



Coal Valley – Moline Water & Sewer Discussion

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Coal Valley Utility Service



- **Water**

- 4 Primary wells
- 6 Pressure zones (service areas)
- Village assets include wells, storage tanks and distribution system

- **Wastewater**

- Flows to Moline's South Slope Waste Water Treatment Facility
- Intergovernmental Agreement in process of updating
- Village assets include collection system and pumping stations

Benefits of Partnership



Benefits both Communities while Preserving Independence

Moline

- Utilization of reserve capacity
- Possible extension of utilities onto south bluff
- Possibly delays future rate increases by supplemental revenue

Coal Valley

- Lower cost water alternative
- Higher quality more reliable surface water source
- Regulatory/laboratory support

Wholesale Water



PURCHASE OF WATER IN BULK COMMODITY

Annual Wholesale Cost



Count	Rate	Total
95,853,000 gallons	\$3.04/KGAL	\$291,393
2 Capacity Connections	\$14,240/12" Connection	\$28,480
Garrison Road Cost Allocation (25 years)	\$3,200,000	\$128,000
	Grand Total	\$447,873

Wholesale Service Provided



- **Water in Bulk Commodity**
 - Maintenance of two twelve inch meters
 - O&M of the two twelve inch transmission mains
- **Limited Water Supply Operational Support**
 - Regulatory submittals
 - Laboratory analysis

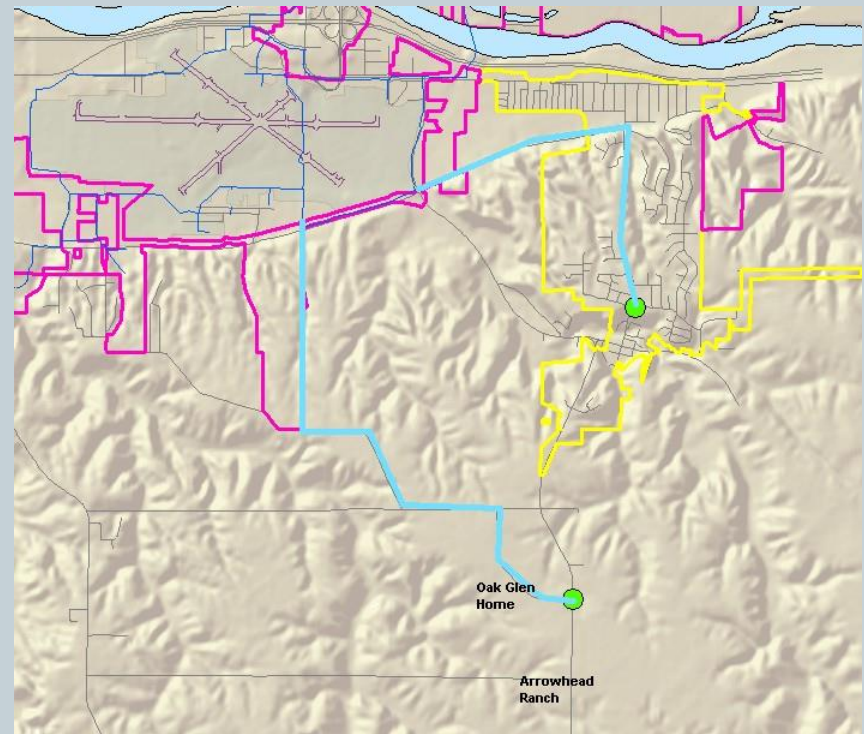
Water Supply Interconnections



Moline to design and construct 2 transmission mains to interconnect systems

South Connection costs to be absorbed by Moline

In total, 30,000 feet of transmission mains to be extended



Retail Sale of Water Commodity/Service



**PURCHASE OF WATER MEASURED AT THE INDIVIDUAL
CUSTOMER METERS**

Retail Service Terms



- Recommended initial terms (6 years) defining rates and expectations
- During the initial term Moline would assume full responsibility of the associated system, bearing all costs of O, M & R
- Moline recommends that the Village continues to bill individual customers at the current rate
- At end of initial term, the Village of Coal Valley retail rate would mirror Moline rates
- The Village of Coal Valley would continue to provide metering & billing
- Coal Valley customer rates would be governed by the Village to recoup additional service expenses
- The Village of Coal Valley retail commodity rate would not be higher than Moline customer rates

Retail Water Rates



- **Fees to the Village of Coal Valley per metered customer sales**
- **Capacity Charge (monthly base)**
 - 5/8" – \$10.14
 - 3/4" – \$15.20
 - 1" – \$25.34
 - 1 1/2" – \$50.89
 - 2" – \$81.09
- **Commodity – \$4.89/KGAL**

Retail Water Rate Comparison



- Coal Valley Rate

4KGAL average/month

X \$7.25/KGAL

\$29 average commodity

\$29 average commodity

+ \$6 monthly base

**\$35 total monthly cost
or \$8.75/KGAL average**

- Moline Rate to Coal Valley

4KGAL average/month

X \$4.89/KGAL

\$19.56 average commodity

\$19.56 average commodity

+ \$10.14 monthly base

**\$29.70 total monthly
cost or \$7.42/KGAL
average**

Village Unmetered Water



2016 Coal Valley Unmetered Water – 23,763,000 gallons

Wholesale Concept

Village pays for 100% of leakage, firefighting, hydrant flushing water at wholesale water rate

Approximately \$72,240/year

Retail Concept

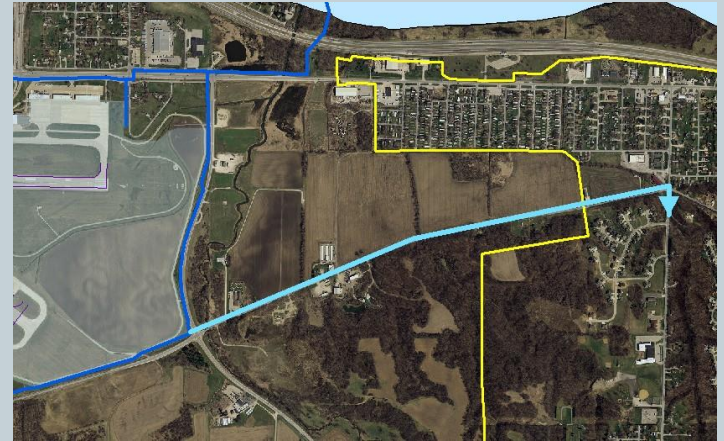
Moline bears 100% cost associated with firefighting, hydrant flushing, leakage, etc.

North Coal Valley Water Connection



Wholesale Concept

Expense of Garrison Road connection to be born by Village
Financed over term of agreement



Retail Concept

Expense of Garrison Road Connection to be born by Moline
Proposed exchange of Village water assets (wells, storage & distribution systems) in exchange for construction connection financing

Retail Sale of Water/Sewer Commodity/Service



**PURCHASE OF WATER AND SEWER MEASURED AT THE
INDIVIDUAL CUSTOMER METERS**

2017 Retail Sewer Rates



- **Fees to the Village of Coal Valley per metered customer sales**
- **Capacity Charge** — \$9.82/month
- **Commodity** — \$6.05/KGAL

Retail Sewer Rate Comparison



- Coal Valley Rate

4KGAL average/month

X \$7.25/KGAL

\$29 average commodity

\$29 average commodity

+\$6 monthly base

**\$35 total monthly cost
or \$8.75/KGAL average**

- Moline Rate to Coal Valley

4KGAL average/month

X \$6.05/KGAL

\$24.20 average commodity

\$24.20 average commodity

+ \$9.82 monthly base

**\$34.02 total monthly
cost or \$8.50/KGAL
average**

Moline Responsibilities - Retail



Ownership Related Responsibilities

- Any and all regulatory requirements
- Customer service – i.e. quality, pressure, leakage,
- System maintenance – leakage repairs, hydrant & valve preventative & routine maintenance, routine sewer cleaning (dependent on which service is selected)
- 24 hour emergency response
 - ✦ Customer calls
 - ✦ Dialer calls
- Emergency mobilization for sewer or water system emergencies (dependent on which service is selected)
- JULIE locating as member utility

Village Unmetered Wastewater



2016 Coal Valley Unmetered Wastewater –
146,000,000 gallons

2016 Coal Valley Billed Wastewater

70 Million Gallons Metered at Individual Meters

216 Million to Moline

- 70 Million billed by Village

146 Million Gallons Infiltration

Collection System I&I



Coal Valley Collection System Flow to Coal Creek

2016 – 216 Million Gallons or \$436,615

2015 – 229 Million Gallons or \$463,995

2014 – 195 Million Gallons or \$395,987

Retail Concept

Moline bears 100% cost associated with conveyance & treatment of infiltration

Moline would bear regulatory responsibility for SSO's

Moline would bear long term responsibility for 'tightening' system

Moline's current growth area must flow to Rock River Pump Station because of Coal Valley's infiltration

Wastewater Collection Retail Vs. Wholesale



2016	Cost to Village	I/I Cost to Village	Capital Investment in System	Routine Maintenance of System	Emergency Response and Repair of System
Wholesale	\$436,000	\$295000			
Retail	\$575,000	\$0.00	X	X	X

Service Comparison



	Wholesale Water	Retail Water	Retail Water & Sewer
Annual Cost to Village	\$447,873	\$526,362	\$1,101,704
Routine Maintenance (water valve exercising, hydrant valve flushing, etc.)		X	X
Emergency Response (24/7)		X	X
Emergency Repairs		X	X
Paving & Landscaping Restorations		X	X
JULIE Locates		X	X
Routine Sample Collection & Analysis	X	X	X
Compliance Sample Collection & Processing		X	X
Chemical Feeding O&M		X	X
Elevated Tank Maintenance		X	X
Lift Station Maintenance			X
Sewer Main Cleaning & Televising			X
Operations Submittals to EPA	X	X	X
Capital Improvements		X	X

Summary

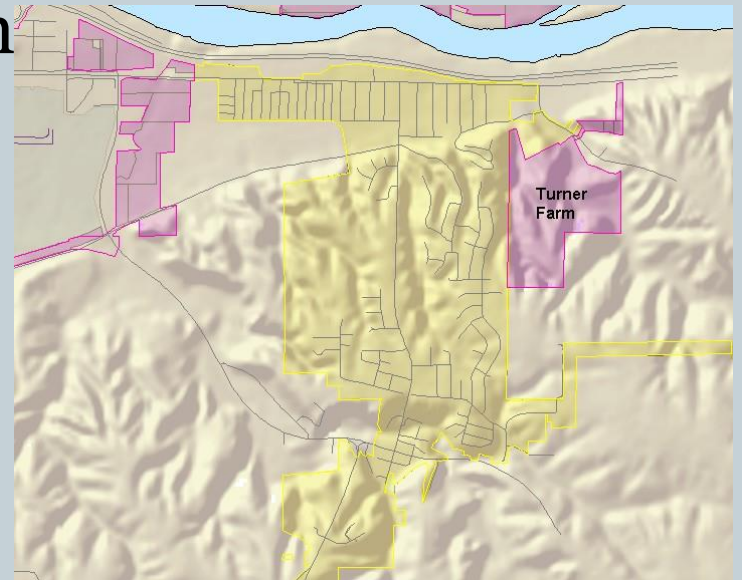
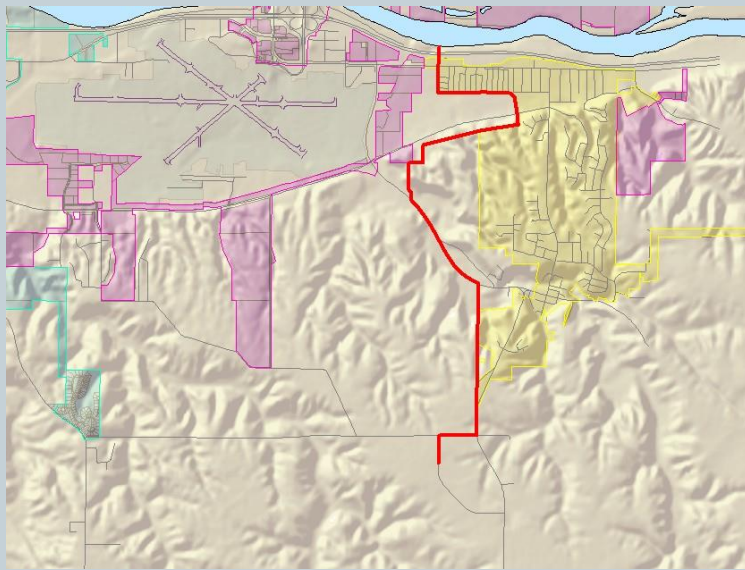


	Wholesale Water	Retail Water	Retail Water & Sewer
Annual Cost to Coal Valley	\$447,873	\$526,362	\$1,101,705
Revenue at Current Coal Valley commodity Rates	\$667,293	\$667,293	\$1,322,761
Net Proceeds Available to Coal Valley	\$266,549.00	\$140,931.00	\$221,056.00

Points of Consideration



Corporate Limits of Turner Farm



Annexation Boundary