

**CITY OF WASHINGTON
FINANCE & PERSONNEL COMMITTEE
MONDAY, DECEMBER 19, 2016
4:30 P.M.
CITY HALL CONFERENCE ROOM
301 WALNUT STREET**

AGENDA

- 1. NON-MEMBER ALDERMAN WISHING TO BE HEARD ON NON-AGENDA ITEM**
- 2. CITIZENS WISHING TO BE HEARD ON NON-AGENDA ITEM**
- 3. APPROVAL OF MINUTES** – November 21, 2016 regular meeting
- 4. BUSINESS ITEMS**
 - A. TIF Subsidy Consideration: Denhart's
 - B. Presentation: Intergovernmental Personnel Benefits Cooperative, Health Insurance
 - C. Personnel Manual Revision
 - D. Utility Billing Update
- 5. OTHER BUSINESS**
- 6. ADJOURNMENT**

DRAFT

**CITY OF WASHINGTON
WASHINGTON, ILLINOIS**

TO: Mayor Manier and City Council
FROM: Finance & Personnel Committee
DATE: December 19, 2016
SUBJECT: Report of Proceedings of Finance & Personnel Committee Meeting Held on
Monday, November 21, 2016

The meeting was called to order by Chairman Moss at 4:30 p.m.

Present: Chairman Moss, Mayor Manier
Also Present: Treasurer Dingedine, Public Works Director Andrews, Planning &
Development Director Oliphant, and Police Chief Ed Papis
Public Present: Steve Hullcraz

AGENDA

1. Non-member Alderman wishing to be heard on a non-agenda item – None.
2. Citizens wishing to be heard on a non-agenda item – None.
3. Business Items
 - A. Write-Off Uncollectible Accounts – Culotta reviewed the list of delinquent accounts for which collection efforts have proven to be unsuccessful. The total amount is \$9,813.75 in water and sewer fees. Following a discussion, Mayor Manier made a motion that was seconded by Chairman Moss to recommend to the City Council the write-off of all proposed accounts with the exception of a commercial account on Cummings Lane. Staff should continue to pursue collection from this commercial account. The motion passed unanimously.
 - B. Purchasing Policy Discussion – Culotta proposed expanding the purchasing authority of department heads to \$1,000 and certain other supervisors to \$500 in order to more closely reflect the price of commodities today and to expedite acquisition of necessary items. Following a discussion, the consensus of the Committee was for staff to prepare a written policy for the next Committee of the Whole meeting. They also expressed comfort in raising the authority of department heads to \$1,000.
 - C. Job Descriptions Review – Culotta and Papis began a discussion on proposed changes to the job descriptions prepared by Papis for several Police Department positions. Specifically, the description for Sergeant, Administrative Sergeant, and Administrative Assistant. A revised department organizational chart, prepared by Papis, was also presented to reflect the recent Council-approved organization of the supervisory and executive positions. In summary, the revised organizational chart reflects the Chief as the direct supervisor of all three shift Sergeants, the Swing Shift Sergeant,

administrative staff, dispatch, the detective bureau, and the Administrative Sergeant. Following a lengthy discussion, the Committee reiterated the Chief shall be the direct supervisor as shown in the revised organizational chart prepared by Chief Papis. As direct supervisor, the Chief will perform the performance evaluations for these direct reports. Some changes to the proposed job descriptions are needed to reflect the Council-approved reorganization and consensus of the Committee. The Committee did not believe Council review or approval was needed.

- D. Water Tower Cellular Lease – Culotta presented an offer by Verizon to place cellular antennas and equipment at the City's water tower located on 911 Drive. After reviewing lease terms from other central Illinois communities, the Committee instructed staff to counter Verizon's offer with a \$2,200/month fee, 3% annual escalator, and a 5-year lease opt out for the City. The Committee also asked staff to execute Verizon's proposed site access agreement, which would allow them to perform feasibility tests. Verizon's response to this counter offer should be presented at the next Committee of the Whole meeting.
- E. Budget Calendar – Culotta reviewed staff's proposed budget calendar for FY 2017/2018. The calendar was drafted to reflect the preference expressed by several Council members during the last budget deliberation that review should be done parts over the course of several meetings. The Committee did not object to the proposed calendar, which will go before the Council in December.

4. Other Business – Mayor Manier asked staff to prepare for the next meeting the cost associated with switching from quarterly to monthly billing. He also requested info on the minimum fee for second meters and delinquent account policies from other communities.

There being no further business to come before the Committee, Mayor Manier made a motion that was seconded by Chairman Moss to adjourn. The meeting was adjourned at 5:52 p.m.

CITY OF WASHINGTON

PLANNING & DEVELOPMENT DEPARTMENT

301 Walnut St. · Washington, IL 61571

Ph. 309-444-1135 · Fax 309-444-9779

<http://www.washington-illinois.org>

joiliphant@ci.washington.il.us

MEMORANDUM

TO: Finance & Personnel Committee
FROM: Jon R. Oliphant, AICP, Planning & Development Director
SUBJECT: TIF funding request – Denhart's, 101-103 Washington Square
DATE: December 16, 2016

We have received an application from Scott Gregg to complete interior and exterior renovations to the Denhart's Baking Company & Restaurant and C-Note spaces. While the building is currently owned by Tom and Judy Gross, Mr. Gregg and his wife, Diane, are looking at purchasing the property with a closing scheduled for late January. Attached are materials showing the existing and revised basement and first floor plans along with photos of the existing entrances and examples of interior finishes from two area restaurants/pubs that this work will resemble.

The interior improvements include adding a wine cellar within the original bank vault, a larger bar, hostess greeting stations, new flooring, and redesigned seating areas downstairs and adding new seating, hostess greeting stations, and an internal customer access staircase to the main floor. It would make more efficient use of both floors and try to make the C-Note area more inviting. The exterior improvements would include a redesign of the current emergency exit on the N. Main side and would convert it to a public entrance. Finally, a seasonal patio is planned for the area on the northwest side of the lot that currently contains parking spaces near the B&B entrance.

The overall goals of this project include enhancing the architectural beauty of a building that is on the National Register of Historic Places and to allow for the businesses to be more profitable. The prospective owners feel that these renovations, along with a substantial investment in marketing, would greatly enhance their ability to draw more customers to both the restaurant and pub. They would look to rebrand it as Denhart Inn & Pub. Mr. Gregg has indicated that construction would tentatively be completed by April 2017.

Mr. Gregg and his architect, Lisa Scott of ArchDesign Ltd., have submitted an estimate for this project that totals \$385,000. Each of the items identified above qualifies for the 20-percent base TIF assistance. Additionally, much of this project would be done in accordance with maintaining the historic integrity of the building, qualifying for an additional 20% subsidy. Based on this work, staff would recommend a subsidy not-to-exceed amount of **\$115,800**. Ordinarily, this would be paid out in equal installments upon the completion of the project. However, because of the current debt in the Denhart's businesses, Mr. Gregg has asked about the feasibility of paying the subsidy in advance of the start of the project. If the committee was interested in this proposal, staff would recommend that there be a clause in the redevelopment agreement that requires that the work be completed within a set timeframe or else the applicant would default on the subsidy payment.

This item is scheduled for review and action by the Finance Committee at their meeting on December 19, 2016.

cc: Scott Gregg

CITY OF WASHINGTON, ILLINOIS
APPLICATION FOR TAX INCREMENT FINANCING (TIF) ASSISTANCE
PRIVATE REDEVELOPMENT INCENTIVE

Complete this form in its entirety and attach all necessary documents. Submit the completed application to the Planning & Development Department at 301 Walnut Street, Washington, IL 61571. If you have any questions, contact Jon Oliphant, Planning & Development Director at 444-1135 or by email at joliphant@ci.washington.il.us.

Applicant name: SCOTT K. GREGG (please print or type)
Mailing address: 1300 WESTGATE RD, WASHINGTON, IL Fax: _____
Daytime Phone: (309) 533-5594 Email Address: SCOTT K GREGG @ GMAIL.COM
I would like to receive correspondence by: _____ Mail ☒ Email

1. Applicant interest in property (check one): ☐ Owner/Mortgagor ☒ Purchaser ☐ Tenant
2. Property owner name: TOM GROSS AND JUDY GROSS
3. Business name(s): CORNERSTONE OF WASHINGTON
4. Project address or location: 101-103 WASHINGTON SQUARE, WASHINGTON, IL
5. Property tax ID number(s): _____
6. Current use of property: RESTAURANT AND INN WITH TWO SHOP LEASES
7. Proposed use of property: REMAINS THE SAME
8. Choose the applicable project (check all that apply):
☐ Exterior renovation/restoration ☐ Relocation ☐ New construction ☒ Interior renovation
☐ Site improvement ☐ Other
9. Describe the nature of work proposed for the property: THE PROPOSED WORK CONSISTS OF INTERIOR RESTRUCTURING FOR IMPROVED FACILITY UTILIZATION TO HELP SECURE THE BUSINESS CONTINUATION. THIS ALSO INCLUDES IMPROVING SAFETY. THIS IS ACCOMPLISHED BY IMPROVING THREE ENTRANCES, ADD A STAIRWAY TO SEPERATE CUSTOMER/SERVICE TRAFFIC
10. Estimated total project cost: \$ 385,000
11. Attach the following documentation to support the project and to complete the application for TIF assistance:
 - ✓ Preliminary, itemized cost estimates or quotes from a contractor or design professional;
 - ✓ Scaled plans, renderings, and/or photos, as applicable, clearly illustrating the proposed improvements; and
 - ✓ A copy of the Warranty Deed, including a legal description and owner name for the property.
12. Sign and date below to complete the application.

Scott K. Gregg
Applicant signature

12/16/2016
Date

IMPORTANT: If the Finance Committee votes on a level of assistance it will be included in a contract agreement between the City and redeveloper. NO WORK SHALL BEGIN UNTIL THE CONTRACT DOCUMENTS ARE APPROVED BY THE CITY COUNCIL. Any work that begins prior to contract approval shall be ineligible for TIF assistance.

FOR OFFICE USE ONLY

Committee action & form of assistance: _____

Date of Finance Committee review: _____

Comments: _____

City Council review and action by ordinance: _____

Date of First reading: _____

Date of Second reading: _____

S:\P&D dept\applications\TIF app.doc

ArchDesign Ltd.

7555 N Knoxville Ave. Peoria, IL 61614 Office 309.689.7355

Denhart Inn and Pub
101 Washington Square
Washington, IL 61571

December 15, 2016

PROJECT SUMMARY

Demolition, Rough-In Materials and Labor	.....	\$91,000.00
Excavation & Concrete Work	.....	\$22,000.00
Windows and Exterior Doors	.....	\$48,000.00
Mechanicals	.....	\$42,000.00
Interior Finishes	.....	\$30,000.00
Millwork and Labor	.....	\$15,000.00
Custom Millwork	.....	\$56,000.00
Flooring	.....	\$23,000.00
Exterior Allowance	.....	\$24,500.00
General	.....	\$33,500.00
Project Summary Total	.....	\$385,000.00

[illegible]

Denharts TIF Project Overview

McGreggor Group, LLC

December 15, 2018

Recipient shall limit disclosure of Confidential Information within its own organization to its directors, officers, partners, members and/or employees having a need to know and shall not disclose confidential information to any third party (whether an individual, corporation, or other entity) without prior written consent of discloser. Recipient shall have satisfied its obligations under this paragraph if it takes affirmative measures to ensure compliance with these confidentiality obligations by its employees, agents, consultants and others who are permitted access to or use of the confidential information.

McGreggor Group, LLC

Agenda Structure

Introductions

Project Description & Objectives

Architectural Design Review

Project Timing

Benefits to Washington

Next Steps

McGreggor Group, LLC

Meeting Goals & Objectives

McGreggor Group, LLC

- Project Overview
- Provide Required Inputs
- Provide Status on Purchase

City of Washington

- Provide Feedback
- Provide Initial Approval to Proceed and Guidance for Final Approval
- Chart Timing of Next Steps
- Draft Letter of Intent (LOI)

McGreggor Group, LLC

Introductions

McGreggor Group, LLC consists of two members, Scott K. Gregg and Diane Gregg, organized under a limited liability corporation. A series LLC has been formed to separate the different business operations in order to retain and limit liability within each business segment. McGregor Group, LLC is located in Washington, Illinois and created for the sole purpose of purchasing and operating the Cornerstone Inn (Denharts).

The existing Cornerstone Inn at 109, 101, 105 Washington Square, Washington, Illinois consists of seven rooms and suites, one luxury apartment, two retail spaces, and two restaurant locations with a combined seating capacity exceeding 152 people. The combined square footage is approximately 14,000 sq. ft.

The ornate structure was built in 1874 and was a meeting spot for pre-presidential candidate Abraham Lincoln.



McGreggor Group, LLC

Project Description & Objectives

The purpose of this project is to use the City of Washington TIF funds to perform the necessary upgrades on interior improvements allowing Denharts to successfully remain in business, continue to serve as a historic attraction for local merchants and continue with local employment offerings. TIF funds are requested to be based on the purchase price in order to offset the initial investment and short term operational losses of Denharts current business environment. Future upgrades and operational improvements will secure the preservation of this nationally registered historic landmark.



**Bed & Breakfast
Cornerstone Inn**

- Denhart Baking Co. & Restaurant
- Cornerstone Inn
- C-Note Pub
- 2 Leased Spaces



**Combine
Segments**

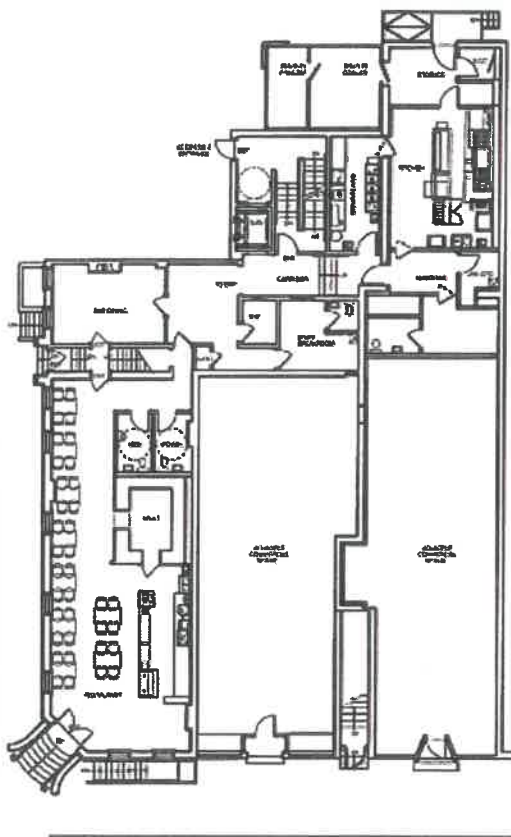


**Denharts
Inn & Pub**

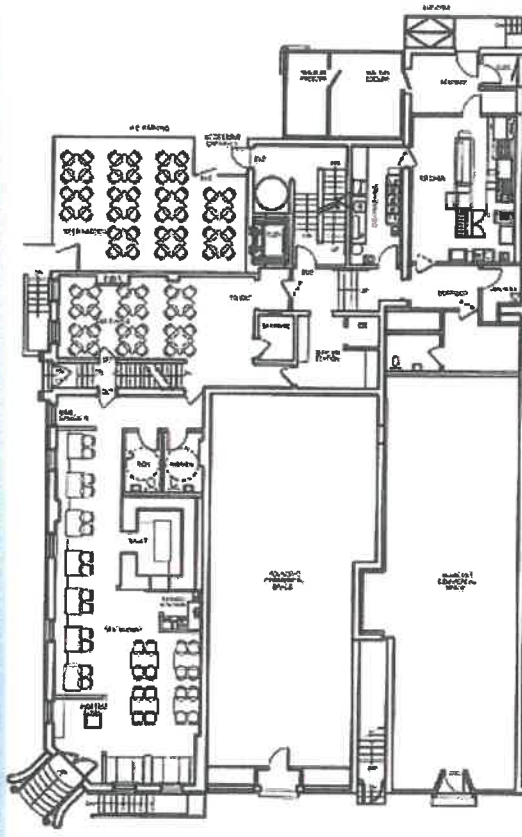
- **Restaurant Interior Upgrades**
- **Wine Cellar Addition**
- **Larger Bar To Service Both Restaurant Floors**
- **Add Inn & Suite Amenities**
- **Utilize All Three Lease Spaces**

McGreggor Group, LLC

Architectural Design Review



EXISTING FIRST FLOOR PLAN



REVISED FIRST FLOOR PLAN



Summary:

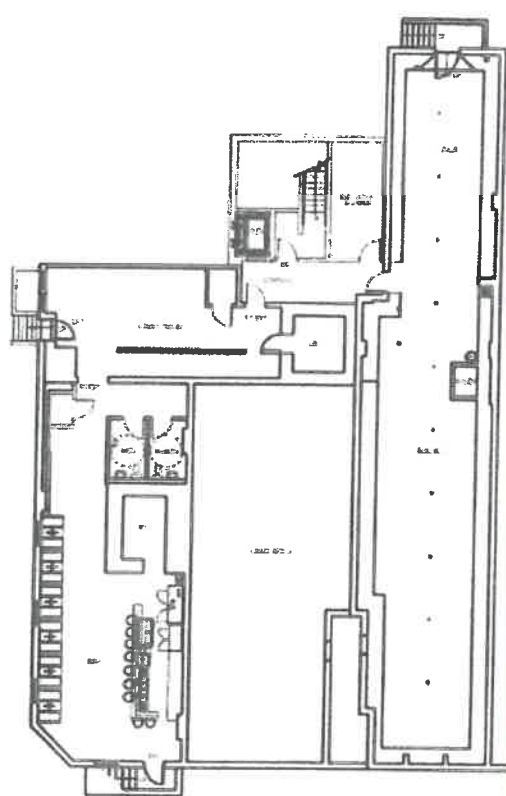
- Add 40 seat outside seasonal patio venue.
- Increase internal seating from 52 to 72.
- Add hostess greeting stations for each access point on both the north and west sides of the building.
- Improve ease of entry on the west side of the building.
- Add internal customer access staircase to lower level.
- Transition rear stairway for employee access only to increase safety and velocity of service staff.

McGreggor Group, LLC

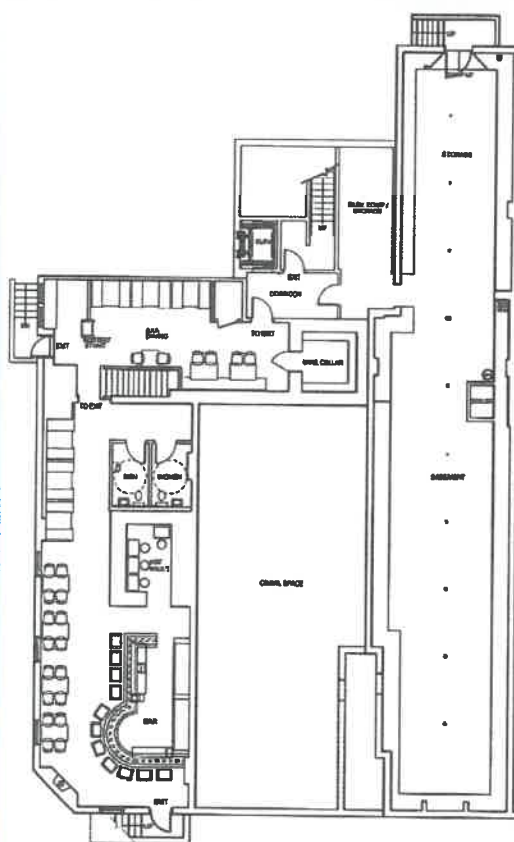
Architectural Design Review

Summary:

- Add customer wine cellar located within original bank vault.
- Increase internal bar seating from 7 to 11.
- Add hostess greeting stations for west access point to utilize new city parking lot and open up parking on the square.
- Improve ease of entry on the west side of the building.
- Add internal customer access staircase to integrate upper and lower levels.
- Utilize internal vault next to bar for added video gaming revenue.
- Transition rear stairway for employee access to service outside seasonal patio customers.



EXISTING BASEMENT PLAN



REVISED BASEMENT PLAN



McGreggor Group, LLC

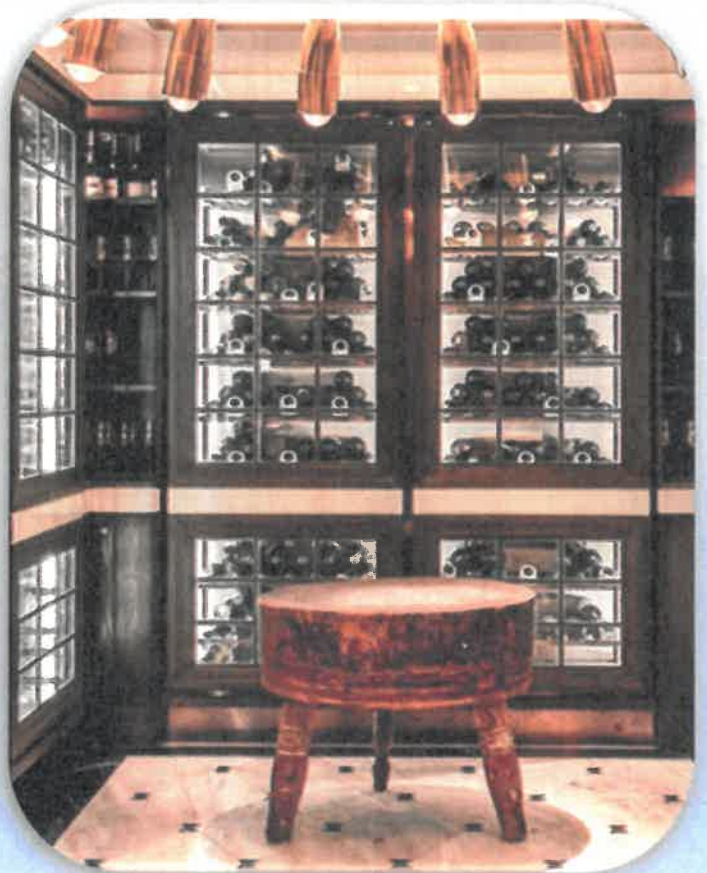
Visual Examples



Circle Bar



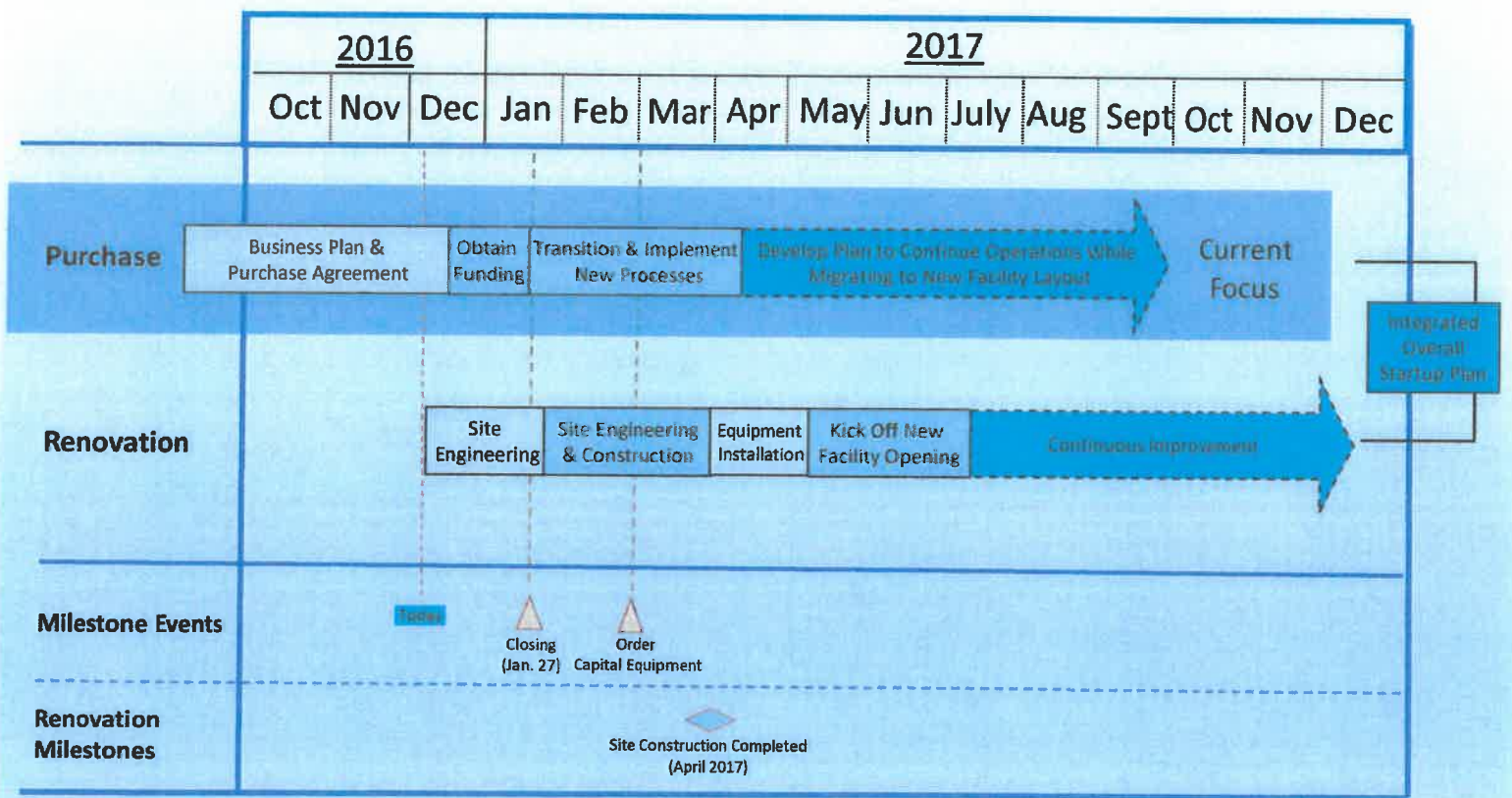
Split Booth Seating



Wine Cellar

McGreggor Group, LLC

Project Timing



Benefits to the City of Washington

- 1) Advance a more appealing and unique atmosphere in Washington.
- 2) Enhance side entry points utilizing the new city lot, opening up parking on the square.
- 3) Draw more customers with improved facility to increase foot traffic.
- 4) Target menu items and pricing to grow, not compete, with current Washington restaurant customers.
- 5) Retain local employment.
- 6) Increase tax dollars.
- 7) Grow surrounding business eliminating the possibility of converting the historic building to low income apartment units and/or inexpensive lease space.

McGreggor Group, LLC

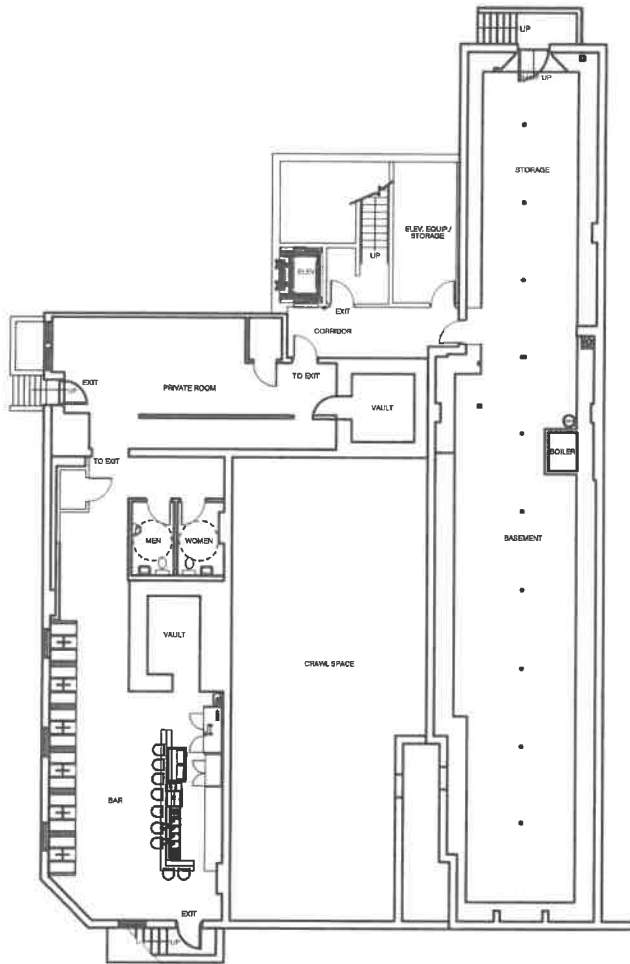
Next Steps

McGreggor Group, LLC

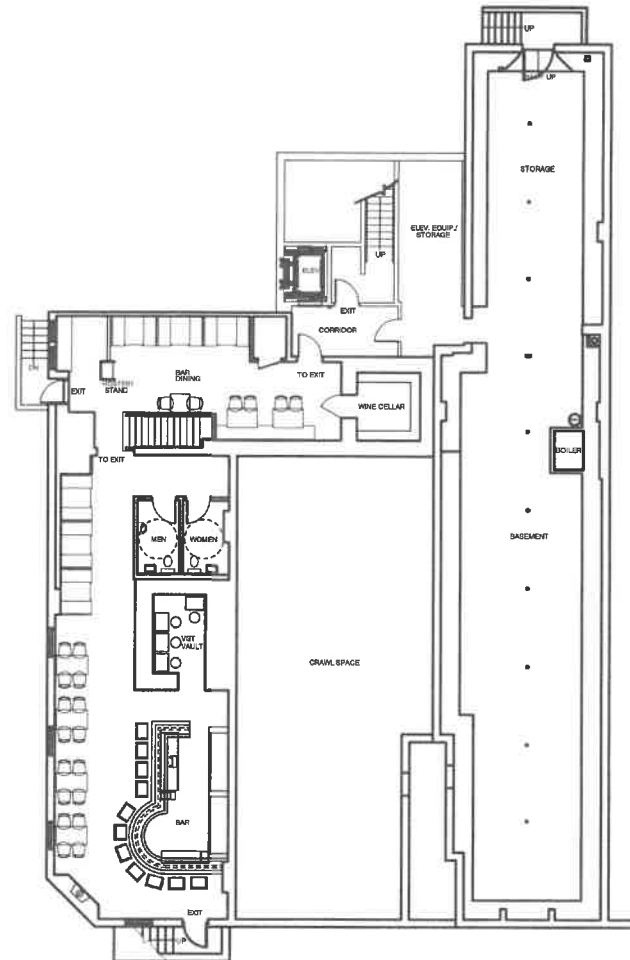
- Project Overview/Briefing ✓
- Provide Required Inputs ✓
- Provide Status on Purchase ✓

City of Washington

- Provide Feedback
- Provide Initial Approval to Proceed and Guidance for Final Approval
- Chart Timing of Next Steps
- Draft Letter of Intent (LOI)



EXISTING BASEMENT PLAN



REVISED BASEMENT PLAN



GENERAL NOTES

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SHEET
LOWER LEVEL LAYOUT

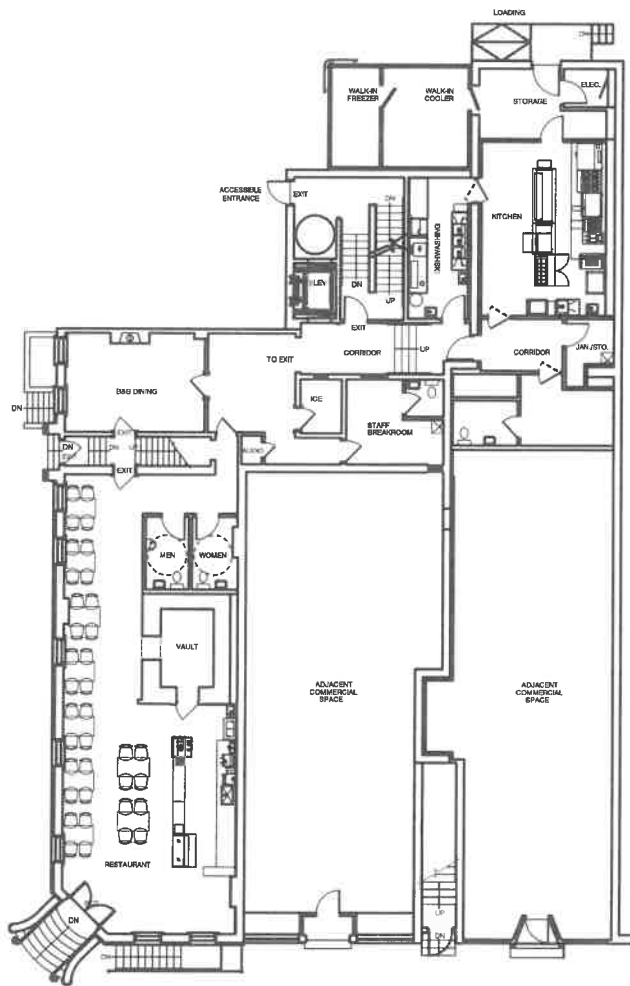
PROJECT
DENHART INN & PUB

DATE
12/14/16

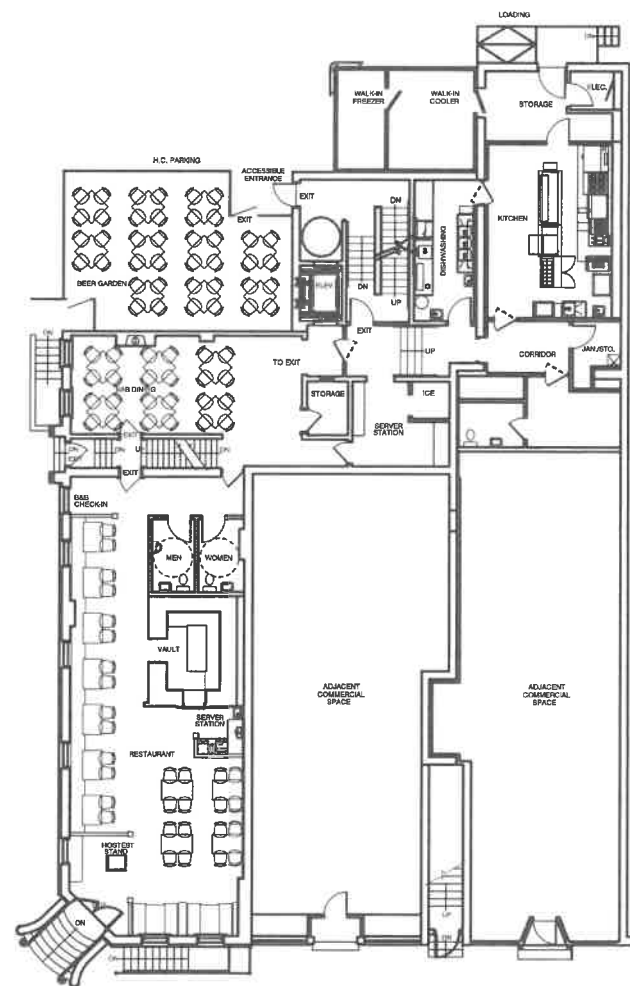
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EXISTING FIRST FLOOR PLAN



REVISED FIRST FLOOR PLAN



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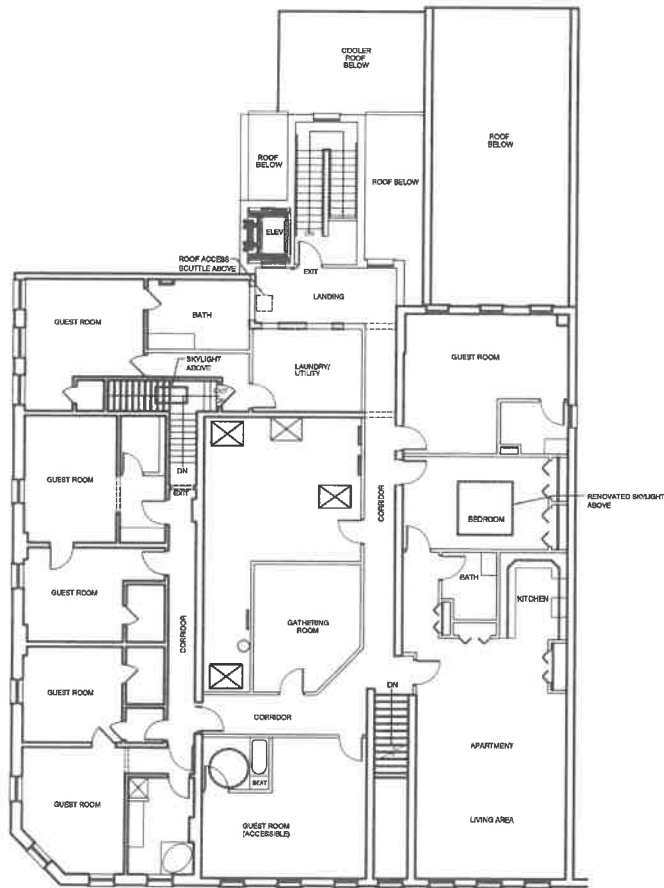
SHEET
FIRST FLOOR LAYOUT

PROJECT
DENHART INN & PUB

DATE
12/14/16

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EXISTING SECOND FLOOR PLAN 

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SHEET
SECOND FLOOR LAYOUT

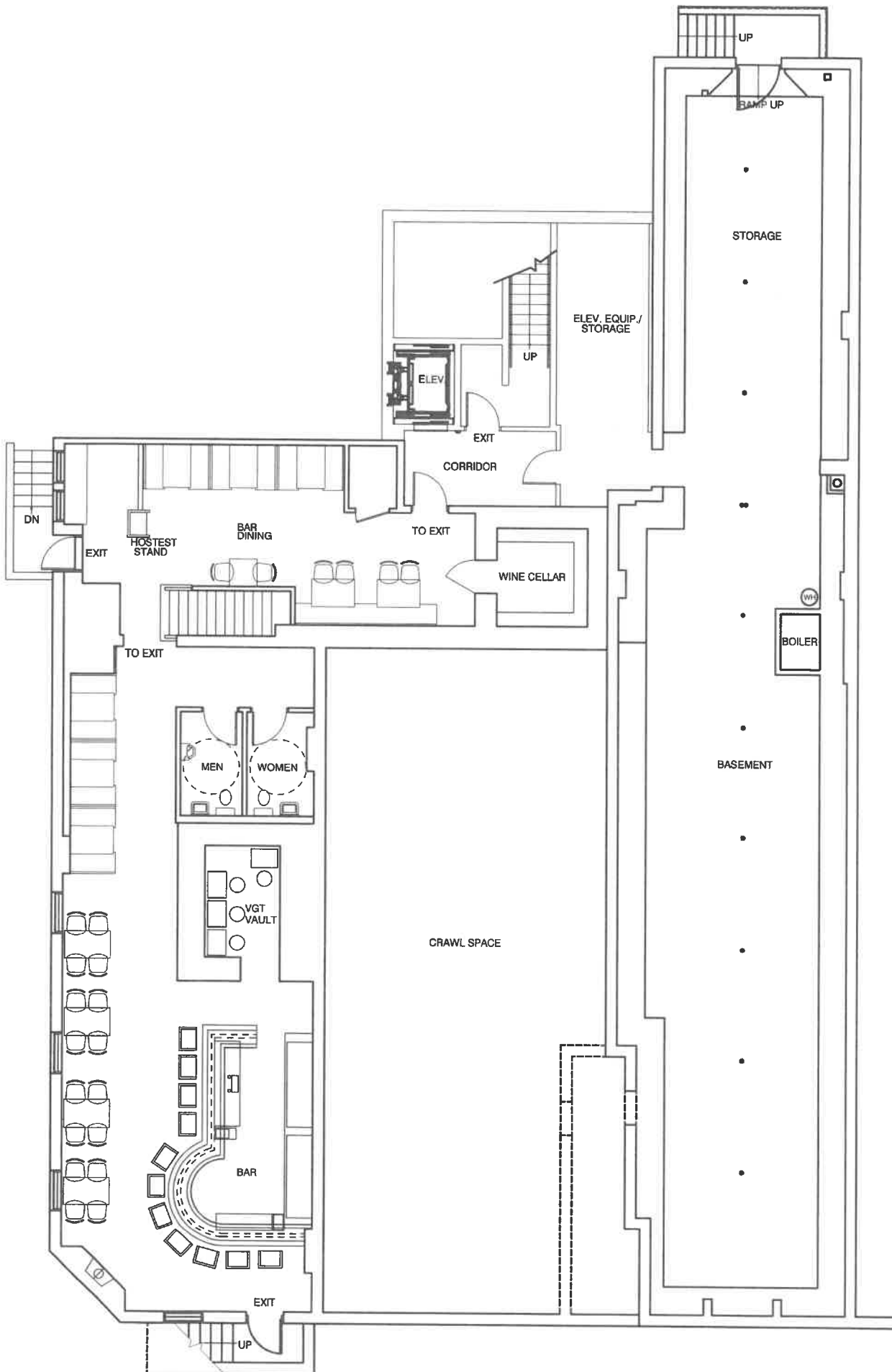
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DATE
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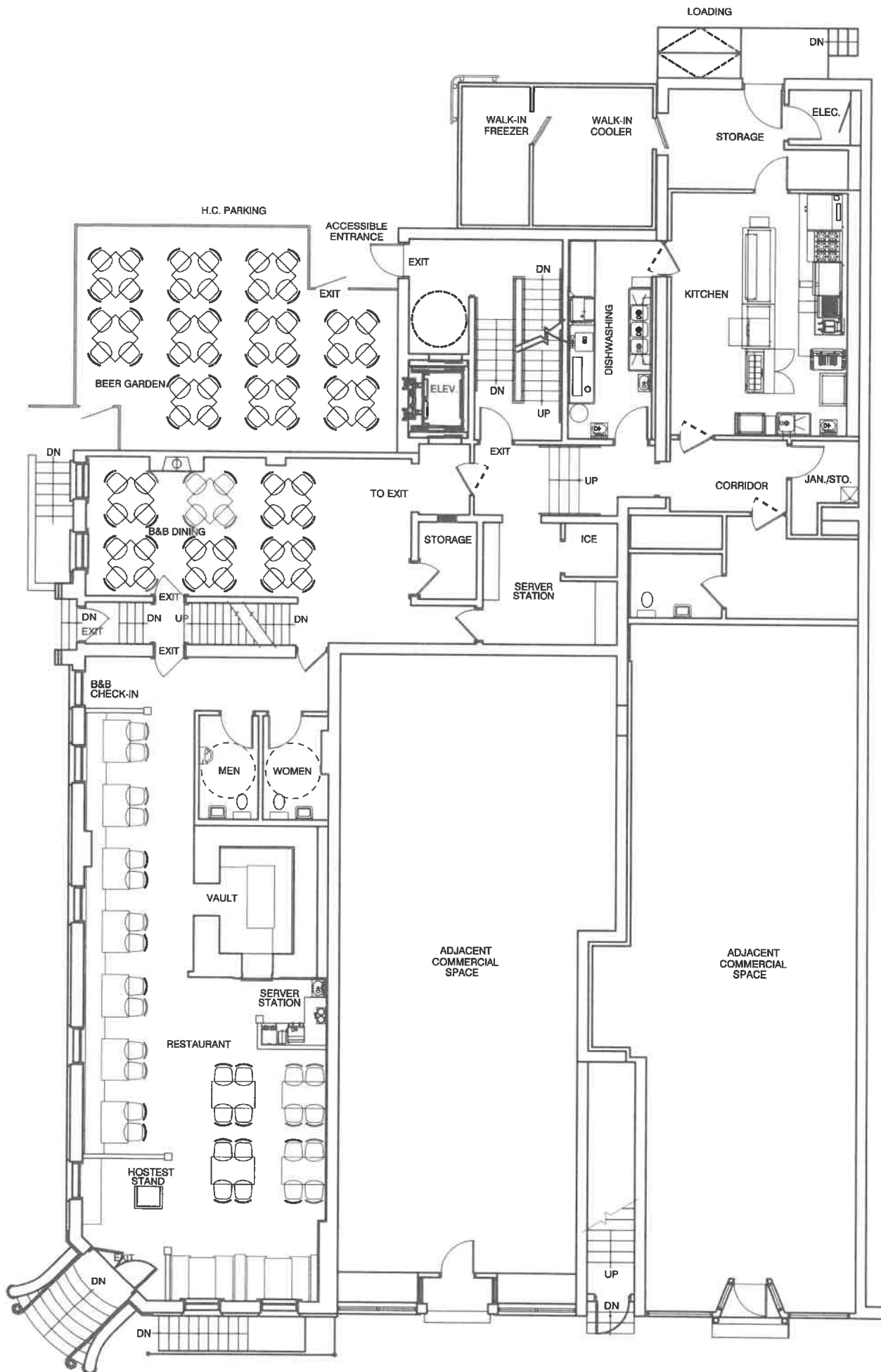
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3



REVISED BASEMENT PLAN



REVISED FIRST FLOOR PLAN











CITY OF WASHINGTON
Joan E. Baxter, C.P.A. – Controller
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MEMORANDUM

TO: Mayor Manier and Finance & Personnel Committee
FROM: Joanie Baxter, Controller *JEB*
DATE: December 8, 2016
SUBJECT: AMR related questions and concerns

In relation to the implementation of AMR and monthly billing, some questions and concerns have been raised by the City Council and some members of the public. Below is additional information to help address these concerns.

Annual cost of monthly versus quarterly billing (see attached)

	Quarterly Basis	Monthly Basis
Paper and postage	10,115.88	24,755.52
Labor-Customer Services	35,540.78	42,887.94
Leak Adjustments	15,000.00	5,000.00
Write-Offs	10,500.00	3,500.00
Total projected costs	71,156.66	76,143.46

- It was apparent that there would be an increase in postage and paper to bill monthly rather than quarterly. The long-term goal is to pursue electronic billing which will be an option with the new website due to be launched in February. In the meantime, Staff is asking for email addresses to start building our database for those customers interested in electronic billing.
- It is expected that some costs will decrease with monthly billing, namely leak adjustments in which the City absorbs 50% of a leak resulting in double the average usage. Also, write-offs of uncollectible accounts should decrease due to collecting monthly rather than quarterly and being aware of residents skipping out on their bill on a more timely basis. In both cases, a reasonable assumption would be that both leak adjustments and write-offs will decrease by at least two-thirds.
- Staff anticipates that the billing function costs will continue to decrease when the electronic billing function is implemented and also anticipates that the collection function will decrease as customers continue to sign up for direct debit (currently 27% of customers utilize this payment option).

Minimum charge on 2nd (water only) meter

- There has been a minimum charge on the water only meter since it was first introduced back in the early 1990s. This minimum was set equal to 2,500 gallons.
- During implementation of AMR and monthly billing, Staff recommended and the City Council approved for the minimum to be divided among the 3 months so that 2,500 per quarter translated to 833.33 gallons per month, rounded to 850 gallons. The increase in the overall charge for the minimum due to monthly billing is negligible, roughly \$.84 per year.
- Since there are no sewer fees charged for this usage, at the current rate of \$8.58 per 1,000 gallons, it would take water only usage of a little over 7,200 gallons to offset the additional fees charged for the 2nd meter (\$3.50 minimum plus \$1.65 additional technology fee per month x 12 months = \$61.80; 7,200 gallons x \$8.58 per gallon = \$61.78)
- The minimum charge for 2nd meters totals approximately \$42,000 in annual Water revenue. This is equal to roughly 3 ½% of total Water revenue. To keep Water revenue unchanged and reserves intact, a 3 ½% rate increase would be necessary should the minimum charge for 2nd meters be waived.

Customer Questions/Concerns

- There were numerous calls and questions in October when the first monthly bill was received regarding the technology fee, bills that weren't exactly 30 days, etc. Staff has noticed a significant decrease in these types of calls and questions over the past two months.
- Transitioning the community to paying on a monthly basis and thus also addressing delinquent accounts on a monthly basis is somewhat challenging as to be expected. However, with some additional procedures, such as placing phone calls to customers on the shutoff list, Staff has been successful in decreasing a very large list down to only eight (8) that were shutoff the week of December 5th because of accounts delinquent from the September billing and the week of December 12th, we are expecting to shutoff five (5) or less for accounts delinquent from the October billing. We are also encouraging people to pay the November bill before the 15th since that is technically the shutoff for those bills. We don't plan to shutoff these accounts as we are too close to Christmas, but are hopeful that in January, we will have a very short list of customers that are delinquent for November and December to address. We do expect delinquencies to decrease as people get used to paying a smaller, monthly bill, however there will always be a handful that will not respond until they are actually shutoff.
- Staff and City Council agreed to have the technology fee effective on the target date of monthly billing which helps to associate the commencement of a monthly fee with the completion of a multi-month project. The fee was implemented to fund the debt service from the \$2.3 million project which included both the replacement of 5,500 meters, including water only meters (approximately 40% of accounts have a water only meter) and installation of radio read technology. The fee was not established to cover the increased costs of monthly billing.

These issues will be discussed at the Finance & Personnel meeting on December 19. If you have any other questions you would like to address at the meeting that are not covered in this memo, please let me know in advance of the meeting.

**Analysis of Annual Costs of Monthly vs. Quarterly Billing
As of December 2016**

	<u>Quarterly Basis</u>	<u>Monthly Basis</u>
<u>Labor Costs - Customer Service Specialists</u>		
Billing Function		
Review journals and Sensus Reports	560	192
Review/follow up on daily RNI and Analytics reports		300
Upload and download MSI to/from Sensus handheld	40	-
Obtain reads from tower	-	6
Print, tear and prepare bills to mail	64	192 *
Collection Function		
Open mail, prepare batches, reconcile cash drawer, post payments	222	336 **
Customer Service	288	288 ***
Delinquent Accounts and Shutoffs	384	576
Final Billing	<u>48</u>	<u>48</u>
Total Hours	1,606	1,938
Average hourly wage	<u>22.13</u>	<u>22.13</u>
Total Labor Costs - Customer Service Specialists	<u>35,540.78</u>	<u>42,887.94</u>

* This will continue to decrease the more customers we sign up for electronic billing

** This will continue to decrease the more customers we sign up for direct debit - currently at 27%

***This will continue to decrease as customers get use to a smaller, monthly bill

	<u>Quarterly Basis</u>	<u>Monthly Basis</u>
<u>Costs - Paper and Postage</u>		
Utility Bills		
5,350 bills per cycle x 4 cycles	21,400	
5,350 bills per month		64,200
Shutoff Notices (200 x 8)	<u>1,600</u>	<u>0</u>
	23,000	64,200
Price per 1,000	<u>0.14416</u>	<u>0.1026</u>
	3,315.68	6,586.92
Postage		
Bills	21,400	64,200
	<u>0.283</u>	<u>0.283</u>
	6,056.20	18,168.60
Shutoff Notices	1,600	
	<u>0.465</u>	
	744.00	
Total paper and postage	<u>10,115.88</u>	<u>24,755.52</u>
<u>Estimated Revenue Loss</u>		
Estimated Annual Leak Adjustments	15,000.00	5,000.00
Estimated Annual Write-offs	<u>10,500.00</u>	<u>3,500.00</u>
Total Loss of Revenue	<u>25,500.00</u>	<u>8,500.00</u>

Collection of Delinquent Utility Account Policies

City of Minonk, IL

13.02.040 Municipal Services - Terms of Payment of Service Charges

Charges for all municipal services shall be itemized for each service and billed as of the first day of each calendar month to each residential unit and shall be due and payable on or before the twentieth (20th) day of each calendar month. All accounts not paid by the twentieth (20th) day of each month shall become delinquent and a late fee of ten percent (10%) shall be added on the twenty-first (21st) day of each month for each municipal service provided by the City. All delinquent charges shall then be immediately due and payable. A letter of warning shall be sent to the resident by the final day of the current month warning that services will be discontinued for non-payment. There shall be a ten dollar \$10.00 charge added to the delinquent account for this warning letter. All delinquent charges and late charges not paid by the fifth day of the month following date of billing shall cause water service to be shut off to said premises. All municipal services shall be terminated and shall not be restored to said premises until all delinquent amounts have been paid in full to the City Collector or other agent of the City Collector.

Gurnee, IL Finance Assistant Jennifer Sleyko answered:

Gurnee has the following in our municipal code (can be found at http://www.gurnee.il.us/municipal_code):

Sec. 82-114. Billing; penalties.

Bills for water service shall be rendered on bimonthly intervals and shall be payable on or before the due date on the bill. A late payment charge of ten percent shall be added to all bills not paid by the due date of each bill. The village administrator and director of public works are further authorized to shut off water service to users if the bill has not been paid within 45 days of the bill date.

Sec. 82-68. Turning off water for violations or nonpayment and reinstatement fees.

For violation of any of the rules in this article or for the nonpayment of water bills, the village reserves the right to turn off the water without notice, and after the water has been turned off from any service pipe on account of nonpayment of water bills, or violation of rules, the water will not be turned on until all delinquent bills and penalties are paid, together with the expense of turning off and on such water. The reinstatement fees shall be set forth under section 32-38. No water will be furnished to any person who is indebted to the village on account of water consumed, material or repairs.



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Category:
Policies/Procedures

Utility Billing

Ms. [Jennifer McMahon](#)

By Ms. Jennifer McMahon on 6/3/2014 4:46:02 PM:

Hi All

Will you send me your procedures for utility billing - specifically how you address delinquent accounts and determine shut-offs? Also, if you have a policy for sewer accounts in which the residence has a private well - how do you handle a delinquent account? Thanks!

Jenn in Warrenville

Discussion History:

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Management Intern [Andrez Beltran](#)

By Management Intern Andrez Beltran on 6/4/2014:

Hi Jenn. Here is Algonquin's water billing procedure:

Notices generated on a Monday - Accounts that are over \$100 monthly are sent a disconnect notice. (ordinance).

File generated on following Friday - Reminder calls for the people who received disconnect notices that have not yet paid. (courtesy)

Tags generated on following Monday - Hang tags are generated on Monday for people who do not have a phone number or who did not receive our reminder call (hang up, busy, etc.) (courtesy)

Shut off on following Thursday - Any accounts that have not paid by Wednesday, the day before, or have not made payment arrangements will be disconnected between 7-3. (ordinance)

As for private wells, we monitor with a meter and they are subject to the above as well with one exception. On the day of shut off they will have a flag placed in their yard. They would get another hang tag that states that they will be dug on or about a particular date and will incur additional fees if the account remains delinquent.

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Category:
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Late Fees-Water

City Administrator Sue
McLaughlin

By City Administrator Sue McLaughlin on 9/9/2010 9:51:57 AM:

What, if anything, do you charge as a late fee for non-payment? Do you wait 30 or 60 days in arrears before disconnect? When a decision to disconnect is made, do you charge when the actual disconnect takes place or do you charge something regardless? We currently have a policy to charge \$25 regardless if they pay the morning of the scheduled disconnect and I'm not sure that's appropriate. Thanks!

Discussion History:

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Village Manager Maria Lasday

By Village Manager Maria Lasday on 9/13/2010:

Sue,

The Village of Bannockburn charges a 10% late fee if the bill remains unpaid for 60 days from the due date. After 90 days, an additional 3% per month administrative and carrying charge is assessed, commencing on the original due date and the account is deemed delinquent. Once the account is delinquent, a notice of a lien is sent to the property owner and a lien is filed. Then, after 8 days, a notice of intention to shut off service is given. If the water is shut off, all outstanding monies owed, penalties and a refumption fee will need to be paid.

Hope this helps.

Maria

Assistant City Manager Kathy
S. Katz

By Assistant City Manager Kathy S. Katz on 9/13/2010:

The City of Oakbrook Terraces charges a 10% late fee. We wait 60 days to disconnect. If the resident is home, the water operator tells them that the water is being shut off. This gives them the last chance to come in and pay the bill. Otherwise, we have \$25 deposit that gets added to the account to turn off, \$50 to turn on. After hours, the turn on fee is \$75.

Management Intern Erik Jensen

By Management Intern Erik Jensen on 9/10/2010:

In Gurnee, a 10% late fee is assessed if the bill is not paid by the close of business on the due date. Late residents have approximately three weeks between missed payment and shut off. If water is shut off, a \$50 fee is added on the day of shut off after 10 a.m (residents are informed of this date and time on door tags a week before shut off). We are currently working on a water rate study, and these figures may be revised very shortly. However, I believe the schedule will remain the same.

Of course, if residents communicate to us about hardship or just let us know they will be late, these fees can be waived.

David A. Hales

By David A. Hales on 9/10/2010:

Jon Kindseth - what city/state are you from? The City Manager of Bloomington, IL is interested in your response and wanted to pass along your name and location to our Water Director, Craig Cummings. Thank you!

Administrative Intern Rebecca
Ann Suhajda

By Administrative Intern Rebecca Ann Suhajda on 9/10/2010:

The Village of Hoffman Estates assess a late fee of 5% of the total bill for late payments. A shut-off notice is then generated and water is shut off within 20 days of the missed payment. There is a \$15 shut-off fee and a \$25 turn-on fee during normal Village business hours and \$45 fee for overtime during non-business hours.

Jon Kindseth

By Jon Kindseth on 9/9/2010:

We charge a 10% late fee for delinquent utility bills. If no payment is made within the 15 days from the late penalty, then we send out a letter warning of a shut-off if not paid within 15 days. 30 days after the bill was initially due, it is scheduled for shut-off. If the resident does not come in that morning and pay the bill in full it is shut off. There is an \$150 fee which has to be paid in addition to the bill to get the water turned back on. We also allow one hardship hearing for residents which have never previously had one, this is hearing before a judge which ultimately sets an agreeable payment plan.