

VILLAGE OF LA GRANGE  
Department of Public Works

**EXECUTIVE COMMITTEE REPORT**

TO: Village President, Village Board of Trustees  
Village Clerk and Village Attorney

FROM: Robert Pilipiszyn, Village Manager  
Ryan Gillingham, Director of Public Works  
Lou Cipparrone, Finance Director

DATE: February 9, 2009

RE: **SEWER FUND – STATUS REPORT FY 2008-09**

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**SEWER RATE**

The Sewer Fund was established many years ago as an Enterprise Fund to pay for the maintenance and replacement of the Village's sanitary sewer system (as compared to storm sewer and combined storm and sanitary sewer work, which is funded through the Capital Projects Fund). The Sewer Fund will however contribute towards but not fully fund, the maintenance and replacement of work involving combined sewers.

We have adopted a plan of scheduled 5 percent sewer rate increases each year for five years beginning in FY 2003-04 through FY 2007-08. The increased cost to homeowners was less than \$5.00 annually. These increases were necessary to rebuild reserves which were depleted as sewer mains were replaced as part of neighborhood street projects.

It is our goal to maintain reserves at about 50% of operating expenses. As we continue with aggressive repairs and main replacement we may need to consider additional rate increases to fund sewer projects and maintain adequate reserves.

Sewer fees are based upon cubic feet of water used multiplied by a separate sewer rate. Therefore, an increase in the sewer rate does not affect water charges, nor does an increase in the water rate affect sewer charges.

SEWERS

The FY 2008-09 budget included \$125,571 for sewer construction associated with the MARS project. Due to schedule and budgeting changes the budget for the Bluff Avenue / MARS project has been refined and reflects the sanitary sewer costs associated with the project in their appropriate fiscal years. Additional information concerning this project is contained in the Capital Projects Fund.

Also included in the current year budget was \$25,000 for sewer repairs at East and Cossitt Avenues. These repairs were not completed due to other sewer related priorities. This project has been re-budgeted for completion in FY 2009-10.

As part of the sewer televising program, a collapsed sewer was discovered on the 18 inch diameter combined sewer located on Spring Avenue, approximately 27 feet north of the Maple Avenue intersection. FY 2008-09 expenditures reflect the emergency repair of this sewer line which was completed at a cost of \$27,378.

In addition, FY 2008-09 expenditures reflect the annual \$5,000 NPDES (National Pollutants Discharge Elimination System) permit fee charged by the State of Illinois, which allows us to discharge to Deep Tunnel.