THE CITY OF MOMENCE

Momence, IL 60954

CHUCK STEELE, Mayor CHRISTY RITTER, Clerk

ALDERMEN Melissa Doody Avelino Vela Romel Huddelston Tom Temple Leo (Todd) Clark

Tanya Fordahl David Cook Mark Lesyna

MOMENCE CITY COUNCIL Monday, March 4, 2024 **Public Works Committee Meeting**

Time: 6:30 P.M.

The Public Works Committee meeting was held in the Council Chambers at 29 North Dixie Highway, Momence.

Present: Aldermen Doody, Vela, Clark, Huddelston, Fordahl, Cook, Temple and Lesyna.

Baxter and Woodman present to discuss the amendment to the plant design and the new water rate study. This started back in 2018. A brief history discussed on each year:

2018: initially looking into some loan funding for some blowers. New discoveries along the way with industry compliance. IEAP funding must have a facility plan. Blowers are still needed. This was a becoming a bigger project with the investigation. Momence Packing was discovered as an illegal discharge. Baxter Woodman worked with the city and Momence Packing on this issue.

2019: Violation notice for mixing zone diffuser, worked with IEAP to get resolved. There were additional discussions with Momence Packing and other industrial users. Started conversations for pretreatment and sewar usage. The water/sewer treatment plant is currently only designed for residential use, not industrial. Council approved to update the sewer use ordinance for industrial users.

2020: Water and sewer rate study, built a model for where we are today. Identified 3 alternatives for improved rates based on identified capital rate expenses. NPDES Permit - added timeline for phosphorus removal.

2021: Facility Plan Modifications: update from 2018 plan. Making the best use of the city funds phased approach for equipment, blowers, pumps and the removal of phosphorus removal. Additional phases outlined in the facility plan for future improvement after a 20-year loan had been repaid.

2022: NPDES requirements, industrial user inventory. Every 5 years required an industrial user report. The sewer treatment ordinance was finalized from 2019 and adopted by the city. Legal authority to issue discharge permits. They brought the contract to the city in July of 2022 was approved to write and prepare the permits. This was put on pause from talking to the mayor. The council at the time was "gun-shy" on issuing the permits, not knowing who was going to implement and do the follow through. This could be something that would pay for itself. The residents should not have to pay for the industrial users. The industries have to take responsibility for what they are discharging. The costs are going up due to needing a bigger plant.

2023: IEPA Draft Loan language changed from 20 years to 30 years. Impacted what was affordable in the facility plan. \$30,000,000.00 project with what the watershed groups are proposing on lowering phosphorus limits. This project started at \$16,000,000.00 and has moved to \$25,000,000.00, maybe even \$30,000,000.00 due to inflation. Recommending rate study to better set the city up for this larger capital project.

2024: Rate study to be presented in August for time to write the ordinance, rate increases to be announced in January and to be put in place in May 2025. There will be many rate options presented for the council to decide on. Discussed different rate approaches for residents, businesses and industrial users. 25% of year expenses need to be sitting in the bank for anything that may come up. Comparable rate information will be available for the residents. The amendment updates to the facility plan: extends the phosphorus limits to 2035. Increased funding to support this initiative. City would be eligible for loan forgiveness due to size, almost 45%. This will need to be verified again for 2024, last verified in 2020. This year the interest rate is 1.8% on the loan after the 45% loan forgiveness. There is an environmental discount also, possible discount of 1.0%.

Respectfully submitted,

Christy Ritter, City Clerk