

NOTICE of UTILITY BILLING CHANGES

Beginning with utility bills for any period starting on or after January 1, 2018, the minimum water usage amount on all utility bills (representing the minimum cost to provide the Village's Lake Michigan water service) will decrease from 10,000 to 9,000 gallons per quarter. This will result in a \$6.30 decrease of the minimum quarterly utility bill for Senior and smaller households, from \$63.00 to \$56.70, **or \$25.20 per year**.

In addition to this decrease in the minimum water usage, the Village has implemented a quarterly water use and consumption tax in 2018 for all households and businesses at a fixed minimum rate of \$7.20 per quarter (**or a minimum of \$28.80 per year**) plus \$0.80 per 1,000 gallons used above the 9,000 gallon minimum threshold. This tax will be billed to all households and businesses to fund the Village's annual street repairs and maintenance regardless of the number of vehicles owned and operated by the owners or tenants.

To partially offset the changes in the minimum utility bill:

The Village's VEHICLE STICKER PROGRAM WILL BE ELIMINATED.
Residents will not be required to purchase vehicle stickers after June 30, 2018.

Illustrated below is the impact of the changes on typical Oak Lawn households:

	AVERAGE HOUSEHOLD SIZE				
	<u>Senior</u>	<u>Senior</u>	<u>Smaller</u>	<u>Average</u>	<u>Larger</u>
Estimated usage (gallons)	9,000 (min)	9,000 (min)	9,000 (min)	18,000	27,000
Bill calculated at current rate	\$63.00	\$63.00	\$63.00	\$114.20	\$171.80
Bill calculated at new rate	\$56.70	\$56.70	\$56.70	\$114.30	\$171.90
Water rate change per quarter	6.30	6.30	6.30	(0.10)	(0.10)
Water use/consumption tax per quarter	(7.20)	(7.20)	(7.20)	(14.40)	(21.60)
Net fee increase per quarter	(0.90)	(0.90)	(0.90)	(14.50)	(21.70)
Utility bill annualized cost	(3.60)	(3.60)	(3.60)	(58.00)	(86.80)
	<u>1 car</u>	<u>2 cars</u>	<u>2 cars</u>	<u>3 cars</u>	<u>4 cars</u>
Vehicle sticker annual savings	\$5.00	\$30.00	\$50.00	\$75.00	\$100.00
Net reduction in fees	\$1.40	\$26.40	\$46.40	\$17.00	\$13.20