INFORMATION PAPER

Public Utilities Department December 27, 2022

SUBJECT: Alternative Water Source Program

1. Purpose: To provide a high level overview of the City of Joliet's Alternative Water Source Program

2. Facts:

- a. The City of Joliet's existing water source, the deep sandstone aquifer, is not sustainable and will not be able to meet maximum day water demands by 2030.
- b. A two phased alternative water source study was initiated in 2018 to explore all possible water source options. Based on the results of this study, the City Council selected Lake Michigan as the City's new water source in January 2020 and directed staff to evaluate two alternatives: purchasing water from the Chicago Department of Water Management or building a new water system with an intake in Indiana.
- c. The project team evaluated both alternatives in 2020 and presented the results to the City Council in November 2020. At a special City Council meeting on January 28, 2021 the City Council selected the Chicago Department of Water Management alternative.
- d. Significant expenditures for capital improvements (\$600-\$800 million) will be required resulting in anticipated water rate increases over the next 15-20 years. The project team has begun to evaluate programs to address affordability.
- e. The City has developed a funding strategy that utilizes federal low interest loans (WIFIA), state low interest loans (SRF) and revenue bonds and has retained a firm to advocate on the City's behalf for potential grants and other funding.
- f. This is a regional problem and the City has entered into a Preliminary Agreement Regarding Formation of a Water Commission with Channahon, Crest Hill, Minooka, Romeoville and Shorewood to develop a regional solution that will result in lower costs for all members.
- g. The project schedule includes preliminary engineering design from 2021 2022, final engineering design 2023-2024 and construction 2024-2030.
- h. Detailed information on this program is available at the City's project website, www.RethinkWaterJoliet.org, and the Grand Prairie Water Commission Website, www.gpwc-il.org.

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Enclosures:

None