

Request For Board Action

REFERRED TO BOARD : October 8, 2018

AGENDA ITEM NO: 9

ORIGINATING DEPARTMENT: Finance Department

SUBJECT: Consideration of a Resolution Authorizing a Reduced Sewer Rate for the First Fire Protection District of Antioch.

SUMMARY AND BACKGROUND OF SUBJECT MATTER:

In June, the village installed a water meter at Station 1 and billed the First Fire Protection District for water and sewer usage. This was the first time that the District was issued a utility bill. Usage was metered at 78,000 gallons for a billing cycle and the bill generated a total cost of \$644 (water- \$245, sewer-\$399).

At the September 26th Committee of the Whole meeting, Fire Chief, Jon Cokefair, came before the Board to request financial relief for the water and sewer charges at Station 1. Chief Cokefair explained that the District did not factor in water and sewer charges when evaluating their operational costs. Chief Cokefair also explained that most of the surrounding fire districts pay for water and sewer usage. The consensus of the village board members present was that the village could not offer full relief but would consider a discounted rate for the sewer portion of the utility bill. Staff was asked to explore various options.

After extensive research and discussion, staff agreed that most of the water used by station 1 did not enter the sewer system. Various methodologies were attempted to calculate a reasonable rate, but, did not produce a rate that would offer any significant relief. With a combination of wastewater design flow rates and staff estimates that approximately 50% of water usage is used for filling tankers, training, washing trucks etc., staff concludes that a 50% reduction of the sewer rate from \$4.78 to \$2.39 per thousand gallons would be good middle ground. A sewer rate of \$2.39 would save the district approximately \$1,120. annually.

The rate will escalate annually in line with rate increases implemented for all other users of the system.

FINANCIAL IMPACT: Annual revenue loss of approximately \$1,120.

DOCUMENTS ATTACHED:

1. Resolution

RECOMMENDED MOTION:

Move to approve a Resolution Authorizing a Reduced Sewer Rate for the First Fire Protection District of Antioch.

RESOLUTION 2018-

A RESOLUTION AUTHORIZING A REDUCED SEWER RATE FOR THE FIRST FIRE PROTECTION DISTRICT OF ANTIOCH

WHEREAS, the Village of Antioch, Lake County, Illinois (the “Village”) is a duly organized and existing municipality created under the provisions of the laws of the State of Illinois; and

WHEREAS, in November 2016, the First Fire Protection District of Antioch, Lake County, (the “District”), consolidated territory and assets from the Village of Antioch and by Resolution 18-12 entered in to an Intergovernmental Agreement (the “Agreement”) with the Village; and

WHEREAS, the second paragraph of Section 3. Shared Use of Station 1 and Station 2 of the Agreement stipulates that the District shall be responsible for operating, maintenance repairs and utilities of Station 1 and Station 2; and

WHEREAS, at the Committee of the Whole meeting held on September 26, 2018, the Fire Chief of the District requested relief for water and sewer charges at Station 1; and

WHEREAS, the Village Board expressed that in fairness to other taxing bodies, the Village could not offer the District full relief; but in the spirit of cooperation would entertain discounting the sewer portion of the utility bill; and

WHEREAS, village staff researched many options and have determined that the rate in existence at the time of consolidation would be a reasonable offer.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Board of Trustees to set an initial sewer rate of \$2.39 per thousand gallons which will escalate at the same frequency and level as other users of the sewer system.

ADOPTED by the Mayor and Board of Trustees of the Village of Antioch, Lake County, Illinois, this 8th day of October, 2018.

APPROVED this 8th day of October, 2018.

AYES:

NAYS:

ABSENT:

Lawrence M. Hanson, Mayor

ATTEST:

Lori K. Romine, Clerk