



# VILLAGE OF MAYWOOD

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## **VILLAGE OF MAYWOOD WATER CONCERNS**

1. The Village of Maywood operates an Enterprise System for the Water, Sewer and Garbage Fund, a rate is charged for all of its expenditures.
2. The Water, Sewer and Garbage Fund generated an estimated \$9.5 million in revenue per year.
3. The water rate included personnel cost, water purchases, debt service, repairs and replacement of infrastructure, equipment and supplies, and for people who do not pay their water bills.
4. The purchase of water from the City of Chicago is the largest expenditure for an estimated \$3.6 million per year (126 million cubic feet). The cost for water was \$29.04 per 1,000 cubic feet.
5. The City of Chicago increased the cost of water by 25% in January 2012, 15% in January 2014 and 2015, and 1.83% in June 2017.
6. The Village of Maywood pays the Village of Melrose Park a debt service cost of \$630,848 per year for the infrastructure and a transmission cost of \$.533 per 100 cubic feet to deliver the water from the City of Chicago. The estimated annual transmission cost of water was \$671,580.
7. For eight of the last 12 years the Water, Sewer and Garbage Fund recorded an operating lost.
8. For nine of the last 12 years the Water, Sewer, and Garbage Fund received advancements from other Funds and have cash flow problems.
9. The Water, Sewer and Garbage Fund carry an estimate of \$1.7 million of unpaid accounts, which includes an estimate of \$600,000 for closed accounts.
10. The major challenge of the Village of Maywood is how to reduce the annual estimated water lost of 50% of the water purchased to 12%? The water lost is an estimated at \$1.8 million.
11. The water lost is generated from several factors: main leaks, hydrant leaks, shut off valve leaks, locations without water meters, estimated water meter readings (from 802 in September 2015 to 372 in December 2017), inoperable meters, unauthorized water usage by contractors, and municipal use of unmetered water.
12. The Village of Maywood has 62 miles of water pipe. 78% of the water mains were over 41 years old. The useful life of the water mains is nearly over and requires replacements.
13. Water meters were installed at the ComEd property to eliminate estimated water billings.
14. To review the status of the Water, Sewer and Garbage Fund an Analysis Report was created.
15. The Public Works Department has repaired 27 B-Boxes, 7 leaking hydrants, and 6 water mains.
16. The 1.83% (\$72,000) increase to purchase water from City of Chicago was not passed on to residents in June 2017, but will be collected through the efficiency of the water operation.
17. The Village of Maywood has increased collections in the Water, Sewer and Garbage Fund: 2014 \$8.3 million, 2015 \$8.5 million, 2016 \$10.2 million, and 2017 \$9.4 million.
18. The Vacant Building List has decreased from 700 units in November 2015 to 149 units as of June 14, 2017. Creating new water accounts will help the efficiency of the water operation.
19. The Village of Maywood has to disallow people to be no more than 60 days delinquent for water without a payment arrangement.
20. The Village of Maywood has to verify the volume and cost of water received from the City of Chicago and the Village of Melrose Park.

21. The Village of Maywood is planning to replace \$2.1 million of water main along 1<sup>st</sup> Avenue in the spring of 2019, which has a history of breaks.
22. The Village of Maywood will investigate charging delinquent water, sewer and garbage as a special assessment to the Property Tax Bill.
23. The Village of Maywood has to locate other sources of funding to finance the replacement of obsolete infrastructure. Finding other sources of revenue can stabilize the water rates.