

CITY OF WASHINGTON, ILLINOIS Public Works Committee Agenda Communication

Meeting Date: June 6, 2022

Prepared By: Dennis Carr – City Engineer

Agenda Item: Beck's Water Service Installation and Rate Discussion

Explanation: Beck's Car Wash and Gas Station sit in the Illinois American Water Company Service Area. Due to water quality and potential pressure issues, Beck's approached the City asking for the City to supply Beck's with water. Our nearest water main sits on the north side of Business 24.

Normally, the City makes the service connection to the main and places a water shutoff. It is then the property owner's responsibility to connect to the shutoff and run the water the rest of the way to the property.

For this location, the City is looking extend a new watermain under Business 24 and will place a valve on the south ROW line where the property owner will continue the rest of the way. The new watermain from the new valve to the existing watermain will be the responsibility of the City. The property owner would be responsible from their shutoff to their building like any other customer.

With the city currently in discussions with ILAWC to potentially provide them water in the future, the only way to get a true payback for the boring was to charge a higher rate than our current customers. In order to pay the City back for the cost of the watermain extension, staff was able to negotiate an increased water rate that will pay back the City for this watermain investment in less than 1 year (estimating anything over 11,000 Gallons a day). Beck's Pekin car wash averaged around 20,000 gallons a day from December-February. The ordinance is written in a way that the rate will be tied to commercial properties inside the ILAWC service area with meters 3" or larger.

The city received 2 quotes with the lowest being GA Rich for a total of \$24,116.00.

Beck's will still be required to pay the 3" Water Connection Fee in the amount of \$10,343.75 as well as purchase the water meter similarly to other current users.

The rate negotiated is equivalent to the current ILAWC Residential Rate, which is 0.585 per 1,000 gallons. Our Current rate is 0.495 per 1,000 gallons. This would be an 18.2% increase over our current rate. The new rate category would adjust per inflation annually in the same manner as our current rate.

Fiscal Impact: There is sufficient funds in the Water Budget for this new watermain.

Recommendation Summary:

Staff recommends that the Public Works Committee move the watermain boring quote and water rate ordinance change to City Council for approval.

Action Requested: Approval

G. A. RICH & SONS, INC, MECHANICAL & UTILITY CONTRACTOR

S PERRY STREET P.O. BOX SO DEER CREEK, ILLINOIS 61733 (309) 447-6231 FAX (309) 447-6500

SITE UTILITY PROPOSAL For BECKS CAR WASH BORE WASHINGTON, IL April 16, 2022

G. A. Rich & Sons, Inc. is pleased to submit the attached scope and quotation for this project per plan:

Bore across Washington Rd. (business 24)

Furnish and install:

Approximately 120' of 4" Certalock C900 watermain directional drilled from Becks car wash to water main on north side of Washington Rd. 1 - 8x4 hot tap on existing main.

Add for Bacteria and pressure testing. \$2,095.00

TOTAL: \$24,116.00

Clarifications

Requires 25' ditch on north side of Washington road to put pipe together. Includes potholing in dirt areas. Any potholing in business 24 will be extra (Saw cut and pour back plus traffic control) Quote based on 8hr workdays M-F

Exclusions

Excluding IDOT permit and fees Excluding Sales tax Not responsible for hit utilities that we have **NO** knowledge of. Excluding costs to dispose of contaminated spoils.

Should you have any questions or require additional information, please do not hesitate to contact me at 309-447-6231. Thank you in advance for an opportunity to quote this project.

Respectfully Submitted Andy Snyder andys@garich.com cell 309-303-3255