



CITY OF WASHINGTON, ILLINOIS

City Council Agenda Communication

Meeting Date: June 2, 2025

Prepared By: Dennis Carr – City Administrator/City Engineer

Agenda Item: IEPA Project Plan and Water Rate Study - Supplement

Discussion:

In March of 2024, the City entered into an agreement for CMT to prepare an IEPA Project Plan and Rate Study to secure a State Revolving Fund (SRF) Loan. Offered through the IEPA, the SRF Loan is a low-interest rate program that can be utilized for projects, similar to what is utilized on the wastewater side. As with wastewater, the first step to obtaining an IEPA SRF Loan is to obtain “Project Plan” approval from the IEPA.

At the May COW Meeting, staff had Crawford, Murphy & Tilly (CMT) present several major improvements to our water system that included the construction of Water Tower #3, Cummings Lane Watermain Replacement, Business 24 Watermain Replacement, Bondurant Watermain Replacement, and Well #13.

The Project Plan will need to include a rate study to show how the City will afford to pay the loan payment. The rate study will develop a financial plan for the utility, including the addition of capital costs for the proposed capital improvements, and determine appropriate rates, including examination of the fixed and variable components of the rates along with a section in the written report documenting the methodology, analysis, and findings.

The water rates were presented to the previous council who chose not to act on the recommendation and asked that it be decided by the current council now.

This supplement to the original contract includes CMT and Raftelis looking at two separate alternatives.

Unless Council feels like looking at different alternatives, these proposed alternatives can be thought of as short-term versus long-term. The short-term option will essentially require a future council to look at the rates again to fund the Business 24 watermain project. The long-term option will include looking at the Business 24 project as part of this rate study.

Fiscal Impact:

CMT’s original proposal was for a cost of \$70,000. They have completed the original tasks and have incurred additional fees for a second meeting that wasn’t scoped. This supplement would increase their contract by \$15,000 to cover the incurred costs as well as the additional project plan and rate study work.

Action Requested: Staff requests discussion on the Project Plan, two alternatives, and approval of the engineering supplement.



May 29, 2025

Mr. Dennis Carr, PE
City Engineer
City of Washington
301 Walnut Street
Washington, Illinois 61761

RE: Illinois EPA Project Plan & Rate Study
Additional Engineering Services

Dear Dennis:

The City has requested Crawford Murphy & Tilly (CMT) and Raftelis's assistance with the update of the IEPA Project Plan and Rate Study to include two additional project and funding combination options. CMT will coordinate with City staff to determine the City Council's requested options (short-term funding and long-term funding).

To account for these additional services, we request that the not-to-exceed amount of the engineering agreement (dated April 17, 2024) be increased \$15,000.00, raising the total project upper limit from \$70,000.00 to \$85,000.00.

We appreciate the opportunity to provide engineering services for the City of Washington and look forward to working with you and your staff on this project. Upon your review and concurrence, please sign below to indicate your authorization for Crawford, Murphy & Tilly to proceed with this project.

Sincerely,
Crawford, Murphy & Tilly

Authorized by City of Washington

A handwritten signature in black ink that reads "Scott L. DeSplinter".

Scott DeSplinter, PE
Water Group Manager

Name (Print): _____
Date: _____