

UTILITY RATE CHANGE

Frequently Asked Questions and Answers

Why are the rates increasing?

The City of Chicago has established a series of annual rate increases applicable to Lake Michigan water sales. Chicago has indicated that these increases are necessary to provide needed infrastructure improvements to the water system. These improvements are expected to include upgrades to the suburban feeder mains to assure reliable and efficient water delivery.

The Lake Michigan water supply is delivered to Tinley Park via the Village of Oak Lawn. Oak Lawn has also increased its rate for supplying water to its other suburban customer communities to reflect its current delivery costs.

From time to time, the Village must also adjust rates to address increased costs the Village incurs in operating the water and sewer system to provide the utility services. The current increase includes such an adjustment. The last time the Village had increased rates relative to its service costs was in 2014. All changes that have occurred subsequent to 2014 have been in relation to the costs of the water supply itself.

What will be the financial impact on residents?

The June 1, 2022 rate change means that a Tinley Park household with a family of four averaging 18,000 gallons of water per quarter will see an increase of \$3.60 on its quarterly bill.

Note: Only the water consumption rate (the per 1,000 gallon rate) has increased. All base fees and other per 1,000 gallon rates remain unchanged.

For most residential customers, the 2021 rate structure (for a 5/8" or 3/4" meter) is as follows:

- Water: Base charge \$30.94 plus **\$7.22** per 1,000 gallons for up to the first 20,000 gallons and **\$9.42** per 1,000 gallons for usage over 20,000 gallons
- Sewer: Base charge \$7.19 plus \$1.14 per 1,000 gallons
- Storm water: Base charge \$1.86 plus \$0.31 per 1,000 gallons of usage over 6,000 gallons

(The base charges on secondary meters for outside water uses are reduced from the primary meter, and sewer collection charges are not assessed on the outside usage. Sewer treatment charges, where applicable, are not affected by this rate change.)

What is the sewer charge for?

The sewer charge is also known as a wastewater (sanitary sewer) collection charge. It covers the costs of operating and maintaining the Village's sanitary sewer system that collects the wastewater from our homes and businesses, and transports it to the appropriate service provider who performs the sewerage treatment and solid waste disposal.

Customers in Will County have an additional separate charge on their utility bills for sewer treatment services. It is more economical for the Village to contract for these treatment services

with existing providers than to build, operate and maintain its own sewer treatment plant. In Cook County, sewer treatment is provided by the Metropolitan Water Reclamation District of Greater Chicago, which has chosen to charge for its services as part of the property tax bill.

What is the storm water management charge for?

The storm water management charge is for the operation and maintenance of the ponds, ditches, creeks and storm sewers that are all part of the Village's flood control systems.

Will my rates go up next year, too?

It is currently expected that the City of Chicago will increase its rates up to 5% annually after 2015. Water rates may change in January each year due to adjustments in the rate charged by Oak Lawn under the Regional Water System water supply agreement. The Village will also adjust utility rates from time to time to ensure revenues are sufficient to adequately cover future operating and maintenance expenses, planned system improvements and replacements, maintain appropriate reserves, and otherwise maintain the systems and operations to necessary standards.

Does my water rate help pay for water service to Mokena and New Lenox?

No. Those towns and their residents pay for their share of water service costs.

What can homeowners and businesses do to reduce their water bills?

Because all residents are charged for the amount of water they actually use rather than for a minimum amount, residents can better control their water use and cost of their utility bills through conservation measures. For conservation tips, visit the Village's website at www.tinleypark.org.

How does Tinley Park's rate compare to other suburbs in our area?

The Village of Tinley Park rates have continued to be on the lower end of the spectrum among the communities served by the Oak Lawn Regional Water System.