



Village of Steger



# Water Rate Study

May, 2026

Presented by:  
Joseph Wiszowaty,  
Village Administrator

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# Executive Summary

May, 2026

Mayor Joyce and Members of the Board of Trustees:

This Executive Summary of the Water Rate Study is intended to provide a concise overview of the findings and recommendations contained in this report. For many years, the Village of Steger's water infrastructure has suffered from deferred maintenance, inadequate funding, and insufficient personnel dedicated to system upkeep and necessary improvements. These longstanding challenges have resulted in significant system deterioration, as evidenced by 559 water main breaks and numerous infrastructure failures over the past five years alone.

The tenants of the study are summarized as follows:

## Overall Purpose

The report concludes that the Village's current water revenues are not sufficient to sustain operations, maintain infrastructure, or fund long-term capital improvements. The Water Fund has required transfers from the General Fund to continue operating.

The study recommends a significant but necessary rate restructuring intended to:

- Stabilize the Water Fund
- Eliminate operating deficits
- Finance critical infrastructure upgrades
- Reduce dependence on interfund borrowing
- Position the utility for long-term sustainability

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## Key Financial Findings

Current revenues are far below projected expenses.

Projected annual water revenues under existing rates:

- Approximately \$1.16–1.27 million annually

Projected operating and maintenance expenses:

- Approximately \$2.18 million in 2026
- Growing to nearly \$2.7 million by 2031
- This creates a structural imbalance where operational costs exceed revenues by roughly \$1 million per year before capital improvements are even considered.

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## Infrastructure & Capital Improvement Needs

The report identifies major deferred infrastructure needs, including:

- Well house rehabilitation
- Iron removal systems
- SCADA modernization
- Water main replacement
- Continued lead service line replacement
- Vehicle and equipment replacement
- The estimated long-term Capital Improvement Program (CIP):
- Approximately \$16.2 million through 2031

The financing strategy heavily relies on:

- Illinois EPA low-interest loans
- Loan forgiveness programs (approximately 30%)
- Avoiding higher-cost bond issuance where possible

Debt service for IEPA loans is projected at:

- About \$247,806 annually beginning in 2028

### **Proposed Rate Increase**

*The central recommendation is a “break-even” rate model.*

#### **Proposed water rate increase:**

- From: \$0.0563 per cubic foot
- To: \$0.1039 per cubic foot

This proposed adjustment represents an approximate 84% increase in the volumetric water rate. While the Village implemented an 80% rate increase in 2018, only modest subsequent adjustments were made which did not account for the substantial cost increases experienced during the COVID-19 pandemic and the post-pandemic period.

Accordingly, this report does not recommend a phased-in rate increase. A gradual approach would likely prolong existing financial deficits, necessitate continued subsidies from other Village funds, or require significant reductions in operational and capital expenditures. Our initial modeling indicated we would carry larger deficits in our fund balance should we phase in an increase.

### **Additional Recommended Charges**

The report also recommends:

- 1. Capital Improvement/Debt Service Fee**
  - a. Starts at \$6/month in 2026
  - b. Gradually increases to \$9.05/month by 2031
- 2. Monthly billing conversion**
  - a. Shift residential customers from bi-monthly to monthly billing
  - b. Minimum monthly usage: 335 cubic feet
- 3. Establishes Reconnect fee**
  - a. Establishes reconnect/turn-on fee to at least \$100 after disconnection
- 4. Future Water Meter Replacement Fee**
  - a. Suggested but not immediately implemented
  - b. Intended to build reserves for eventual replacement of 2,844 water meters
  - c. Estimated full replacement cost: approximately \$1.9 million

The report estimates that:

- A \$4/month meter fee could generate:
  - ~\$682,560 in 5 years
  - ~\$1.3 million in 10 years

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## Impact on Residents

Our approach in this report attempts to soften the impact on seniors through a proposed:

- \$19.88 monthly senior credit
- Available to qualifying seniors enrolled in Illinois' Benefit Access Program (BAP)

For a qualifying senior using minimum water:

- Current monthly bill: about \$55.31
- Proposed monthly bill: about \$57.38
- Modest Increase: roughly \$2/month

For non-senior residential customers:

- Lower-volume users see the largest percentage increases
- Higher-volume users see larger dollar increases but smaller percentage impacts

It is my hope that this report provides the factual information necessary for informed decision-making to secure the long-term sustainability and success of the Village of Steger.

This water rate analysis does not account for current water loss or the operational impact that such losses have on the Village's water system. It is well understood that water loss resulting from frequent water main breaks has been substantial, further underscoring the urgent need for the significant infrastructure improvements outlined in this study. These investments are expected to reduce system inefficiencies and improve long-term operational performance.

Additionally, this analysis does not include detailed cash flow or fund balance projections. Once new water rates are established, these financial metrics should be evaluated to support accurate forecasting and guide future rate considerations.

While no community welcomes higher rates or increased costs, these adjustments reflect the difficult reality created by years of deferred maintenance, inadequate long-term planning, and the continued neglect of critical water system infrastructure and equipment.

Respectfully submitted,  
Joseph Wiszowaty  
Village Administrator

# Financial Plan

By the end of 2025, it became evident that the Village of Steger's Water Department was no longer generating sufficient revenue to cover its operational expenses. This financial shortfall was clearly demonstrated by the increasing reliance on transfers from the Village's General Fund to sustain water system operations. In response, Village staff initiated the development of this water rate study. The primary objective of the study was to accurately assess the true cost of providing water services to the community and to establish a rate structure that ensures a financially sustainable utility system capable of meeting the needs and expectations of both current and future customers.

This study provides a review of recent financial history, current rate structures, and proposed rate adjustments for the Village's water utility system. The recommended option is a "break-even" rate model designed to fully fund the Village's approximately \$10 million capital improvement plan through a combination of existing resources and the strategic use of the State of Illinois' low-interest financing programs, including available loan forgiveness opportunities.

This approach is intended to achieve critical operational and infrastructure objectives, including upgrades to the Village's well houses, installation of iron removal systems, and replacement of deficient water mains identified by the Village's engineering consultants and staff. While alternative options with lower rate increases were considered, those approaches would not fully support operational sustainability or necessary capital improvements and would likely require continued interfund borrowing to maintain balanced operations.

## Financial Planning Process

The primary objective of the financial planning process is to determine the revenue levels necessary to ensure the long-term financial stability and sustainability of the Village of Steger's utility system.

For the purposes of this study, the financial plan was developed to address the current fiscal year (FY2026) as well as a five-year forecast period spanning 2027 through 2031.

## Existing Rates (Combined Billing)

The Village currently utilizes a combined utility billing structure in which residential customers are billed on a bi-monthly basis, while non-residential customers are billed monthly. All customers are assessed a Sewer Rehabilitation ("Rehab") Fee of \$6.67 per month, or \$13.34 on a bi-monthly basis. Residential customers are also charged a garbage collection fee for monthly waste services provided through the Village's contracted waste hauler. This garbage fee is currently \$28.84 per month, or \$57.68 bi-monthly. At present, neither residential nor non-residential customers are charged a dedicated Water Meter Fee.

In addition to these fixed charges, the Village applies volumetric fees based on each customer's water consumption. The current Water User Fee is \$0.05630408 per cubic foot of water consumed. Customers are also charged a Sewer User Fee of \$0.02030335 per cubic foot, which serves as a pass-through charge established by the Thorn Creek Sanitary District. Currently, there is no Capital Improvement or Debt Service Fee assessed to either residential or non-residential customers. These rates became effective on January 1, 2025, with no provisions or authorizations for future automatic rate adjustments beyond that date.

**A minimum bi-monthly residential bill** for a customer using 670 cubic feet of water (is about 5,000 gallons on a bi-monthly basis or would convert to 2,500 gallons monthly). is calculated as follows:

*(\$13.34 Rehab Fee) + (\$57.68 Garbage Fee) + (\$0.00 Water Meter Fee) + (3.66 Thorn Creek Sanitary District) + (670 \* \$0.05630408 Total Volumetric Charges) for a total bi-monthly bill of \$112.41 (or \$56.21 per month)*

*SENIOR RATE: Senior currently receive no consideration for reduced water rate, however they do receive a reduced garbage bill amount of \$6.42 per month.*

## Utility Revenues

Table 1 summarizes the Village’s projected revenues under its existing rate structure. The majority of the Village’s utility revenues are generated through charges for water service, which remain the primary source of funding for water system operations. Additional revenue sources include turn-on fees, late payment penalties, interest income, and various miscellaneous charges.

Under the current rate structure, the Village’s annual water service revenues are projected to average approximately \$1.2 million per year. Miscellaneous revenues, which are comprised largely of interest income, are expected to decline over the study period, further limiting the Village’s overall revenue capacity under existing rates.

**Table 1: Revenue at Existing Rates**

Description	2026 Current	2027 Forecast	2028 Forecast	2029 Forecast	2030 Forecast	2031 Forecast
<b>Rate Revenue</b>						
Water Sales	\$ 1,158,803	\$ 1,216,743	\$ 1,228,911	\$ 1,241,200	\$ 1,253,612	\$ 1,266,148
Water Meter Fee	0	0	0	0	0	0
Capital Improvement Fee	0	0	0	0	0	0
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	\$ 1,158,803	\$ 1,216,743	\$ 1,228,911	\$ 1,241,200	\$ 1,253,612	\$ 1,266,148

## Utility Expenditures

For the Village’s water and wastewater systems to operate in a financially sound and sustainable manner, generated revenues must be sufficient to meet all revenue requirements and cash obligations of the utility. These financial obligations include ongoing operation and maintenance (O&M) expenses, rate-funded capital improvement program (CIP) expenditures, and the principal and interest payments associated with both existing and proposed debt obligations.

## Operation and Maintenance Expenses

Table 2 presents the projected operation and maintenance (O&M) expenditures for the Village’s water system. The forecast is based on the Village’s adopted 2026 budget, which serves as the baseline for future projections, with annual inflation factors applied to estimate cost increases over the study period. Most operating expenses are anticipated to rise by approximately 3% to 4% annually, reflecting cost escalation trends consistent with those experienced by comparable utility systems.

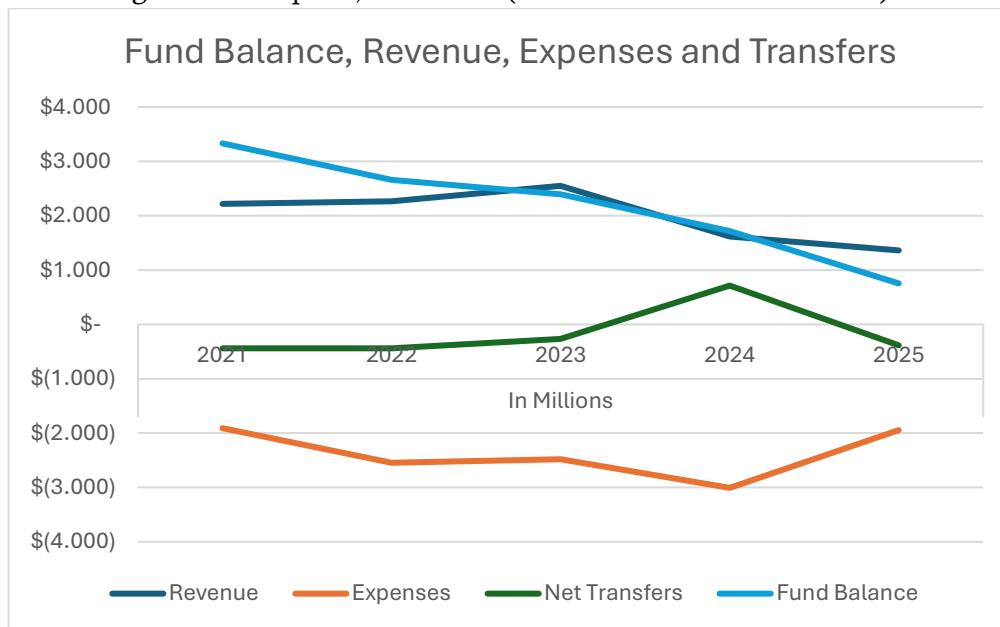
**Table 2: Operating Expense Forecast**

Description	2026 Current	2027 Forecast	2028 Forecast	2029 Forecast	2030 Forecast	2031 Forecast
<b>O&amp;M</b>						
Administration	\$ 86,692	\$ 90,160	\$ 93,766	\$ 97,517	\$ 101,417	\$ 105,474
Personnel	\$ 396,287	\$ 412,138	\$ 428,624	\$ 445,769	\$ 463,600	\$ 482,144
Maintenance Services	\$ 761,026	\$ 802,882	\$ 847,041	\$ 893,628	\$ 942,778	\$ 994,631
Supplies	\$ 533,990	\$ 554,015	\$ 574,790	\$ 596,345	\$ 618,708	\$ 641,909
Operational Transfers	\$ 404,836	\$ 416,981	\$ 429,491	\$ 442,375	\$ 455,646	\$ 469,316
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TOTAL	\$ 2,182,831	\$ 2,276,176	\$ 2,373,712	\$ 2,475,634	\$ 2,582,149	\$ 2,693,474

**Water Fund Balance: Revenue v Expense**

	<i>In Millions</i>				
	2021	2022	2023	2024	2025
Revenue	\$ 2.216	\$ 2.263	\$ 2.550	\$ 1.6165	\$ 1.362
Expenses	\$ (1.909)	\$ (2.545)	\$ (2.481)	\$ (3.0069)	\$ (1.944)
Net Transfers	\$ (0.440)	\$ (0.440)	\$ (0.267)	\$ 0.7148	\$ (0.383)
<b>Fund Balance</b>	<b>\$ 3.331</b>	<b>\$ 2.661</b>	<b>\$ 2.395</b>	<b>\$ 1.7193</b>	<b>\$ 0.755</b>

SOURCE: 2021-2024 Steger Audit Reports, 2025 AFR (*unaudited excludes LSLR Grant*)



The Village’s overall water fund balance is depleting due to rising operations costs. The need for interfund transfers to balance the water fund has been necessary.

**Capital Improvement Program**

The Village has been actively engaged in capital improvement initiatives, most notably through its ongoing Lead Service Line Replacement Program. The Village is currently in the second year of this critical effort and will enter its third year in 2026. Looking ahead, the Village must continue to expand and refine its Capital Improvement Program (CIP) to address both current deficiencies and future water system needs. As part of this study, the CIP includes approximately \$5.5 million in additional lead service line replacements, currently financed through the State of Illinois Environmental Protection Agency’s (IEPA) low-interest loan program with significant loan forgiveness provisions. While the budgetary impact of this financing strategy has thus far been minimal, certain unfunded service lines may still require the identification of supplemental funding sources to ensure full remediation. Additionally, the Village has entered into an agreement with Enterprise Leasing for vehicle replacements, a strategy designed to preserve cash flow while maintaining necessary operational equipment.

Beyond lead service line replacement, the Village must also make substantial investments in broader facility improvements that have been deferred for many years due to inadequate operating revenues and insufficient long-term capital planning. The Village’s well houses and Supervisory Control and Data Acquisition (SCADA) systems are significantly outdated, inefficient, and no longer meet modern operational standards. Comprehensive upgrades at both pump houses are necessary, including the installation of iron removal systems to improve water quality and system performance. Assuming a reasonable annual capital cost inflation factor of 5%, the Village’s total projected Capital Improvement Program through 2031 is estimated at approximately \$16.2 million.

**Table 3: Capital Improvement Plan & Financing**

Description	2026 <i>Current</i>	2027 <i>Forecast</i>	2028 <i>Forecast</i>	2029 <i>Forecast</i>	2030 <i>Forecast</i>	2031 <i>Forecast</i>
LSLR (100% forgivable through IEPA)	\$ 2,465,000	\$ 1,000,000	\$ 2,000,000			
Well House & Iron Removal System Installation		\$ 1,750,000	\$ 1,750,000			
Water Main Improvements			\$ 6,500,000			
Facility Improvements		\$ 350,000				
Vehicles & Equipment		\$ 250,000	\$ 250,000	\$250,000	\$ 250,000	\$ 250,000
<b>TOTAL CIP Budget</b>	<b>\$ 2,465,000</b>	<b>\$ 3,350,000</b>	<b>\$ 10,500,000</b>	<b>\$250,000</b>	<b>\$ 250,000</b>	<b>\$ 250,000</b>
<b>CIP FINANCING PLAN</b>						
Anticipated IEPA Forgiveness	\$ (2,465,000)	\$ (1,525,000)	\$ (4,475,000)	\$ -	\$ -	\$ -
IEPA Low Interest Loan		\$ (1,225,000)	\$ (5,775,000)			
<b>AMOUNTS TO BE BUDGETED</b>	<b>\$ -</b>	<b>\$ 600,000</b>	<b>\$ 250,000</b>	<b>\$250,000</b>	<b>\$ 250,000</b>	<b>\$ 250,000</b>

The Village will actively pursue funding to complete critical capital improvements, including, but not limited to, well house rehabilitation, the installation of iron removal systems at both well houses, and extensive water main replacement projects. These improvements are expected to be financed through the Illinois Environmental Protection Agency’s (IEPA) low-interest loan program, which currently offers approximately 30% loan forgiveness. Under this financing structure, debt service payments are projected to begin in 2028, with semi-annual payments of approximately \$123,903 over a 40-year term.

## Rate Scenario Break Even

### Break Even – Rate Increase

Staff evaluated and developed a solution for Water Department operations and the financing of the Village’s Capital Improvement Program (CIP). Under the recommended break-even rate increase model, the Village would implement a significant water rate adjustment in 2026, along with subsequent periodic increases of a modest 2% increase year over year, to ensure that rising operational costs are adequately addressed within the utility’s budget over the next five years.

While this approach is designed to stabilize operations and fully fund essential infrastructure needs, it is not primarily intended to generate substantial excess cash reserves for future projects beyond those currently identified. Alternative options address broader long-term cash generation but require different financial strategies. Under the proposed plan, rate-funded capital investment is projected to reach approximately \$2 million annually by 2030.

This financing and rate structure is expected to provide the Village with the resources necessary to maintain sustainable operations while completing the major infrastructure improvements outlined in the CIP over the next five years. In addition, the Village plans to utilize the State Revolving Fund’s low-interest financing program annually to support lead service line replacements, well house rehabilitation, and iron removal system installations. This strategy offers significantly lower costs to residents compared to traditional revenue bond financing, while also avoiding the substantial issuance expenses typically associated with bond markets.

This revenue assumes 20,586,303 cubic feet of water (233,497,000 gallons of water) being billed to 2844 consumers annually. The current rate is currently \$0.05629 per cu ft of water and as proposed it is \$0.10386437 per cu ft of water with a minimum of 335 cu ft per month or 670 if we remain on bi-monthly billing which is not recommended.

**Table 4: Rate Plan – Break Even**

Description	2026 Current	2027 Forecast	2028 Forecast	2029 Forecast	2030 Forecast	2031 Forecast
<b>Revenues</b>	<i>(effective 7/1)</i>			<i>effective January 1st</i>		
Water Sales	\$ 1,971,490	\$ 2,755,772	\$ 2,810,888	\$ 2,867,106	\$ 2,924,448	\$ 2,982,937
CIP/DS Fee	\$ 85,320	\$ 290,088	\$ 295,207	\$ 300,326	\$ 305,446	\$ 308,858
<b>Total Water Revenue</b>	<b>\$ 2,056,810</b>	<b>\$ 3,045,860</b>	<b>\$ 3,106,095</b>	<b>\$ 3,167,432</b>	<b>\$ 3,229,893</b>	<b>\$ 3,291,795</b>
<b>Expenses</b>						
O&M	\$ 2,182,831	\$ 2,276,176	\$ 2,373,712	\$ 2,475,634	\$ 2,582,149	\$ 2,693,474
CIP	0	\$ 600,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000
<b>Total Water Expenses</b>	<b>\$ 2,182,831</b>	<b>\$ 2,876,176</b>	<b>\$ 2,623,712</b>	<b>\$ 2,725,634</b>	<b>\$ 2,832,149</b>	<b>\$ 2,943,474</b>
<b>Debt Service</b>						
IEPA Low Interest Loan			\$ 247,806	\$ 247,806	\$ 247,806	\$ 247,806
<b>Total Debt Service</b>			<b>\$ 247,806</b>	<b>\$ 247,806</b>	<b>\$ 247,806</b>	<b>\$ 247,806</b>
<b>Reserve Funding</b>	<b>\$ (126,021)</b>	<b>\$ 169,684</b>	<b>\$ 234,577</b>	<b>\$ 193,992</b>	<b>\$ 149,938</b>	<b>\$ 100,516</b>

Rate Plan presents the necessary CIP financing plan, debt service payments, illustrating the heavy use of debt in early years and reducing reliance on costly bond issues for the CIP projects.

## Debt Service Requirements – Rate Plan

Debt service requirements consist of the principal and interest payments associated with both existing and proposed debt obligations during the study period. At present, the Village’s Water Fund carries debt service obligations primarily related to outstanding Illinois Environmental Protection Agency (IEPA) loans and General Obligation (G.O.) bonds. Existing debt service payments are approximately \$1.6 million in 2025.

Table 5 outlines the Village’s projected debt service obligations under the proposed rate plan, incorporating both current liabilities and anticipated future borrowing necessary to finance critical capital improvements. Proper management of these obligations is essential to ensuring the long-term financial sustainability of the Village’s water utility system.

**Table 5: Debt Service Payments – Rate Plan**

Description	2026 <i>Current</i>	2027 <i>Forecast</i>	2028 <i>Forecast</i>	2029 <i>Forecast</i>	2030 <i>Forecast</i>	2031 <i>Forecast</i>
<b>Debt Service</b>						
IEPA Low Interest Loan	none	none	\$ 247,806	\$ 247,806	\$ 247,806	\$ 247,806
GO Bonds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<i>Total Debt Service</i>	\$ -	\$ -	\$ 247,806	\$ 247,806	\$ 247,806	\$ 247,806

## Senior Citizen Impact & Possible Solution

In developing the proposed rate structure, careful consideration has been given to the financial impact on senior citizens with limited incomes, particularly those who qualify for the Illinois Benefit Access Program (BAP), formerly known as the Circuit Breaker Program. This program generally provides eligible seniors with reduced vehicle registration fees and public transit benefits, with eligibility requiring renewal every two years.

To help mitigate the burden of increased utility costs on vulnerable senior residents, one proposed solution is the implementation of a Senior Utility Credit for qualifying participants who provide appropriate documentation to the Village. Under this proposal, eligible seniors would receive a credit of \$16.88 per month, or \$33.77 on a bi-monthly basis. This targeted relief would effectively offset the proposed water rate increase for seniors who are most in need, ensuring that customers typically paying minimum bills would experience little to no net increase compared to current rates.

Additionally, simplifying the billing structure by eliminating the separate Senior Citizen Sewer Rehabilitation Fee and consolidating all senior assistance into a single credit would improve administrative efficiency for Village billing staff. Currently, the Senior Sewer Rehabilitation Fee reduction represents \$3.33 per month, or half of the existing Sewer Rehabilitation Fee. When combined with the proposed \$16.88 monthly water credit, eligible seniors would receive a total monthly credit of \$19.88. This streamlined approach would maximize financial relief for the most impacted senior residents while simplifying utility billing administration.

# 2026 Rates

## Immediate Actions

The Village's Financial Advisors have emphasized the necessity of a comprehensive rate evaluation for the Board of Trustees to consider in order to restore financial balance to the Village's Water Fund. While a phased-in rate increase was explored as a potential option, such an approach would allow the Water Fund to remain in a structural deficit, thereby requiring continued reliance on alternative funding sources to cover operational costs—an approach that is neither financially sustainable nor fiscally prudent.

A similar circumstance occurred in 2018, when the Village implemented an approximate 80% water rate increase to address financial deficiencies resulting from prior underfunding. Given the current financial realities and long-term infrastructure needs, immediate corrective action is necessary.

Accordingly, the following actions are recommended for the Board's immediate consideration:

1. Increase rates to balance and stabilize the water fund from \$0.0563 per cu ft of water to the proposed \$0.1039 per cu ft of water (80% increase in line with what occurred in 2018).
2. Ordinance 1311 calls for water service to be billed at one (1) cubic foot with a minimum per bi-monthly billing at 670 cubic feet. Consideration should be given to change from bi-monthly billing to monthly billing for residential customers with a minimum of 335 cubic feet.
3. Establish a Senior Citizen Credit for those seniors who most need relief. This would require proof that the Senior Citizen qualifies for the State of Illinois BAP. This credit would be \$16.88 per month.
4. Establish a Capital Improvement/Debt Service Fee per residential water user, per month as follows: effective the date of the water rates \$6.00 for 2026.
  - a. effective 1/1/2027 \$8.50 per user.
  - b. effective 1/1/2028 \$8.65 per user.
  - c. effective 1/1/2029 \$8.80 per user.
  - d. effective 1/1/2030 \$8.95 per user.
  - e. effective 1/1/2031 \$9.05 per user.
5. Amend the Village's reconnect/turn on fee to reflect the cost basis for human capital involved in the disconnection and reconnection process. This should be set at \$100.00 at a minimum
6. Amend the Village's Ordinances to include Capital Improvement/Debt Service Fee to each individual (Commercial or Residential) rental unit for apartment complexes or commercial developments with one meter (regardless of if they are separately metered) to pay this fee per unit.
7. Amend the Village's Ordinance to include the Rehab fee for apartment complexes or commercial developments with one meter (regardless of if they are separately metered) to pay this fee per unit.

Additionally, the Village Administrator will direct Village staff, consultants, and engineers to conduct further evaluations of the utility's operational and capital improvement costs. This ongoing analysis will help inform future rate adjustments as additional engineering assessments are completed and long-term infrastructure and financial needs are more fully identified.

## Actions for Future Consideration

An additional policy consideration for the Village Board of Trustees is the establishment of a dedicated Water Meter Replacement Fee to systematically accumulate funds for the eventual replacement of the Village's aging



# Customer Impacts and Rate Comparison

Staff performed an analysis to evaluate the impact of the proposed rate structure on a typical residential customer. This following illustrates a minimum monthly utility bill.

## Customer Impacts

Customers with varying levels of water usage will experience different bill impacts under the proposed rate structure. In general, customers with higher water consumption will see the largest increases in total dollar amounts, while customers with lower water usage may experience larger percentage increases relative to their current bills.

Tables 7, 8, and 9 provide sample residential bill comparisons to illustrate these projected impacts across different usage levels. For consistency and ease of comparison, current residential bills—originally calculated under the Village’s existing bi-monthly billing structure—have been converted to equivalent monthly costs in the tables below.

**Table 7: Typical Senior Citizen (with BAP) Residential Bill Impacts**

CuFt		335	
Description	Proposed Rate	Current Bill	
Water Rate	\$ 34.81	\$	18.86
CIP/Debt	\$ 6.00		0
Rehab Fee	\$ 3.33	\$	3.3300
TCS- Sewer	\$ 1.83	\$	1.8300
Sewer Use	\$ 5.66	\$	5.66
Garbage (Senior) <sup>1</sup>	\$ 25.63	\$	25.6300
Senior Credit <sup>2</sup>	\$ (19.88)		
	\$ 57.38	\$	55.31

This is about 335 cu ft or 2,500 gallons of water which will be the Village’s minimum monthly billing.

<sup>1</sup> Garbage Rate per month for non-senior is \$28.84 through a contract with Republic Services  
<sup>2</sup> Senior Credit is recommended for those senior citizens who qualify for the BAP

**Table 8: Residential Bill Impacts – Higher Monthly Use 804 cu ft**

This illustration shows a consumer with a higher use of 804 or about 6,000 gallons of water in one month.

CuFt		804	
Description	Prop. Rate	Current Bill	
Water Rate	\$ 83.54	\$	45.27
CIP/Debt	\$ 6.00		0
Rehab Fee	\$ 3.33	\$	3.3300
TCS- Sewer	\$ 1.83	\$	1.8300
Sewer Use	\$ 13.59	\$	13.59
Garbage (Non- Senior)	\$ 28.84	\$	28.8400
	\$ 137.12	\$	92.85

Table 9 below shows what the water billing change would be for higher water users monthly.

**Table 9: Water Usage Impacts**

CuFt	Gallons	Current Bill	Proposed	\$ Change
335	2,500	\$ 18.86	\$ 34.81	\$ 15.95
535	4,000	\$ 30.12	\$ 55.59	\$ 25.47
802	6,000	\$ 45.15	\$ 83.33	\$ 38.18
1,337	10,000	\$ 75.27	\$ 138.91	\$ 63.64
2,005	15,000	\$ 112.88	\$ 208.32	\$ 95.44
2,674	20,000	\$ 150.55	\$ 277.83	\$ 127.28

### Rate Comparison

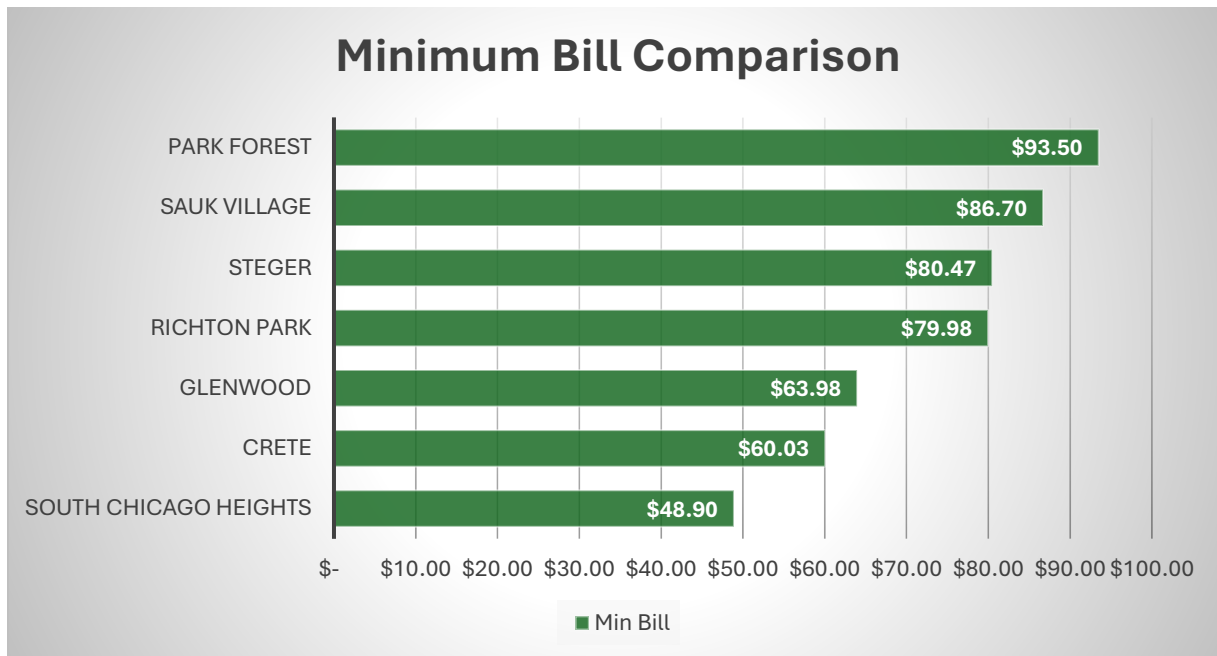
Table 10 provides a comparison of the Village of Steger’s typical minimum monthly residential utility bill against a representative sample of neighboring communities. In 2025, the Village’s minimum residential billing threshold was based on 335 cubic feet, or approximately 2,500 gallons, of water usage per month (equivalent to 670 cubic feet under the previous bi-monthly billing structure).

To ensure an accurate and meaningful comparison, the rates presented have been standardized to reflect combined monthly costs for water, sewer, and garbage disposal services. Under this analysis, the estimated monthly equivalent minimum residential bill for a Steger resident—approximately \$80.47—would remain generally consistent with rates charged by surrounding communities.

These comparative benchmarks provide valuable insight into the Village’s utility pricing structure and help assess whether proposed rates remain competitive while supporting the financial sustainability of essential public services.

**Table 10: Minimum Bill Comparison**

2500 Gallons/335 cu ft	Min Bill
South Chicago Heights <sup>3</sup>	\$ 48.90
Crete	\$ 60.03
Glenwood <sup>4</sup>	\$ 63.98
Richton Park	\$ 79.98
<b>Steger</b>	<b>\$ 80.47</b>
Sauk Village	\$ 86.70
Park Forest	\$ 93.50



<sup>3</sup> Village of South Chicago Heights receives Lake Michigan Water from Chicago Heights

<sup>4</sup> Village of Glenwood receives Lake Michigan Water from Chicago Heights, has not completed audits and has at least \$4 million in infrastructure repairs needed to their water system according to public information.