

TRANSMITTAL LETTER FOR BOARD MEETING OF SEPTEMBER 15, 2016

COMMITTEE ON INDUSTRIAL WASTE AND WATER POLLUTION

Mr. David St. Pierre, Executive Director

..Title

Request Authority to Amend the User Charge Ordinance of the Metropolitan Water Reclamation District of Greater Chicago

..Body

Dear Sir:

An in-house review of the Metropolitan Water Reclamation District of Greater Chicago's User Charge Ordinance (Ordinance) by the Monitoring and Research Department established the need to amend the Ordinance to provide modification of certain provisions of the Ordinance.

The amendments are summarized as follows:

1. Appendix F, Section I is amended to modify the User Charge rates applicable to Large Commercial-Industrial and Tax-Exempt User classes. The 2017 billing rates for flow, biochemical oxygen demand (BOD) and suspended solids (SS) are as follows:

LARGE COMMERCIAL-INDUSTRIAL AND TAX EXEMPT USER RATES:

| | 2016 Rates | Recommended 2017 Rates |
|---------------|-------------------------------------|-------------------------------------|
| (1) Volume | \$255.02 per million gallons | \$259.61 per million gallons |
| (2) 5-day BOD | \$234.95 per thousand pounds of BOD | \$229.13 per thousand pounds of BOD |
| (3) SS | \$148.33 per thousand pounds of SS | \$142.47 per thousand pounds of SS |

2. Appendix F, Section III is amended to modify the Operations, Maintenance and Replacement (OM&R) Factor as follows:

| 2016 OM&R Factor | Recommended 2017 OM&R Factor |
|-----------------------------|---------------------------------------------|
| 0.344 | 0.339 |

The recommended rates were agreed upon by the User Charge Blue Ribbon Panel in 2013. Attached is "An Ordinance to Amend the User Charge Ordinance of the Metropolitan Water Reclamation District of Greater Chicago, As Amended." We recommend adoption of the proposed Ordinance amendments. These Ordinance amendments will take effect on January 1, 2017.

Requested, Thomas C. Granato, Director of Monitoring and Research, TCG:EWP:MJ:tj

Ronald M. Hill, General Counsel

Jacqueline Torres, Clerk/Director of Finance

Respectfully Submitted, Frank Avila, Vice Chairman, Committee on Industrial Waste and Water Pollution

Disposition of this agenda item will be documented in the official Regular Board Meeting Minutes of the Board of Commissioners for September 15, 2016.

Attachment