

ORDINANCE NO. 10-036

**AN ORDINANCE AMENDING CHAPTER 51.080 ENTITLED
“WATER AND WASTEWATER SERVICE CHARGES” : REPEALING 51.097
ENTITLED “SUMMER RATE DISCOUNT”; REPEALING 51.098 ENTITLED “
ESTABLISHMENT OF NEW LAWNS “; AND, REPEALING 51.081 ENTITLED
“ADDITIONAL CHARGE FOR USERS OUTSIDE CORPORATE LIMTS” OF
THE LOCKPORT MUNICIPAL CODE.**

WHEREAS, maintaining safe drinking water and environmentally sound sewer services is one of the most important responsibilities of the City of Lockport; and

WHEREAS, the City is faced with the constant challenge of balancing our interest in offering a fundamental public health service at an affordable price, against the necessity of managing our systems in a financially sustainable manner; and

WHEREAS, the City has performed a comprehensive analysis of the water & sewer systems to identify system deficiencies, to determine future system requirements, and to recommend facility improvements that correct existing deficiencies and that provide for future system expansion; and

WHEREAS, the City Council has carefully considered information gathered by city staff, engineers, financial consultants and the Illinois EPA; and

WHEREAS, the City is committed to setting and maintaining utility rates and fees that are fairly structured for the ratepayers and high enough to adequately fund the system on a sustainable basis; and

WHEREAS, the City on April 21, 2010 recommended the proposed water and sewer rates that were set forth in Ordinance No. 10-012; and

WHEREAS, the Bonnie-Brae-Forest Manor Sanitary District and the Lockport Heights did not concur with the proposed water and sewer rates that were set forth in Ordinance No. 10-012; and

WHEREAS, according to the Intergovernmental Agreement between the City of Lockport, The Bonnie-Brae-Forest Manor Sanitary District, and the Lockport Heights Sanitary District dated August 23, 2000, if all parties can not agree to a rate increase than an arbitrator will decide whether a rate increase more than the rate proscribed in the Agreement is warranted and the amount of said rate increase; and

WHEREAS, an arbitration hearing took place on September 20, 2010 before John Murphey who served as the arbitrator; and

WHEREAS, the arbitrator ruled that an increase was warranted and set forth the in his order the water and sewer rates for the Lockport Waterworks System; and

WHEREAS, pursuant to paragraph 3 of the above-mentioned Intergovernmental Agreement, the arbitrator’s ruling on the water and sewer rate increase is binding on all three parties; and

WHEREAS, the City of Lockport must comply with the arbitrator’s ruling on the water and sewer rates and therefore should memorialize those rates in ordinance form.

NOW THEREFORE, BE IT ORDAINED BY MAYOR AND CITY COUNCIL OF THE CITY OF LOCKPORT, WILL COUNTY, ILLINOIS, THAT:

SECTION 1: Chapter 51.097 (Summer Sewer Rate Discount) of the Lockport Municipal Code is hereby repealed.

SECTION 2: Chapter 51.080 of the Lockport Municipal Code is hereby repealed and amended as follows:

WATER AND WASTEWATER SERVICE CHARGES

§ 51.080 WATER AND SEWER CHARGE.

(A) Minimum charge. Each meter user shall pay a monthly minimum charge when the quantity of water consumed is less than the minimum rate of 2,000 gallons per month.

(B) Water & Sewer Rate Surcharge. The City shall charge a flat rate of \$7.50 per month for Water and a flat rate of \$7.00 per month for Sewer beginning December 15, 2010 to every combined sewer and water user, water user only and sewer user only of the City.

(C) Summer Sewer Discount Rate. There will be no summer sewer discount rate.

(D) Rates.

The rates for each Account shall be increased annually in accordance to the following schedule:

Metered Account Non-Senior

	Water Usage Cost Per 1,000 gallons	Sewer Usage Cost Per 1,000 gallons	Minimum Charge	Water Surcharge	Sewer Surcharge
December 15, 2010	\$ 4.53	\$ 4.38	\$ 17.82	\$ 7.50	\$ 7.00
December 15, 2011	\$ 5.21	\$ 5.04	\$ 20.50	\$ 7.50	\$ 7.00
December 15, 2012	\$ 5.73	\$ 5.54	\$ 22.54	\$ 7.50	\$ 7.00
December 15, 2013	\$ 5.90	\$ 5.71	\$ 23.22	\$ 7.50	\$ 7.00
December 15, 2014	\$ 6.08	\$ 5.88	\$ 23.92	\$ 7.50	\$ 7.00

Effective December 15, 2015 and annually thereafter, the Water Usage Cost and Sewer Usage Cost shall increase by 3% or the annual CPI as established for tax cap purposes, whichever is less.

(E) *Non-Metered Accounts*

The rates for Non-Metered Accounts shall be increased annually in accordance to the following schedule:

Non-Metered Non-Senior				
	Water Usage Cost	Sewer Usage Charge	Water Surcharge	Sewer Surcharge
December 15, 2010	\$ 29.97	\$ 28.96	\$ 7.50	\$ 7.00
December 15, 2011	\$ 34.47	\$ 33.30	\$ 7.50	\$ 7.00
December 15, 2012	\$ 37.91	\$ 36.63	\$ 7.50	\$ 7.00
December 15, 2013	\$ 39.05	\$ 37.73	\$ 7.50	\$ 7.00
December 15, 2014	\$ 40.22	\$ 38.87	\$ 7.50	\$ 7.00

Effective December 15, 2015 and annually thereafter, the Water Usage Cost and Sewer Usage Cost shall increase by 3% or the annual CPI as established for tax cap purposes, whichever is less.

(F) *Senior citizens' water discount.*

(1) *Water rate discount.* There shall be a senior citizens' discount of 50% of the rate pursuant to § 51.080(D) per 1,000 gallons of the water service up to a maximum of 3,000 gallons per month based upon the amount of water consumed as shown by the water meter. There shall also be a 50% discount on the water surcharge as provided in § 51.080(D)

(a) If more than 3,000 gallons is utilized by the user of that system, then such user shall pay in addition to the discounted rate for 3,000 gallons, the charge applicable under § 51.080(D) for any amount of water used over 3,000 gallons.

(b) A minimum rate of 50% of the rate pursuant to § 51.080(D) per month and 50% of the water surcharge as provided in § 51.080(D) or portion thereof will be charged where water service only is used which shall entitle each meter user to 2,000 gallons of water per month.

(2) *No discount for sewer.* There shall be no senior citizen discount for users of the sewer service.

- (3) To obtain the senior citizens' discount, the senior citizen must present to the city Waterworks and Sewerage System or its agent, at least once every year, proof of the following:
- (a) His or her age, being 65 years or older.
 - (b) Residence in a single-family dwelling or a duplex or a multi-dwelling unit and be the subscriber to the system.

(G) *Senior rate.* The Senior citizens' rate is calculating using the method outlined in section F. The rates for shall be increased annually in accordance to the following schedule:

Metered Account Senior

	First 3,000 Water Usage Charge	After 3,000 Water Usage Charge	Sewer Usage Charge	Minimum Charge	Water Surcharge	Sewer Surcharge
December 15, 2010	\$ 2.27	\$ 4.53	\$ 4.38	\$ 13.30	\$ 3.75	\$ 7.00
December 15, 2011	\$ 2.60	\$ 5.21	\$ 5.04	\$ 15.28	\$ 3.75	\$ 7.00
December 15, 2012	\$ 2.87	\$ 5.73	\$ 5.54	\$ 16.82	\$ 3.75	\$ 7.00
December 15, 2013	\$ 2.95	\$ 5.90	\$ 5.71	\$ 17.32	\$ 3.75	\$ 7.00
December 15, 2014	\$ 3.04	\$ 6.08	\$ 5.88	\$ 17.84	\$ 3.75	\$ 7.00

Effective December 15, 2015 and annually thereafter, the Water Usage Cost and Sewer Usage Cost shall increase by 3% or the annual CPI as established for tax cap purposes, whichever is less.

(H) *Non-Metered Accounts - Seniors*

The rates for Non-Metered Accounts - Seniors shall be increased annually in accordance to the following schedule:

Non-Metered Senior

	Water Usage Cost	Sewer Usage Charge	Water Surcharge	Sewer Surcharge
December 15, 2010	\$ 24.52	\$ 28.96	\$ 3.75	\$ 7.00
December 15, 2011	\$ 25.75	\$ 33.30	\$ 3.75	\$ 7.00
December 15, 2012	\$ 28.33	\$ 36.63	\$ 3.75	\$ 7.00
December 15, 2013	\$ 29.17	\$ 37.73	\$ 3.75	\$ 7.00
December 15, 2014	\$ 30.05	\$ 38.87	\$ 3.75	\$ 7.00

Effective December 15, 2015 and annually thereafter, the Water Usage Cost and Sewer Usage Cost shall increase by 3% or the annual CPI as established for tax cap purposes, whichever is less.

(I) *Permanently disabled citizen's water discount.*

(1) *Water rate discount.* There shall be a permanently disabled citizen's discount of 50% of the rate pursuant to § 51.080(D) per 1,000 gallons of the water service up to a maximum of 3,000 gallons per month based upon the amount of water consumed as shown by the water meter. There shall also be a 50% discount on the water surcharge as provided in § 51.080(D)

(a) If more than 3,000 gallons is utilized by the user of that system, then such user shall pay in addition to the discounted rate for 3,000 gallons, the charge applicable under § 51.080(D) for any amount of water used over 3,000 gallons.

(b) A minimum rate of 50% of the rate pursuant to § 51.080(D) per month and 50% of the water surcharge as provided in § 51.080(D) or portion thereof will be charged where water service only is used which shall entitle each meter user to 2,000 gallons of water per month.

(2) *No discount for sewer.* There shall be no permanently disabled citizen's discount for users of the sewer service.

(3) *Annual qualification.* To obtain the permanently disabled citizen's discount, the permanently disabled citizen must present to the city Waterworks and Sewerage System, or its agent, at least once every year, proof of the following:

(a) The person must show proof of being permanently disabled, as defined by the Social Security Administration, the Veterans Administration, the Railroad Retirement Agency, and any state or federal agency that confers benefits for a permanent disability for an individual, and that person must receive benefits of permanent disability from the above-mentioned agencies; and

(b) Residence in a single-family dwelling, a duplex or a multi-dwelling unit; and being the subscriber to the system.

(J) *Sewer users only rate.*

(1) *Sewer rate.* Where there is a sewer connection with the sewer system of the city and the user or users of such connection do not use water from the city water system, those users of such connection shall install a water meter connected to their own water system which is approved by the City Administrator,

or those users shall install a sewerage discharge meter which is approved by the City Administrator. The user of such connection shall pay a rate per month based upon either the amount of water consumed as shown by the water meter or the amount of wastewater discharged as shown by the sewerage discharge meter.

SECTION 3: Chapter 51.098 (Establishment of New Lawns) is hereby repealed.

SECTION 4: Chapter 51.081 (Additional Charge for Users Outside Corporate Limits) is hereby repealed.

SECTION 5: Severability. If any provision of this Ordinance, or the application of any provision of this Ordinance, is held unconstitutional or otherwise invalid, such occurrence shall not affect other provisions of this Ordinance, or their application, that can be given effect without the unconstitutional or invalid provision or its application. Each unconstitutional or invalid provision, or application of such provision, is severable, unless otherwise provided by this Ordinance.

SECTION 6: Effective Date. This Ordinance shall be in full force and effect from and after its passage, approval and publication in the manner provided by law.

PASSED THIS 1st DAY OF December, 2010, with:

5 ALDERMEN voting aye 1 ALDERMEN absent


2 ALDERMEN voting nay 0 ALDERMEN abstaining

the MAYOR voting aye X voting nay _____ not voting _____

A COLARELLI NAY VAN DYKE ABSENT FRACARO A SMITH

NAY KELLY A MORRIS A KRZOS A PERRETTA

A MAYOR



Dev Trivedi, Mayor

ATTEST:

Alice Matteucci
Alice Matteucci, City Clerk



Lockport: City of Historic Pride

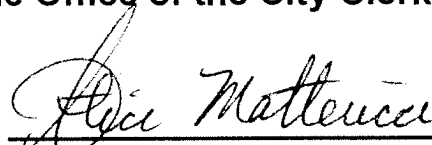
City of Lockport

Dev Trivedi, *Mayor*
Alice Matteucci, *City Clerk*
David H. Palya, *Treasurer*
Ronald L. Caneva, *Attorney*
Tim Schloneger, *Administrator*

Central Square Building, Suite 4, 222 E. Ninth Street, Lockport, Illinois 60441-3497 Phone (815) 838-0549 Fax (815) 838-9498

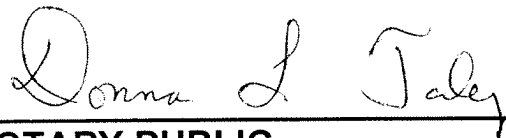
AFFIDAVIT

I, ALICE MATTEUCCI, CITY CLERK OF THE CITY OF LOCKPORT,
on oath state that on DECEMBER 1, 20 10, the Mayor
and the City Council of the City of Lockport adopted Ordinance No. 10-036
and than on DECEMBER 2, 20 10, I published such Ordinance in
pamphlet form by placing at least three copies thereof on file for
examination by the general public at the Office of the City Clerk, 222 E. 9th
Street, Lockport, IL.

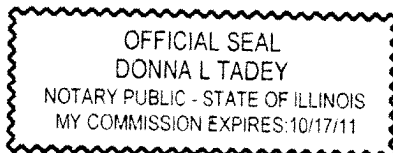


City Clerk

Subscribed and sworn to me before this 3RD day of
DECEMBER, A.D. 20 10.



NOTARY PUBLIC



Committee of the Whole
Agenda Memorandum

Item AT-3

April Mayor & City Council
From: Ron Caneva
Date: NOVEMBER 10, 2010
Subject: ARBITRATOR'S FINDING FOR WATER & SEWER RATE INCREASE.

BACKGROUND/HISTORY:

The City Council on April 21, 2010 recommended the proposed water and sewer rates set forth in Ordinance No. 10-012 be adopted by the City, Bonnie-Brae Forest Manor and Lockport Heights Sanitary Districts. The two Sanitary Districts did not concur in the adoption of those rates. Pursuant to Paragraph No. 3 E. of the Agreement dated August 23rd between the Districts and the City if the parties did not concur in the rate increase, an arbitrator agreed upon by all the three entities would make a decision on whether a rate increase was warranted and the amount of the rate change. An arbitrator was agreed upon by the three parties. On September 20, 2010 the arbitration hearing took place. On November 9th, 2010 the City received the arbitrator's written opinion. The arbitrator ruled that a rate increase was warranted and made his decision concerning the actual water and sewer rate increases. Pursuant to Paragraph 3E of the agreement, the arbitrator's decision is binding. The decision is to take effect starting December 15th, 2010 which means the first monthly bill with the new rates will be on the bill that is mailed out to customers on February 1, 2011. The City Council should memorialize the ruling of the arbitrator in the form of an ordinance which follows his binding decision on the increased water and sewer rates.

RECOMMENDATION:

Pass Ordinance No. 10-036 which memorializes the binding decision of the arbitrator for the increased water and sewer rates of the Lockport Waterworks System.

ATTACHMENTS (IF APPLICABLE):

Ordinance No. 10-036

SPECIFIC CITY COUNCIL ACTION REQUIRED:

Motion to authorize passage of Ordinance NO. 10-036 which increases the sewer and water rates of the system pursuant to the binding decision of the arbitrator.