



ST. CHARLES  
SINCE 1834

## AGENDA ITEM EXECUTIVE SUMMARY

Title:	Presentation of Draft Utility Services Policy for areas outside of City of St. Charles limits – Information only
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Presenter:	John Lamb
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*Please check appropriate box:*

	Government Operations	X	Government Services 01.23.12
	Planning & Development		City Council
	Public Hearing		

Estimated Cost:	NA	Budgeted:	YES		NO	
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If NO, please explain how item will be funded:

**Executive Summary:**

City staff was approached by American Water Inc. in the past year about providing water and sanitary sewer service for the River Grange subdivision. American Water is a private utility that currently provides water and sanitary service to the area. This area is outside City limits just north of the Reserves subdivision and is contiguous with the City boundary.

In response City staff has written a Draft Utility Services Policy that would be used for this area and other residential areas outside of the City requesting City water and sanitary sewer service. The policy has a number of general conditions, criteria that need to be met for an area to be considered. These include the following:

1. Proposed service area must be contiguous to City’s corporate limits.
2. Proposed service area must have existing infrastructure for water and sanitary service.
3. The City will not accept ownership of the service area infrastructure and not maintain it.
4. The private utility, entity must at its cost maintain the infrastructure.
5. The private utility, entity must enter into service agreement with applicable terms, fees and rates.
6. The proposed service area shall consist of residential users only.

Once an area is considered for service the City and the entity representing the area will enter into a services agreement. The policy has been reviewed and revised by the City attorney.

**Attachments:** *(please list)*

Draft Utility Services Policy

**Recommendation / Suggested Action** *(briefly explain):*

Staff requests feedback on the Utility Services Policy for inclusion in the final draft.

*For office use only:*

*Agenda Item Number: 4.h*

Title **City of St. Charles Policy for Water and Sanitary Sewer Service for Residential Areas Outside City Limits**

Policy #

Approval Date

Revision Date



**Sections:**

- I. Introduction
- II. General Conditions
- III. Water Service Requirements
- IV. Sanitary Sewer Service Requirements

**I. INTRODUCTION**

This policy is applicable to residential neighborhoods (hereinafter, a “service area”) outside of the City’s corporate limits receiving water and/or sanitary services from a private utility, where the private utility has made an application for water and/or sanitary services from the City after the effective date of this policy.

This policy is not intended to apply to single parcels of property or to commercial/industrial property outside of the City’s corporate limits.

The City of St. Charles will consider and review requests for providing water and sanitary sewer service to such residential neighborhoods on a case-by-case basis pursuant to the following conditions.

**II. GENERAL CONDITIONS**

1. The proposed service area must be contiguous to City’s corporate limits and its water and sanitary sewer service lines.
2. Prior to providing service to a proposed service area, the City of St. Charles Facility Planning Area must be amended to include the proposed service area.
3. Service agreements with the City, setting forth the applicable terms and conditions of service, including, but not limited to, service fees and rates, will be required. The City will determine whether or not these agreements shall be with the private utility, the customers of the private utility, or both. In addition to all other terms and conditions, the service agreements shall provide, as a condition of service, that the proposed service area shall be subject to all City ordinances, resolutions and regulations regarding water/sewer service to the same extent as if the service area was located within the corporate limits of the City, except where specifically provided otherwise by such agreement, ordinance, resolution or regulation.
4. The proposed service area must have existing infrastructure for water and sanitary sewer service. The existing infrastructure must meet the City of St. Charles’ minimum design standards set forth in the City’s Municipal Code. The City will not accept ownership of the

service area infrastructure, nor will it be responsible for the operation or maintenance of said infrastructure or of any upgrades to the infrastructure.

5. The private utility must, at its cost, maintain the infrastructure in accordance with City of St. Charles ordinances, rules and regulations. The meters shall be calibrated annually, and the City shall be provided with evidence of such calibration.
6. Water and sanitary sewer service connection fees for each dwelling unit in the proposed service area shall be paid at the time and in the amounts required by the City's ordinances in effect at the time of application.
7. Water and sanitary sewer service fees shall be subject to a surcharge over and above the fees for users within the corporate boundaries of the City. The City also reserves the right to establish a minimum charge to be paid for water and sanitary sewer services regardless of actual usage.
8. All costs and expenses related to the application review and approval process shall be paid by either the private utility or the customers in the proposed service area, as provided in the applicable service agreement(s). Such costs and expenses shall include, but are not limited to:
  - a) Flow monitoring equipment and associated structures for both water and wastewater flows.
  - b) Any required infrastructure improvements in proposed service area, including, but not limited to the connections to the City's system.
  - c) Submittal of a Facility Plan Amendment (FPA) to Chicago Metropolitan Agency for Planning (CMAP).
  - d) Any studies required by the City related to water demand, sewer capacity and wastewater treatment capacity.
  - e) Any applicable permits.
  - f) All City engineering, legal and other expenses incurred by the City in reviewing the application, reviewing and approving the plans and specification for the construction of any required improvements, inspecting and approving improvements and negotiating, drafting, reviewing and executing any service agreement or other document implementing water/sewer service to the proposed service area.
9. Service to the proposed service area shall not impair the City's ability to adequately and safely meet current or anticipated future water and/sewer service demands of the City water/sewer systems.
10. The proposed service area shall consist of residential users only--no commercial or industrial users shall be permitted.
11. Should City determine that service to the proposed service area would adversely affect the City's ability to adequately and safely meet existing or future demands, the application will be denied. The corporate authorities of the City shall make the final determination as to whether or not an application is approved or denied.

12. No customer in the service area shall resell any water to another party or receive water or sewer service from any other provider.
13. The private utility shall not, during the time the City is serving the proposed service area, provide water or sewer service to any dwelling unit other than those existing at the time of application, unless the City, in its sole discretion, consents to such additional service.

### **III. WATER SERVICE REQUIREMENTS**

1. The proposed service area water system must have two connections to the City's water system.
2. The proposed service area water main, valves, structures and all other infrastructure must meet all requirements of the City of St. Charles Municipal Code.
3. Any wells in the proposed service area shall be capped per IEPA guidelines and regulations and documentation thereof must be submitted to the City prior to receiving service from the City.
4. The proposed service area infrastructure shall meet fire flow requirements set forth in City of St. Charles Municipal Code.
5. Any peak demand limitations on water service shall be set forth in the applicable service agreement(s).

### **IV. SANITARY SEWER SERVICE REQUIREMENTS**

1. The proposed service area sanitary sewer system shall not have any connections to hazardous waste generators or industrial users that generate or discharge any hazardous waste materials.
2. Any peak discharge limitations shall be set forth in the applicable service agreement(s).
3. The City may, in its discretion, require a study to determine the existence of any interconnections that are prohibited by the City's ordinances, rules or regulations.