

CHAPTER 3

ARTICLE A. WATER SERVICE CHARGES

SECTION:

9-3A-1:	Definitions
9-3A-2:	Basis for Water Service Charges
9-3A-3:	Rates and Charges Established
9-3A-4:	Computation of Water Service Charge
9-3A-5:	Review of Charges; Revisions
9-3A-6:	Bills for Service
9-3A-7:	Revenues
9-3A-8:	Accounting
9-3A-9:	Access to Records

9-3A-1: **DEFINITIONS:** Unless the context specifically indicates otherwise, the “meaning of terms in this article shall be as follows:

**CLARIFICATION OF
WORD USAGE:**

“Shall” is mandatory; is “may” is permissible.

CURB COCK:

A shutoff valve attached to a water service pipe from a water main to a building installed near the curb, which may be operated by a valve key to start or stop flow in the water supply lines of a building. Also called curb stop.

EASEMENT:

An acquired legal right for the specific use of land owned by others.

FEDERAL GOVERNMENT:

Administrator: The administrator of the U.S. Environmental Protection Agency.

Federal Act: The Federal 1996 Safe Drinking Water Acts Amendments.

LOCAL GOVERNMENT:

Approving Authority: The Public Works Department.

Village: The Village of Elizabeth.

PERSON:	Any and all persons, natural or artificial including any individual, firm, company, municipal or private corporation, association, society, institution, enterprise, governmental agency or other entity.
SERVICE BOX:	A valve box used with corporation or curb cock.
STATE GOVERNMENT:	
Director:	The director of the Illinois Environmental Protection Agency.
State Act:	The Illinois Anti-Pollution Bond Act of 1970.
State Loan:	The State of Illinois participation in the financing of the construction of waterworks as provided for by the Illinois Anti-Pollution Act and for making such loans as filed with the Secretary of State of the State of Illinois.
TYPES OF CHARGES:	
Basic User Charge:	The basic assessment levied on all users of the public water system.
Capital Improvement Charge:	A charge levied on users to improve, extend or reconstruct the waterworks.
Debt Services Charge:	The amount to be paid each billing period for payment of interest, principal and coverage of (loan, bond, etc.) outstanding.
Local Capital Cost Charge:	Charges for costs other than the operation, maintenance and replacement costs, i.e., debt service and capital improvement costs.
Replacement:	Expenditures for obtaining and installing equipment, accessories or appurtenances which are necessary during the useful life of the works to maintain the capacity and performance for which such works were designed and constructed. The term, "operation and maintenance" includes replacement.

- Useful Life: The estimated period during which the waterworks will be operated.
- User Charge: A charge levied on users of waterworks for the cost of operation, maintenance and replacement.
- Water Fund: The principal accounting designation for all revenues received in the operation of the water system.
- Water Service Charges: The charge per month levied on all users of the water facilities. The service charge shall be computed as outlined in Sections 9-3A-2 through 9-3A-5 of this article, and shall consist of the total of the basic user charge and the local capital cost if applicable.

WATER AND ITS CHARACTERISTICS:

- Milligrams Per Liter: A unit of the concentration of water constituent. It is 0.001 g of the constituent in 1,000 ml of water. It has replaced the unit formerly used commonly, parts per million, to which it is approximately equivalent, in reporting the results of water analysis.
- pH: The logarithm (base 10) of the reciprocal of the hydrogen-ion concentration expressed by one of the procedures outlined in the IEPA division of laboratories manual of laboratory methods.
- ppm: Parts per milligram by weight.
(Ord., 05-15-02, 05-14-2002)

9-3A-2: **BASIS FOR WATER SERVICE CHARGES:** The water service charge for the use and for service supplied by the water facilities of the Village shall consist of a basic user charge, a debt service charge, and a capital improvement charge.

A. Basic User Charge:

1. The basic user charge is levied on all users to recover the operation, maintenance plus replacement (OM&R) costs and shall be based on water usage as recorded by water meters.

2. The basic user charge shall be computed as follows:
 - a. Estimate the annual water volume.
 - b. Estimate the projected annual revenue required to operate and maintain the water facilities, including a replacement fund for the year, for all works categories.
 - c. Compute costs per one thousand (1,000) gallons.
 3. The volume of flow used for computing basic user charges shall be the metered water consumption red to the lowest even increments of one hundred (100) gallons.
- B. Debt Service Charge: The debt service charge is computed by apportioning the annual debt services as a fixed charge per billing period.
- C. Capital Improvement Charge: The capital improvement charge is levied on users to provide for capital improvements, extensions or reconstruction of the waterworks. The capital improvement charge is computed by apportioning the annual amount to be accrued as a fixed charge per billing period.
(Ord. 05-15-02, 5-14-2002)

9-3A-3: **RATES AND CHARGES ESTABLISHED:**

- A. Minimum Charge: Shall be set by the Village Board.
- B. Basic Rate: Shall be set by the Village Board.
- C. Flat Rate Users; When Metered Rates Required: In the event use of the water facilities is determined by the Waterworks Department to be in excess of two-thousand five hundred (2,500) gallons per month, the Waterworks Department may require such flat rate users to install metering devices on the water supply to measure the amount of service supplied. (Ord. 05-15-02, 5-14-2002)

9-3A-4: **COMPUTATION OF WATER SERVICE CHARGE:**

A. The water service charge shall be computed by the following formula:

$$CW=CC+CD+CM+(Vu-X)CU$$

Where CW= Amount of water service charge (\$) per billing period.

CC= Capital improvement charge (see Subsection 9-3A-2C of this article).

CD= Debt service charge (see Subsection 9-3A-2B of this article).

CM= Minimum charge for operation, maintenance and replacement (see Section 9-3A-2A of this article)

Vu= Water volume for the billing period.

X= Allowable consumption in gallons for the minimum charge (see Section 9-3A-3 of this article).

CU= Basic user rate for operation, maintenance and replacement (see Subsection 9-3A-2A of this article).

B. The method for computation of rates and service charges established for user charges in Sections 9-3A-2 through 9-3A-5 of this article shall be made available to a user within ten (10) days of receipt of a written request for such. (Ord. 05-15-02, 5-14-2002)

9-3A-5: **REVIEW OF CHARGES; REVISIONS:** The adequacy of the water service charge shall be reviewed, not less than often than annually, by certified public accountants for the Village in their annual audit report. The water service charge shall be revised periodically to reflect a change in local capital costs or OM&R costs. (Ord. 05-15-02, 5-14-2002)

9-3A-6: **BILLS FOR SERVICE:** Regulations and rules regarding use of parks and recreation areas owned or administered by the Village are as follows:

- A. Classification Determines Payment: Said rates or charges for service shall be payable monthly on the classification of service for which bills are rendered. The owner of the premises, the occupant thereof and the user of the service shall be jointly and severally liable to pay for the service to such premises, and the service is furnished to the premises by the Village only upon the condition that the owner of the premises, occupant and the user of the services are jointly and severally liable therefor to the Village.

9-3A-7: **REVENUES:**

- A. All revenues and monies derived from the operation of the water system shall be deposited in the water account of the water fund not more than ten (10) days after receipt of the same, or at such more frequent intervals as may from time to time be directed by the President and Board of Trustees. All such revenues and monies shall be held by the Village Treasurer separate and apart from his or her private funds and separate and apart from all other funds of the Village Treasurer.
- B. The Village Treasurer shall receive all such revenues from the water system and all other funds and monies incident to the operation of such system as the same may be delivered to him and deposit the same in the account of the fund designated as the “water fund of the Village of Elizabeth”. Said Treasurer shall administer such fund in every respect in the manner provided by statute of the “revised cities and village act”, effective January 1942.
(Ord. 05-15-02, 5-14-2002)

9-3A-8: **ACCOUNTING:**

- A. System of Accounts: The Village Treasurer shall establish a proper system of accounts and shall keep proper books, records, and accounts in which complete and correct entries shall be made of all transactions relative to the water systems, and at regular annual intervals he or she shall cause to be made an audit by an independent auditing concern of the books to show the receipts and disbursements of the water system.
- B. Annual Audit Report: In addition to the customary operating statements, the annual audit report shall also reflect the revenues and operating expenses of the water facilities, including a replacement cost. The financial information to be shown in the audit report shall include the following:

1. Flow data showing total gallons received at the water plant for the current fiscal year.
- 2: Billing data to show total number of gallons billed per fiscal year.
3. Debt service for the next succeeding fiscal year.
4. Number of users connected to the system.
5. Number of nonmetered users. (Ord. 05-15-02, 5-14-2002)

9-3A-9: **ACCESS TO RECORDS:** The IEPA or its authorized representative shall have access to any books, documents, papers and records of the Village which are applicable to the Village system of user charges for the purpose of making audit, examination, excerpts and transcriptions thereof to ensure compliance with the terms of the (special and general conditions to any state grant). (Loan agreement and rules or any state loan). (Ord. 05-15-02, 5-14-2002)