

SPECIAL COMMITTEE OF THE WHOLE MINUTES

January 9, 2023

Elected Officials Present: Mayor Burns, Alderpersons Mike Bruno (via video teleconference), Tara Burghart, Brad Kosirog, Rich Marks, Dean Kilburg, Ald. Becky Hruby, Ald. Gabe Kaven, Ald. Amy Mayer, Ald. Robert Swanson, Ald. Craig Maladra

Elected Officials Absent: None

Others Present: City Administrator Stephanie Dawkins, Public Works Director Richard Babica, Electric Superintendent Aaron Holton, Finance Director Rita Kruse, Deputy Clerk Jeanne Fornari

1. Call to Order

Mayor Burns called the special meeting to order in City Hall Council Chambers at 7:00pm noting all were present.

2. Items of Business

a. **2023 Water and Sewer Rate Study Presentation**

David Hyder with Stantec Financial Services presented the rate study that was conducted over the past nine months. Based on the cost of upcoming capital projects in excess of \$50 million, base water, usage and sewer rates would rise by 7.5% in each of the next two fiscal years and a 5% increase in the third year out. Hyder noted that rates had not been adjusted in four years. Hyder also noted the reduction in water consumption stating that between 1999 and 2016, there was a 22% reduction in household water usage. The formal recommendation was to increase rates due to the impending increase in operating costs and significant capital improvements by implementing a smoothed rate plan that would gradually increase water and sewer revenues to keep them in line with utility expenditures, as well as adopt a sewer cap for single-family residential customers. After a Q&A period with alderpersons, there was consensus to proceed with a 7.5% in base water, usage and sewer charge for both the next two fiscal years with an additional 5% increase in the third year.

b. **2023 Electric Rate Study Presentation**

Eric Kamm, with Stanley Consultants was on hand to present the findings thus far with the 5 month old study. Two major projects were on the horizon: a \$18 million SEMP (Kautz Road feeder) and \$5.5 million Geneva Business Park III/Old Kirk Road feeder. Kamm's goal was to help the city understand what its expenses are what revenues would be required to cover those expenses. Electric rates had not increased in ten years. Kamm stated that general electric consumption is down which was standard across the industry. He then presented rate adjustment scenarios including a step-system, as well as a one-time increase. Some

alderpersons were inclined to spread the increase out over time and consider dipping into reserves; although other alderpersons warned that doing so should be a last resort. At the conclusion of comments from the committee, consensus was reached to spread the increase out over time and not to use reserves.

3. New Business / Public Comment

None.

4. Closed Session on the Purchase or Lease of Real Property for the Use of the Public Body Pursuant to 5 ILCS 120/2(c)5

Moved by Ald. Kilburg, seconded by Ald. Kosirog

Roll Call: Ayes: 9 Nays: 0 Absent: 1 (Ald. Mayer left meeting at 9:07 p.m.) Motion carried at 9:30 p.m.

On a motion by Ald. Swanson, seconded by Ald. Marks, the meeting returned to open session at 9:37 p.m. by unanimous voice vote.

5. Adjournment

On a motion by Ald. Marks, the meeting was adjourned by unanimous voice vote at 9:39 p.m.

- submitted by Deputy Clerk Jeanne Fornari