### **ORDINANCE NO. 2020-<u>08</u>**

# AN ORDINANCE AMENDING CHAPTER 86, SECTION 86-121 OF THE MUNICIPAL CODE, VILLAGE OF STICKNEY, ILLINOIS REGARDING WATER RATES

**WHEREAS**, the Village of Stickney (the "Village") is a home rule municipal corporation in accordance with Article VII, Section 6(a) of the Constitution of the State of Illinois of 1970; and

**WHEREAS,** the Village has the authority to adopt ordinances and to promulgate rules and regulations that pertain to its government and affairs, and to review, interpret and amend its ordinances, rules and regulations; and

**WHEREAS**, the Village President (the "President") and the Board of Trustees of the Village (the "Village Board" and with the President, the "Corporate Authorities") are committed to ensuring the health, safety and welfare of Village residents; and

**WHEREAS,** Section 11-139-8 of the Illinois Municipal Code (65 ILCS 5/11-139-8) authorizes municipalities operating combined waterworks and sewage systems to establish, revise and maintain rates as compensation for the use and operation of the combined waterworks and sewage systems; and

**WHEREAS,** currently, the Municipal Code, Village of Stickney, Illinois (the "Village Code") sets forth the rates for water and water service within the Village; and

**WHEREAS**, the City of Chicago (the "City") enacted a series of annual increases to the water rates it charges suburban consumers, including the Village; and

**WHEREAS**, based on the City's annual water rate increases, the Village will be required to increase local water rates; and

WHEREAS, the Chicago Municipal Code states that "beginning June 1, 2016, and every year thereafter, the annual rates shall be adjusted upwards, if applicable, by applying to the previous year's rates the rate of inflation, calculated based on the Consumer Price Index- Urban Wage Earners and Clerical Workers (Chicago All Items) published by the United States Bureau of Labor Statistics for the 365-day period ending on the most recent January 1. Any such annual increase, however, shall be capped at 105% of the previous year's rate"; and

WHEREAS, on February 28, 2020, the City of Chicago Department of Water Management sent a letter to the Village's Public Works Supervisor, a copy of which is attached hereto and incorporated herein as "Exhibit A" stating that the Consumer Price Index ("CPI") inflation rate for 2019 was 2.45% and that effective June 1, 2020, the rate will be \$4.08 per 1,000 gallons, which amounts to an increase of \$0.11 per 1,000 gallons; and

**WHEREAS,** based on the foregoing, the Corporate Authorities have determined that it is in the best interests of the Village and its residents to amend the water rates to reflect the increase in water related fees and costs including but not limited to fees charged by the City of Chicago; and

**WHEREAS,** based upon the foregoing, the Corporate Authorities have determined that it is necessary, advisable and in the best interests of the Village and its residents to amend Chapter 86, Section 86-121 of the Village Code as set forth below;

# NOW, THEREFORE, BE IT ORDAINED BY THE PRESIDENT AND BOARD OF TRUSTEES OF THE VILLAGE OF STICKNEY, COOK COUNTY, ILLINOIS, as follows:

# ARTICLE I. IN GENERAL

### **SECTION 1. INCORPORATION CLAUSE.**

The Corporate Authorities hereby find that all of the recitals hereinbefore stated as contained in the preambles to this Ordinance are full, true and correct and do hereby, by reference, incorporate and make them part of this Ordinance as legislative findings.

#### SECTION 2. PURPOSE.

The purpose of this Ordinance is to amend Chapter 86, Section 86-121 of the Village Code to amend the water rates within the Village and to authorize the President or his designee to take all actions necessary to carry out the intent of this Ordinance.

#### ARTICLE II.

# AMENDMENT OF CHAPTER 86, SECTION 86-121 OF THE MUNICIPAL CODE, VILLAGE OF STICKNEY, ILLINOIS

#### SECTION 3.0. AMENDMENT OF CHAPTER 86, SECTION 86-121.

That the Village Code is hereby amended, notwithstanding any provision, ordinance, resolution or Village Code section to the contrary, by amending Chapter 86, Section 86-121, which Section shall be amended as follows:

#### Sec. 86-121. - Established.

The following rates shall be charged for water:

(1) Residential users: Residential class of water users shall be defined as all residential premises served containing three or less fewer dwelling units. Bills of residential service shall be rendered on a bi-monthly basis as follows:

A minimum charge of \$60.00 effective July June 1, 2019 2020 for the first 800 cubic feet, or any portion thereof, used for each two-month period, as indicated by meters; for all water consumed over 800 cubic feet of each two-month period, there shall be a charge of \$6.73 \$6.89 effective July June 1, 2019 2020 per 100 cubic feet.

With regard to the rates set above for residential service, beginning January 1, 2018, and every year thereafter, the rates shall be adjusted upwards, if applicable, by applying to the previous year's rates the rate of inflation, calculated based on the Consumer Price Index - Urban Wage Earners and Clerical Workers (Chicago All Items) published by the United States Bureau of Labor Statistics for the 365-day period ending on the most recent January 1. Any such annual increase, however, shall be capped at 105 percent of the previous year's rate. Any change in water rates shall be tied to and dictated by the increases as determined by the City of Chicago Department of Water Management's annual letter detailing any increases, or decreases, and the Village shall automatically adopt and publish said increased rates, unless other action is taken by the Corporate Authorities.

Starting June 1, 2021, and every year thereafter, water rates herein established, including the minimum charge, shall be automatically adjusted upward by two percent (2%) and shall further be automatically adjusted upward by the applicable annual percentile increase in the rate of water charged to the village by the City of Chicago. Every annual adjustment will be administered by the Village Treasurer. The Village Treasurer shall inform the village board in writing of said percentile increase taking effect.

(2) Commercial users: Commercial class of water users shall be defined as all business or commercial establishments, all residential premises containing four or more dwelling units, and all business and commercial establishments containing one or more residential dwelling units. Bills for commercial services shall be rendered on a monthly basis as follows:

A minimum monthly charge of \$36.50 \$50.00 effective July June 1, 2019 2020 for the first 400 cubic feet or any portion thereof, used for each monthly period as indicated by meters; for water consumed over 400 cubic feet for each monthly period, there shall be a charge of \$9.12 \$9.62 effective July June 1, 2019 2020 per 100 cubic feet.

With regard to the rates set above for commercial service, beginning January 1, 2018, and every year thereafter, the rates shall be adjusted upwards, if applicable, by applying to the previous year's rates the rate of inflation, calculated based on the Consumer Price Index - Urban Wage Earners and Clerical Workers (Chicago All Items) published by the United States Bureau of Labor Statistics for the 365-day period ending on the most recent January 1. Any such annual increase, however, shall be capped at 105 percent of the previous year's rate. Any change in water rates shall be tied to and dictated by the increases as determined by the City of Chicago Department of Water Management's annual letter detailing any increases, or decreases, and the Village shall automatically adopt and publish said increased rates, unless other action is taken by the Corporate Authorities.

Starting June 1, 2021, and every year thereafter, water rates herein established, including the minimum charge, shall be automatically adjusted upward by three percent (3%) and shall further be automatically adjusted upward by the applicable annual percentile increase in the rate of water charged to the village by the City of Chicago. Every annual adjustment will be administered by the Village Treasurer. The Village Treasurer shall inform the village board in writing of said percentile increase taking effect.

(3) Industrial users: Industrial class of water users shall be defined as all industries including establishments, except dwellings, located in the areas zoned as industrial districts in the village. Bills for industrial services shall be rendered on a monthly basis as follows:

A minimum charge of \$72.65 \$100.00 effective July June 1, 2019 2020 for the first 600 cubic feet, or any portion thereof, used for each monthly period, as indicated by meters; for all water consumed over 600 cubic feet for each monthly period, there shall be a charge of \$12.10 \$12.76 effective July June 1, 2019 2020 per 100 cubic feet.

With regard to the rates set above for industrial service, beginning March 19, 2019, and every year thereafter, the rates shall be adjusted upwards, if applicable, by applying to

the previous year's rates the rate of inflation, calculated based on the Consumer Price Index - Urban Wage Earners and Clerical Workers (Chicago All Items) published by the United States Bureau of Labor Statistics for the 365-day period ending on the most recent January 1. Any such annual increase, however, shall be capped at 105 percent of the previous year's rate. Any change in water rates shall be tied to and dictated by the increases as determined by the City of Chicago Department of Water Management's annual letter detailing any increases, or decreases, and the Village shall automatically adopt and publish said increased rates, unless other action is taken by the Corporate Authorities.

Starting June 1, 2021, and every year thereafter, water rates herein established, including the minimum charge, shall be automatically adjusted upward by three percent (3%) and shall further be automatically adjusted upward by the applicable annual percentile increase in the rate of water charged to the village by the City of Chicago. Every annual adjustment will be administered by the Village Treasurer. The Village Treasurer shall inform the village board in writing of said percentile increase taking effect.

(4) Special accounts: Any consumer who uses in excess of 50,000 cubic feet of water per month, the rate of said consumer shall be \$58.06 \$61.25 effective July June 1, 2019 2020 per 1,000 cubic feet.

With regard to the rates set above for industrial service and special accounts, beginning January 1, 2018, and every year thereafter, the rates shall be adjusted upwards, if applicable, by applying to the previous year's rates the rate of inflation, calculated based on the Consumer Price Index - Urban Wage Earners and Clerical Workers (Chicago All Items) published by the United States Bureau of Labor Statistics for the 365-day period ending on the most recent January 1. Any such annual increase, however, shall be capped at 105 percent of the previous year's rate. Any change in water rates shall be tied to and dictated by the increases as determined by the City of Chicago Department of Water Management's annual letter detailing any increases, or decreases, and the Village shall automatically adopt and publish said increased rates, unless other action is taken by the Corporate Authorities.

Starting June 1, 2021, and every year thereafter, water rates herein established, including the minimum charge, shall be automatically adjusted upward by three percent (3%) and shall further be automatically adjusted upward by the applicable annual percentile increase in the rate of water charged to the village by the City of Chicago. Every annual adjustment will be administered by the Village Treasurer. The Village Treasurer shall inform the village board in writing of said percentile increase taking effect.

- (5) Liability for service and penalty for late payment: The owner of the premises, the occupant thereof and user of the services shall be jointly and severally liable to pay the water service on such premise. A penalty of ten percent shall be added to all bills not paid within the allowable time. When a date of billing is on a weekend or a legal holiday, then such bills shall be payable on the next succeeding business day, without any additional penalty.
- (6) *Unmetered use:* Where water has not been controlled by meters or where it shall be found that the meters are registering incorrectly, or have stopped registering, the

quantity of water used, or to be used, shall be estimated by the committee on water and charged in the manner and at the rates prescribed in this section: provided however, that the minimum charge shall not be less than the minimum charges set forth in this section. The village reserves the right to make such reasonable changes in the rates and in conditions established in this section, and to establish further rules and regulations from time to time, as may be found expeditious or necessary.

#### SECTION 3.1. OTHER ACTIONS AUTHORIZED.

The officers, employees and/or agents of the Village shall take all action necessary or reasonably required to carry out, give effect to and consummate the amendments contemplated by this Ordinance and shall take all action necessary in conformity therewith. The officers, employees and/or agents of the Village are specifically authorized and directed to draft and disseminate any and all necessary forms or notices to be utilized in connection with the intent of this Ordinance.

# ARTICLE III. HEADINGS, SAVINGS CLAUSES, PUBLICATION, EFFECTIVE DATE

#### **SECTION 4. HEADINGS.**

The headings of the articles, sections, paragraphs and subparagraphs of this Ordinance are inserted solely for the convenience of reference and form no substantive part of this Ordinance nor should they be used in any interpretation or construction of any substantive provision of this Ordinance.

### **SECTION 5. SEVERABILITY.**

The provisions of this Ordinance are hereby declared to be severable and should any provision of this Ordinance be determined to be in conflict with any law, statute or regulation by a court of competent jurisdiction, said provision shall be excluded and deemed inoperative, unenforceable and as though not provided for herein and all other provisions shall remain unaffected, unimpaired, valid and in full force and effect.

#### **SECTION 6. SUPERSEDER.**

All code provisions, ordinances, resolutions, rules and orders, or parts thereof, in conflict herewith are, to the extent of such conflict, hereby superseded.

#### **SECTION 7. PUBLICATION.**

A full, true and complete copy of this Ordinance shall be published in pamphlet form or in a newspaper published and of general circulation within the Village as provided by the Illinois Municipal Code, as amended.

#### SECTION 8. EFFECTIVE DATE.

This Ordinance shall be effective and in full force ten (10) days after its passage, approval and publication in accordance with applicable law.

### [THIS SPACE INTENTIONALLY LEFT BLANK]

PASSED this <u>19<sup>11</sup> day of May</u> , 2020.
AYES: Trustees Hrejsa, Kapolnek, Milenkovic, Savopoulos, Torres and White
NAYS: None
ABSENT: None
ABSTENTION: None
APPROVED by me this <u>19<sup>th</sup></u> day of <u>May</u> , 2020.
Jeff Walik, President
ATTESTED AND FILED in my office this <u>19<sup>th</sup></u> day of <u>May</u> , 2020.
Audrey McAdams, Village Clerk

## **EXHIBIT A**