

Information on Park Ridge 3% Water Rate Increase  
Effective January 1, 2018

On December 26, 2017 upon the recommendation of the Park Ridge Board of Public Works, the Mayor and Council adopted Ordinance No. 2017-019 "Amending Chapter 98 of the Code of the Borough of Park Ridge - Establishing Water Rates". This ordinance authorized a 3% increase in the water rates effective for all bills rendered on or after January 1, 2018.

A number of factors have contributed to the need for this water rate increase including the following:

- A wet summer of 2017 resulted in significantly lower revenue, resulting in depletion of surplus balance.

<u>Year</u>	<u>Gallons Billed</u>	<u>Revenue</u>
2017	632,199,000	2,810,817
2016	714,305,000	3,303,653
2015	689,133,000	3,001,795

- Increase in labor, contractors, and engineering professional costs.
- Additional overtime as a result of extensive street valve testing and repair program.
- Increase in treatment costs (Carbon, Resin for Perchlorate Treatment, Resin for Arsenic Treatment, and Additional Electric Cost for Photocatalytic Treatment System – Well 17).
- On-going expenditures for improvements to water system (water main repairs, hydrants, water meters, well pumps, electrical controls, etc.)

The following table summarizes the changes in the water rates:

<b>Summary of Water Department Rate Increase Effective 1/1/18</b>		
Consumption Charge (\$ per 1,000 Gallons)		
	Rate (\$/1,000 Gal)	
	Prior Rate	New Rate
Water Usage Consumption Charge	\$ 3.98	\$ 4.10
Eligible Senior Citizen Consumption Charge	\$ 1.99	\$ 2.05
Metered Service Fixed Charge Rates		
	Rate (\$) per Quarter	
Meter Size (in.)	Prior Rate	New Rate
5/8"	\$ 14.42	\$ 14.85
3/4"	\$ 21.63	\$ 22.28
1"	\$ 37.08	\$ 38.19
1-1/4", 1-1/2"	\$ 74.16	\$ 76.38
2"	\$ 118.45	\$ 122.00
3"	\$ 222.48	\$ 229.15
4"	\$ 370.80	\$ 381.92
6"	\$ 741.60	\$ 763.85
Eligible Senior Citizen Metered Service Fixed Charge	\$ 7.21	\$ 7.43
Unmetered Service for Fire Protection		
	Rate (\$) per year	
Fire Service Size (in.)	Prior Rate	New Rate
4"	\$ 816.00	\$ 840.00
6"	\$ 1,730.00	\$ 1,782.00
8"	\$ 2,769.00	\$ 2,852.00
10"	\$ 3,395.00	\$ 3,497.00
Private Fire Hydrant	\$ 43.26	\$ 44.56

This moderate rate increase will result in an increase in revenue of around \$106,000 per year (based on historical water sales). **The typical residential customer will see an increase in cost of \$18 per year (\$1.50 per month).** The increase in cost for customers in the Senior Citizen rate class (50% discount) will be around \$9 per year. Even with this moderate rate increase, Park Ridge rates are significantly less than other water utilities in our area. The following table shows a comparison of the annual water bills based on a typical residential customer:

**Comparison of Annual Water Bills  
Based on Average Customer Using 34,000 Gallons per Quarter**

