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CITY COUNCIL AGENDA ITEM

ACTION REQUESTED:

Receive the Water Utilities Capital Improvement Program presentation

DEPARTMENT: Water Utilities

SUBMITTED BY: Darrell Blenniss, Director

BOARD/COMMISSION REVIEW:

N/A

BACKGROUND:

Naperville Water Utilities provides high quality, reliable, and critical services to the community. Serving more than 43,500 customers with a population over 145,000, the infrastructure associated with these services is vast, complex, and needs to be carefully coordinated across several City departments. Adequate annual capital investment is necessary to ensure these services are maintained and public health is not compromised.

In 2020, the City engaged consultants to assist with the preparation of an updated capital asset evaluations for the water distribution and supply systems at the wastewater treatment facility at Springbrook. These asset evaluations have identified the need for additional infrastructure investment for these services.

In addition, a consultant was hired to prepare a new rate study because the planning horizon for the current study ends in 2021. Every rate study involves a complex set of assumptions that need to be reviewed to ensure adequate revenues for operations and the achievement of important policy goals. One of the major assumptions to be reviewed is the necessary level of capital investment.

Staff will make three presentations to the City Council to provide a clear picture of the capital improvement needs identified for the Water Utilities in the asset evaluations. The first presentation

on April 7 addressed the capital program for the wastewater collection and pumping system.

All three presentations are also being shared at the Public Utility Advisory Board meetings.

DISCUSSION:

The April 20 presentation will review the water distribution and supply system. The final presentation will review the wastewater treatment facility at Springbrook.

All three presentations are intended to assist the City Council in making decisions and providing direction on capital spending levels for future rate models in conjunction with the rate study being conducted this year.

FISCAL IMPACT:

The appropriate level of capital investment will be reviewed as part of the rate study.