive / Braeside Improvements project, water main will be replaced on Surrey between Roosevelt Road and Briar, and on Grove between Lombard and Route 53. For the Surrey Road portion of the project, the estimated cost of \$420,000 includes design, construction and field engineering, with a Community Development Block Grant offsetting \$250,000 of the construction expense. The Grove Avenue work will cost \$125,000.	<b>\$545,000</b>
<b>a. Park / Glen Ellyn Place / Prairie Project (#00603)</b> – Water system improvements include replacement main on Park between Anthony and Hawthorne and water service and miscellaneous system upgrades on Prairie.	<b>\$225,000</b>
<b>b. 2009 Street Improvements Project (#00901)</b> – Planned water system improvements include replacement water main on Taylor between Highview and Turner, new water services on the balance of the Taylor corridor between Turner and Duane leading to the retirement of the existing 4-inch main, and	<b>\$570,000</b>

new main on Lowden east of Park to replace a pipe with a chronic break history.	
<b>c. Riford Road Reconstruction (#00505)</b> – Planned improvements include new water main on Riford between Oak and St. Charles Road and water main replacements on Grand Avenue and Lake Road.	<b>\$575,000</b>
<b>d. Cottage Avenue Water Tank Services Agreement</b> – Third year payment to Utility Service Company for the long-term maintenance services agreement entered into in April 2008. This payment completes the first three years of higher payments associated with the tank recoating work performed in 2008.	<b>\$68,000</b>
<b>e. Design Engineering</b> – Funding to accommodate design engineering for capital projects anticipated in the coming years. Please refer to the Capital Improvements footnotes section for more complete project descriptions.	<b>0</b>
<b>1. Bryant Avenue / Thain’s Addition (#00904)</b> – Funds engineering for water main improvements associated with the planned reconstruction of Bryant Avenue and other water system improvements in the area bounded by Bryant, Walnut, Whittier and Hillside, and other selected streets. Construction is planned for 2010.	<b>\$65,000</b>
<b>Total for line item:</b>	<b>\$2,048,000</b>

14. **EQUIPMENT: (\$4,000)** Provides for the purchase of one new water main locators to replace one of the worn locators that we currently are using.