

**IMPORTANT NOTICE**



**REGARDING YOUR BILL**

**This is an important message regarding Chicago's massive water rate increase  
and its impact upon your water bill**

Like most suburbs, Elk Grove purchases Lake Michigan water from the City of Chicago via the Joint Action Water Agency (JAWA). In 1983, JAWA signed a long-term contract with Chicago to supply Lake Michigan water to Elk Grove Village and seven other suburbs. This water supply contract is valid until 2023.

As we recall from the news last November, Chicago launched an unprecedented increase in water rates. We believe Chicago's massive rate increase is irresponsible during these difficult financial times. However, we are contractually obligated to pay it. JAWA pays the same rate as Chicago residents for water. No one would have guessed that Chicago would pass a massive rate increase onto its residents.

In response to Chicago's huge water rate increase, we considered utilizing other sources of water. JAWA has entered into a study with the City of Evanston to explore the acquisition of Lake Michigan water. We even explored the use of well water. Unfortunately, with our contractually required minimum water purchases owed to Chicago, there is no viable solution for using other sources of water until our contract expires in 2023.

While Elk Grove absorbed as much of Chicago's rate increase for as long as possible, we are now compelled to pass along some of Chicago's water rate increase to our customers as most other towns have done already. Effective with the bill in August, our total water/sewer rates will change as follows:

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Chicago's Water Rate Increase:	25%	15%	15%	15%
Elk Grove Change:	17%	12%	13%	12%

We are disappointed that we now have to pass along Chicago's water rate increase to our customers. On the positive side, Elk Grove does not place an additional flat rate fee on our bill like many of our neighboring communities, nor do we charge a storm water impact fee. With our fee strictly on the number of gallons used, customers have some control over their future water bills.

In closing, we do have good news. Unlike the bygone days of well water, we now have a virtually unlimited supply of clean, soft, drinking water from Lake Michigan. Moreover, despite the rate increase, Elk Grove's water/sewer rates will continue to be among some of the lowest in the region. Rest assured that we will continue to explore cost effective solutions for water that may become available.

Sincerely,

Craig B. Johnson, Mayor

Nancy J. Czarnik, Village Trustee

Patton L. Feichter, Village Trustee

Jeffrey C. Franke, Village Trustee

Samuel L. Lissner, Village Trustee

James P. Petri, Village Trustee

Chris Prochno, Village Trustee