

# CITY WATER, LIGHT & POWER

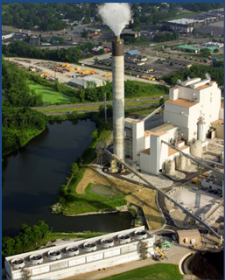


## FY2026 BUDGET PRESENTATION

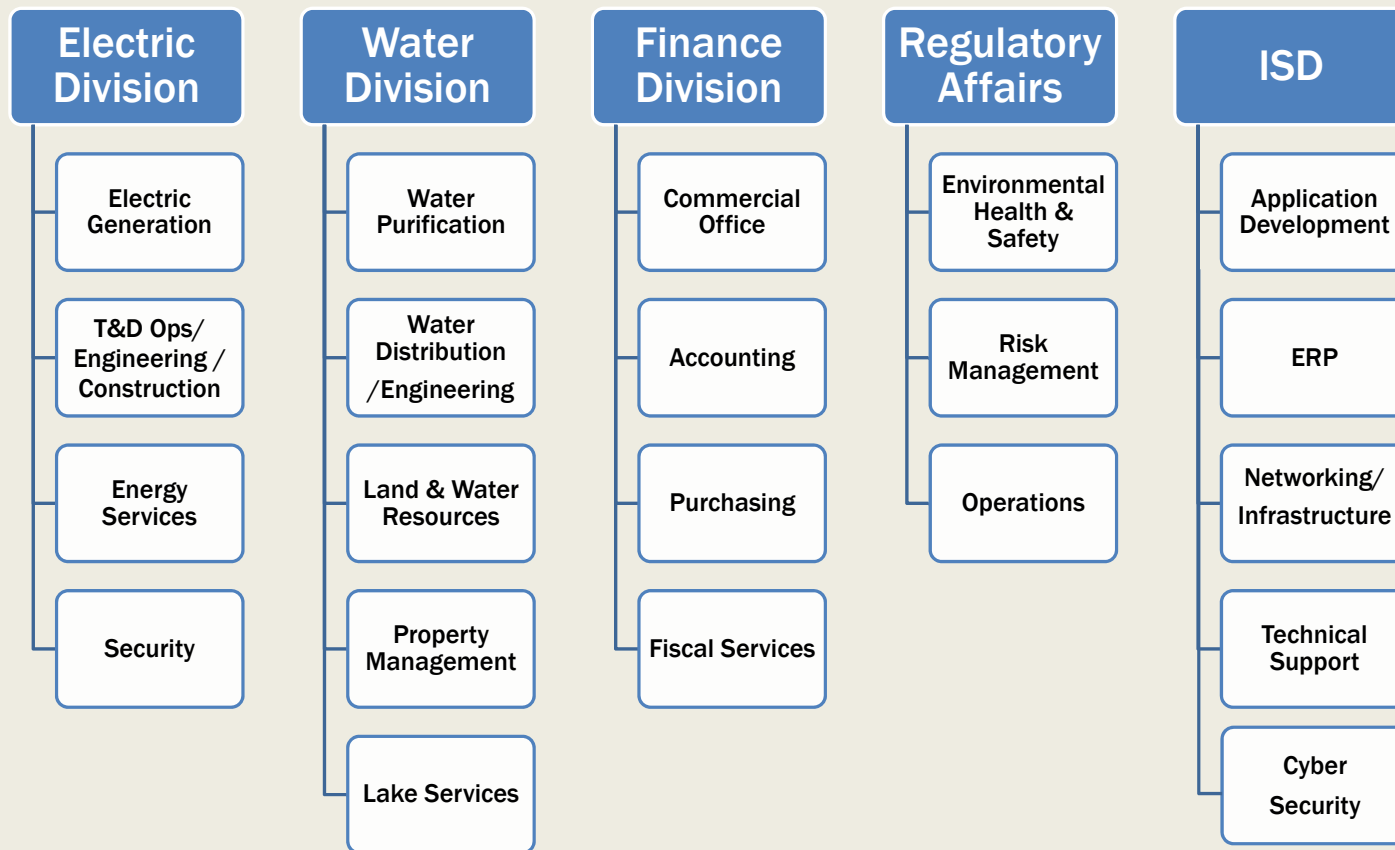
*Misty Buscher, Mayor*

*Doug Brown, Chief Utility Engineer*

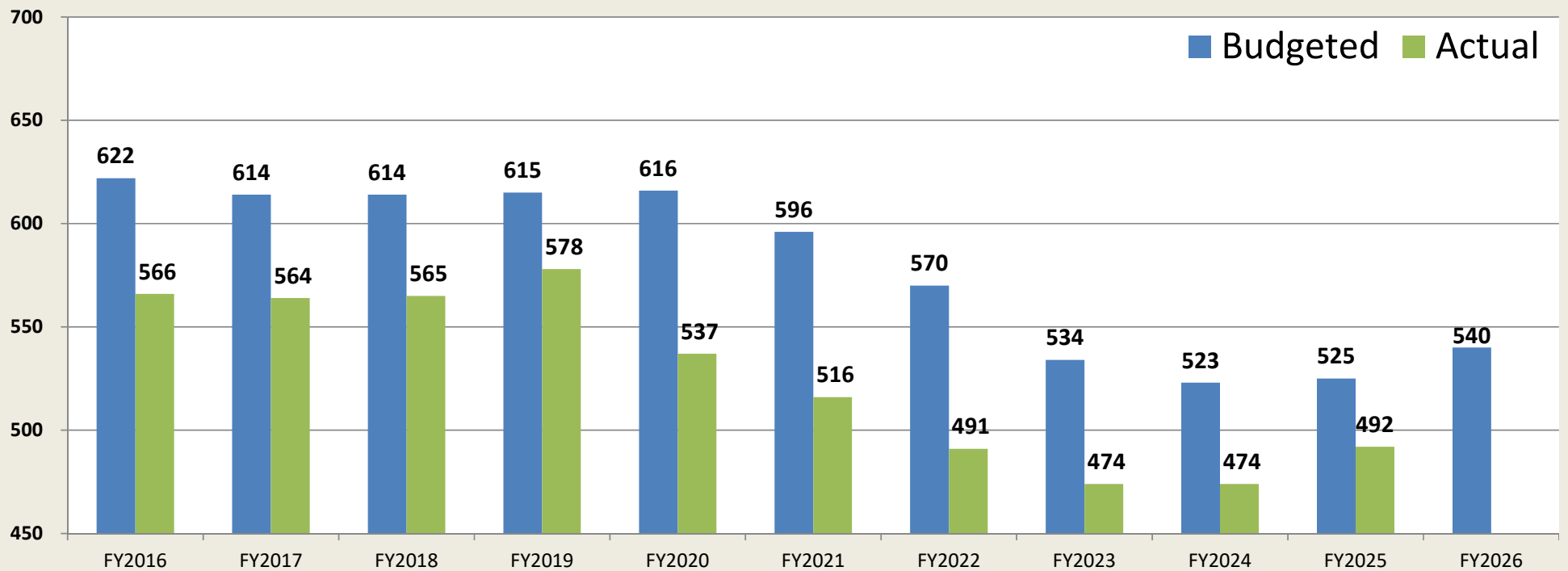
*January 23, 2025*



# DEPARTMENT OVERVIEW



# HEADCOUNT TREND



**14% Minority and 19% Female**

# PILOT, CITY & SHARED SERVICES

City Services		Shared Services		FY2026	
<ul style="list-style-type: none"> <li>• ISD Services \$2.5M</li> <li>• Streetlight Maintenance &amp; Electricity \$4.5M</li> <li>• Traffic Light Maintenance &amp; Electricity \$770k</li> <li>• Water for street cleaning, sewer flushing and fire fighting \$225K</li> </ul>		<ul style="list-style-type: none"> <li>• Human Resources \$731K</li> <li>• Corporation Counsel \$280K</li> <li>• OBM \$390K</li> <li>• Mayor's Office \$84K</li> </ul>		<b>Electric Fund PILOT</b> <b>\$9,927,645</b> City Services \$7,472,202 Shared Services Payment \$1,262,250 <u><b>Electric Total</b></u> <u><b>\$18,662,097</b></u>  <b>Water Fund PILOT</b> <b>\$651,476</b> City Services \$598,630 Shared Services Payment \$222,750 <u><b>Water Total</b></u> <u><b>\$1,472,856</b></u>  - - - - <u><b>CWLP Total To Corporate</b></u> <u><b>\$20,134,953</b></u>	



# ACCOMPLISHMENTS

- Electric Bond Refinancing - \$23 M Savings
- Unit 4 Turbine Overhaul
- Secured Lower Cost Coal Supplier
- RFP for Phase 1 Dallman 31, 32 & 33 Decommissioning
- Grants- Lead Service Lines, Cybersecurity, Substation monitoring, Community Solar, Downtown Asset Survey, ESO Electric Cargo Van, Energy Audit Equipment, LED Street Lights
- 2 RFPs Solar & Batteries, and Advanced Metering Infrastructure (AMI)
- Solar Net Metering – 11.2MW customer-owned connected
- Marine Point Lighting/Security
- Poplar Place Rebuild
- Railroad Relocation Water & Electric Infrastructure
- Mutual Aid Crews to Hurricane Helene

# ACCOMPLISHMENTS

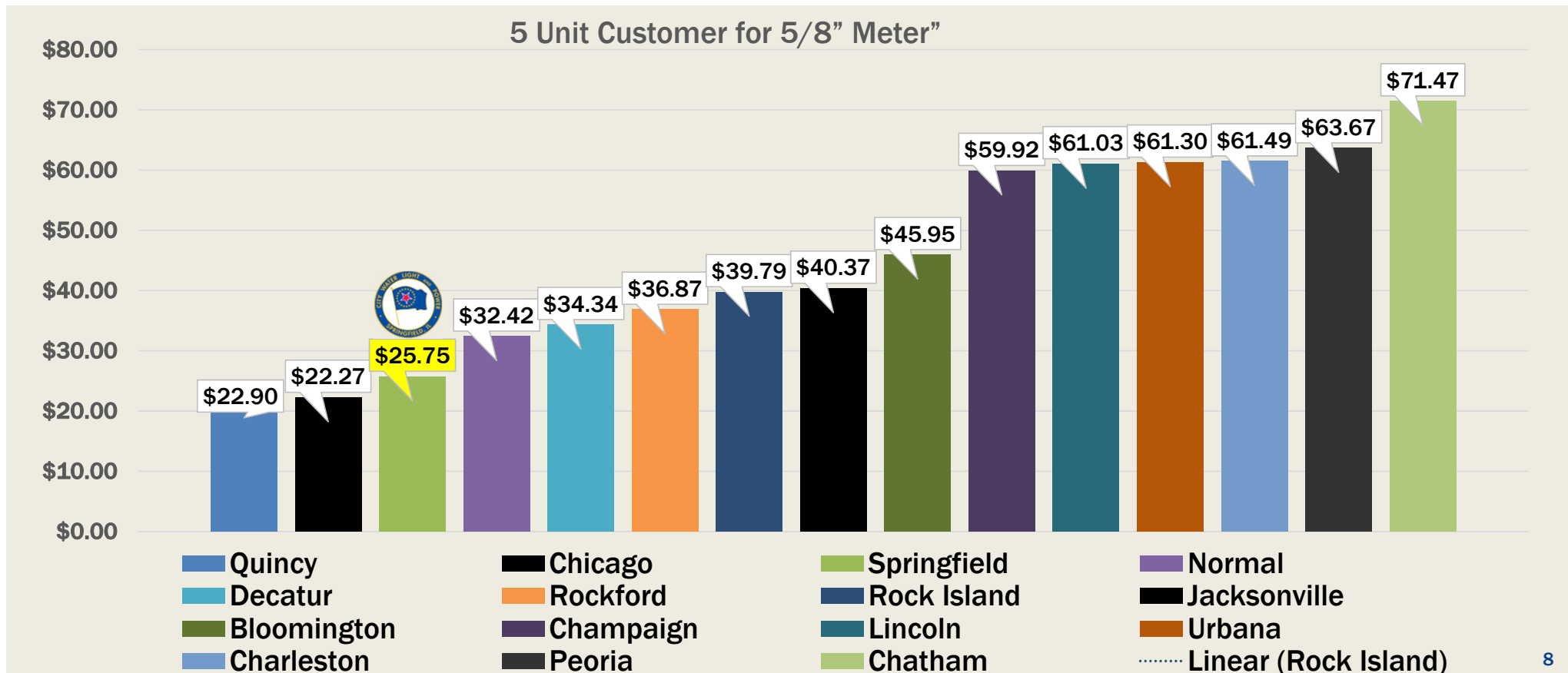
- Improving the Water Fund
- 180 Lead Service Lines Replaced
- 4 Miles of Water Main Work
- Preliminary Design New Water Distribution Building at new location
- Lake Springfield Watershed Work
  - \$280k for 11 RCPP projects
  - Cover crops, grass waterway, rock lined waterway installations
- IRAP - Reducing Deer Population around Lake
- Began ERP Upgrade & Microsoft Office 365 Migration
- Water Ambassador Designation
- Smart Energy Provider Designation
- Customer Satisfaction Survey
- Launched Web Blog

# FY25 FY26 WATER RATE INCREASE

## **Protect Water Quality, Reliability & Meet Regulatory Compliance**


- Building Cash In First Year
- Reduced payable to Electric from \$5.5M to \$1M
- Made payment to Corporate on drowning lawsuit \$170K
- Reinstated Water Pilot Payment to Corporate for FY26 \$651K
- Complying with Illinois Regulations – Lead Service Lines
- Increased Main Replacements to decrease frequency of water main breaks
- Operations & Maintenance – Cover cost increases for Chemicals and Disposal
- Plan For Future Bond Issuance
  - Dredging Lake Springfield, Accelerated Lead Service Line Replacement per Federal Rules, Lindsay Bridge

# FY 26 WATER RATE COMPARISON (USAGE AND METER CHARGE)



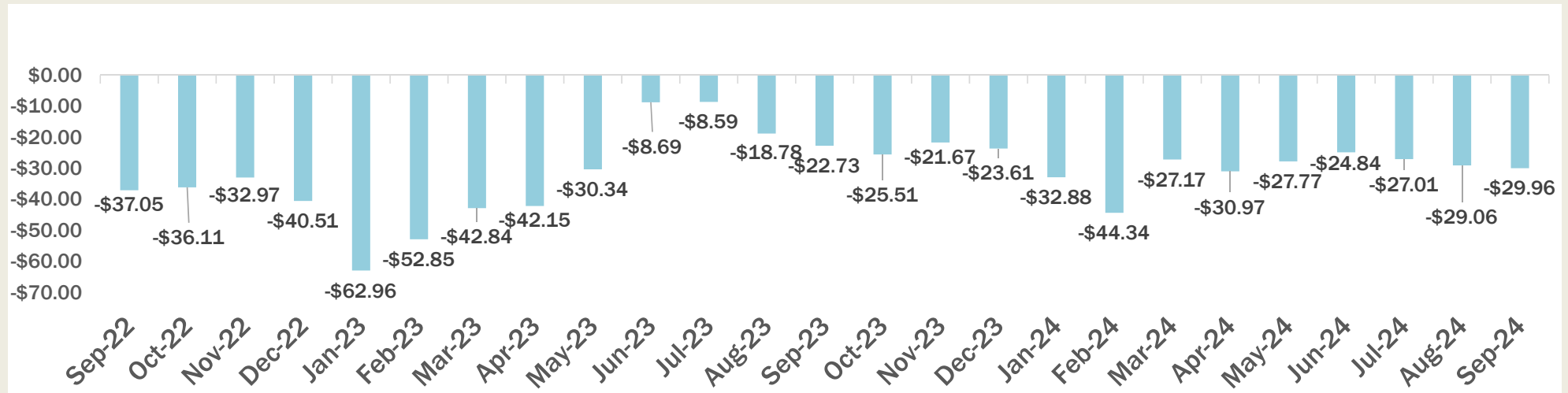
# RESIDENTIAL ELECTRIC BILL COMPARISON CWLP VS. AMEREN, COMED

## Bill Comparison of Electric Charges/Customer/Month FY '25

		Ameren	Ameren	Ameren	ComEd
	<b>CWLP</b>	<b>CIPS</b>	<b>CILCO</b>	<b>IP</b>	
<b>Fixed Charges</b>	\$15.35	\$13.07	\$15.13	\$15.13	\$15.29
<b>Variable Charges</b>	\$94.71	\$140.15	\$139.49	\$140.02	\$112.58
<b>Separate Municipal Tax</b>	\$0	\$3.11	\$3.38	\$2.22	\$6.40
<b>State Electric Excise Tax</b>	\$2.72	\$2.81	\$2.81	\$2.81	\$2.81
<b>Total Bill</b>	<b>\$112.77</b>	<b>\$159.14</b>	<b>\$160.81</b>	<b>\$160.18</b>	<b>\$137.08</b>

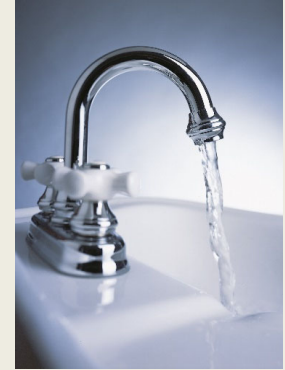
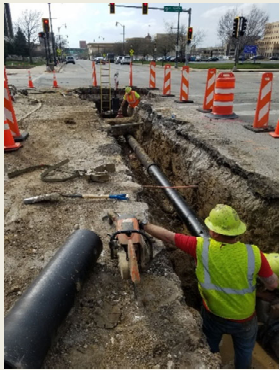
# RESIDENTIAL ELECTRIC BILL COMPARISON CWLP VS ILLINOIS UTILITY AVERAGE \$/MO

## CWLP \$ SAVINGS PER MONTH TO ILLINOIS UTILITY AVERAGE



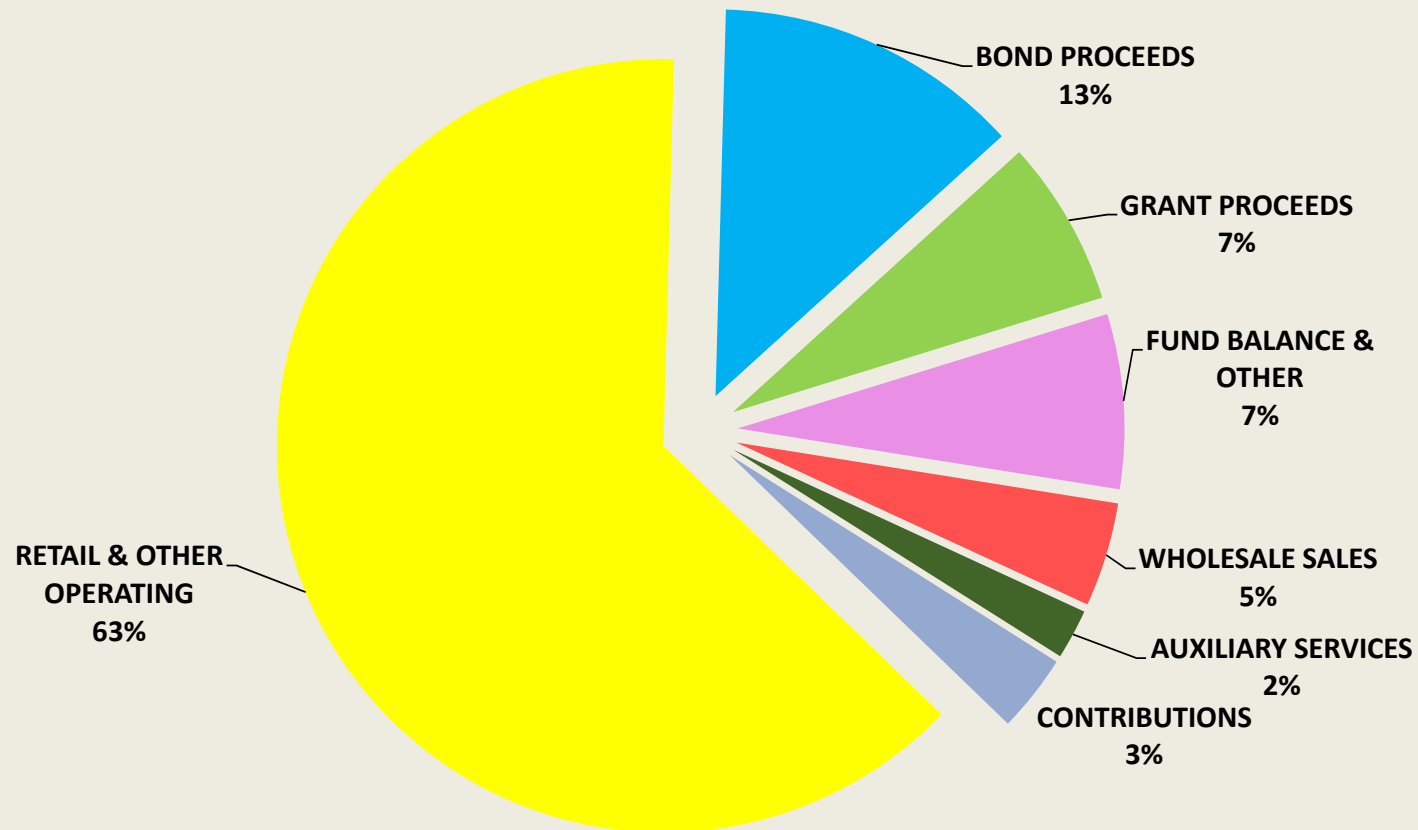
- CWLP Residential customers paid \$781 less than Illinois average  
CWLP Averaged \$31 per month lower

# WATER FUND





# FY26 WATER FUND RESOURCES

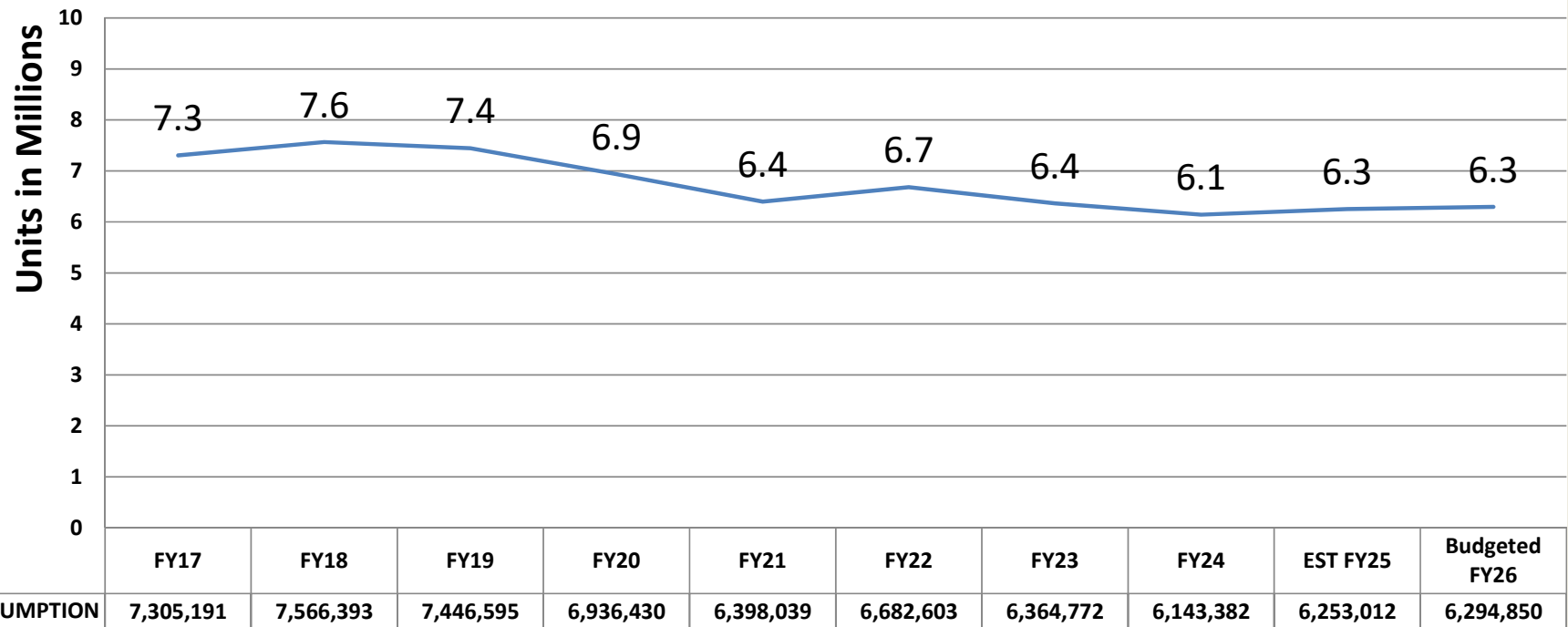


# WATER FUND RESOURCES

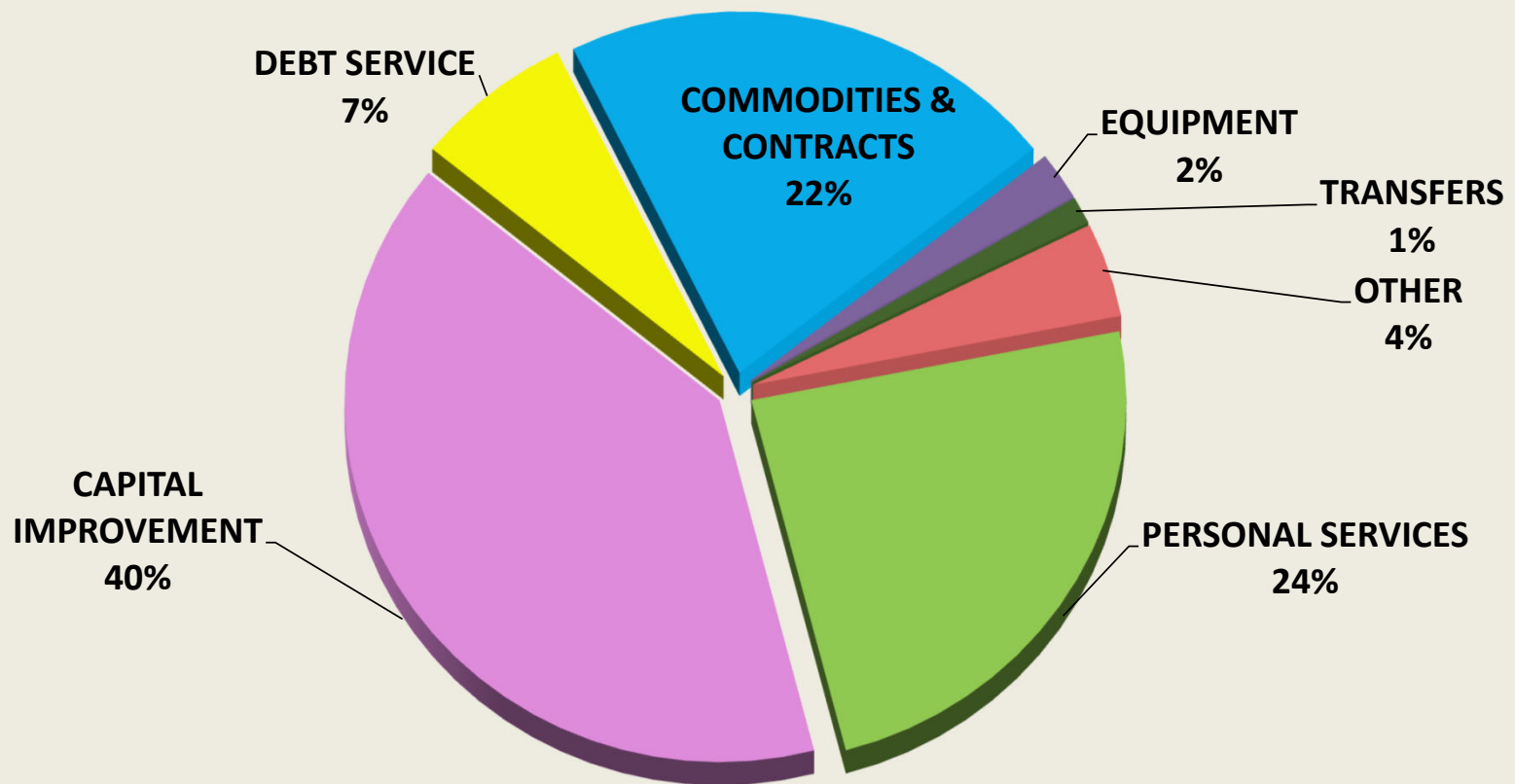
	<b>BUDGETED RESOURCES</b>			
	<b>FY2026</b>	<b>FY2025</b>	<b>\$ VARIANCE</b>	<b>%VARIANCE</b>
<b>RETAIL REVENUE</b>	<b>\$ 40,807,893</b>	<b>\$ 32,564,345</b>	<b>\$ 8,243,548</b>	<b>25.3%</b>
<b>BOND PROCEEDS</b>	<b>8,290,000</b>	<b>7,500,000</b>	<b>790,000</b>	<b>10.5%</b>
<b>GRANT PROCEEDS</b>	<b>4,485,080</b>	<b>4,258,100</b>	<b>226,980</b>	<b>5.3%</b>
<b>FUND BALANCE &amp; OTHER</b>	<b>4,716,876</b>	<b>4,737,324</b>	<b>(20,448)</b>	<b>-0.4%</b>
<b>WHOLESALE &amp; OTHER OPERATING</b>	<b>2,813,519</b>	<b>2,489,112</b>	<b>324,407</b>	<b>13.0%</b>
<b>AUXILIARY SERVICES</b>	<b>1,350,292</b>	<b>1,310,834</b>	<b>39,458</b>	<b>3.0%</b>
<b>CONTRIBUTIONS</b>	<b>2,100,000</b>	<b>2,130,000</b>	<b>(30,000)</b>	<b>-1.4%</b>
<b>TOTAL</b>	<b>\$ 64,563,660</b>	<b>\$ 54,989,715</b>	<b>\$ 9,573,945</b>	<b>17.4%</b>

# WATER RETAIL SALES TREND

1 UNIT = 748 GALLONS



# FY26 WATER FUND EXPENSES BY EXPENSE CATEGORY

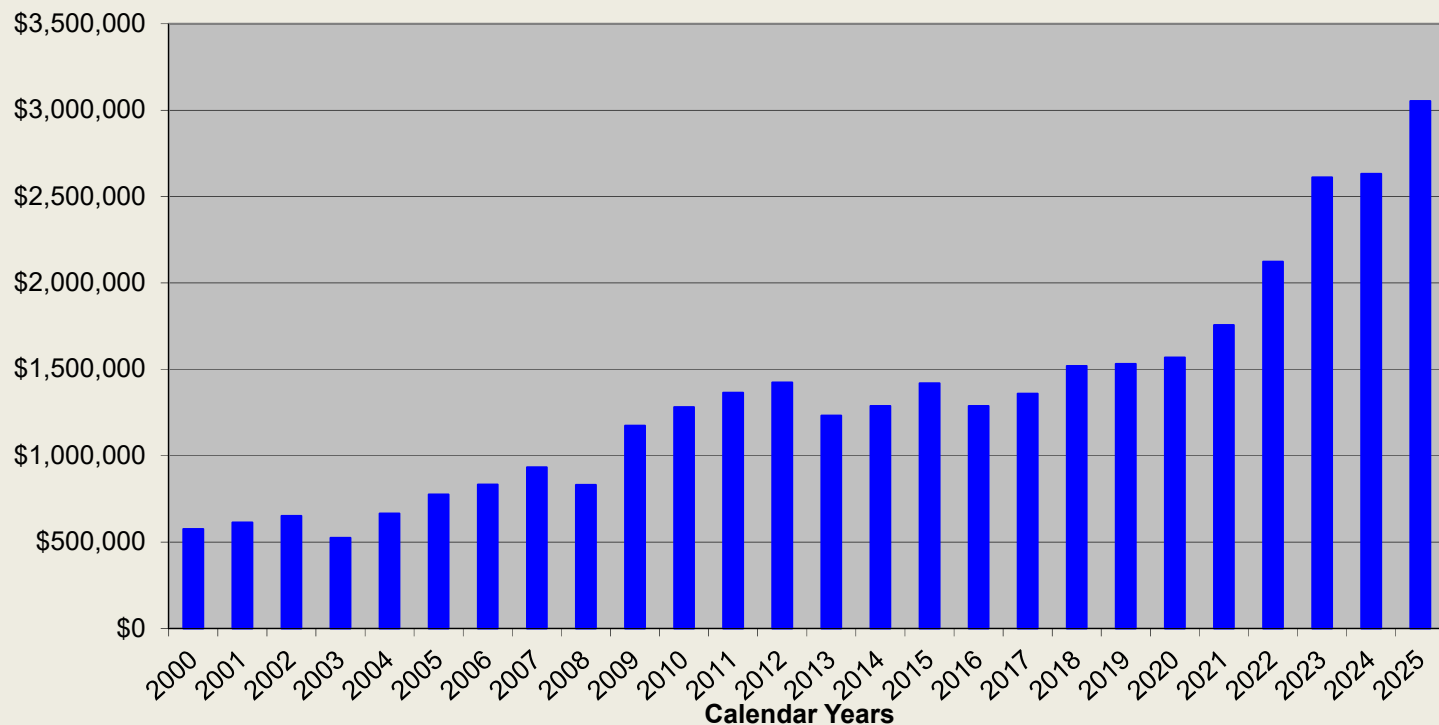


# FY26 WATER FUND EXPENSES

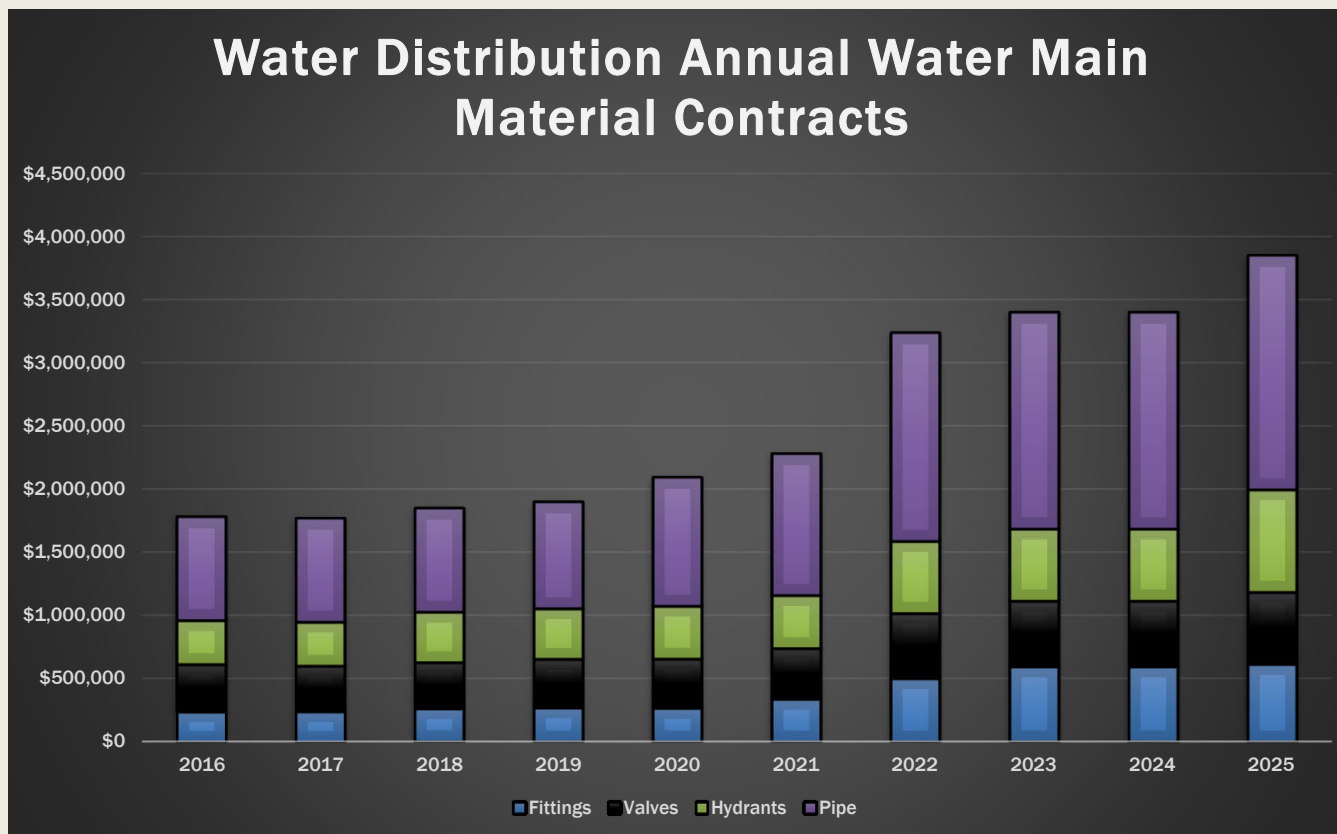
BUDGETED EXPENSES				
	FY2026	FY2025	\$ VARIANCE	% VARIANCE
PERSONAL SERVICES	\$ 16,217,821	\$ 15,037,615	\$ 1,180,207	7.8%
CAPITAL IMPROVEMENTS	26,963,702	23,195,961	3,767,741	16.2%
COMMODITIES/CONTRACTS	14,636,521	12,663,540	1,972,981	15.6%
DEBT SERVICE	4,630,547	4,949,740	(319,193)	-6.4%
EQUIPMENT	1,454,300	257,227	1,197,073	465.4%
TRANSFERS	821,789	170,313	651,476	382.5%
OTHER	2,858,185	2,670,331	187,854	7.0%
<b>TOTAL</b>	<b>\$ 67,582,865</b>	<b>\$ 58,944,727</b>	<b>\$ 8,638,139</b>	<b>14.7%</b>

# WATER PURIFICATION PLANT ANNUAL CHEMICAL COST

## CWLP - Water Purification Plant Annual Chemical Cost

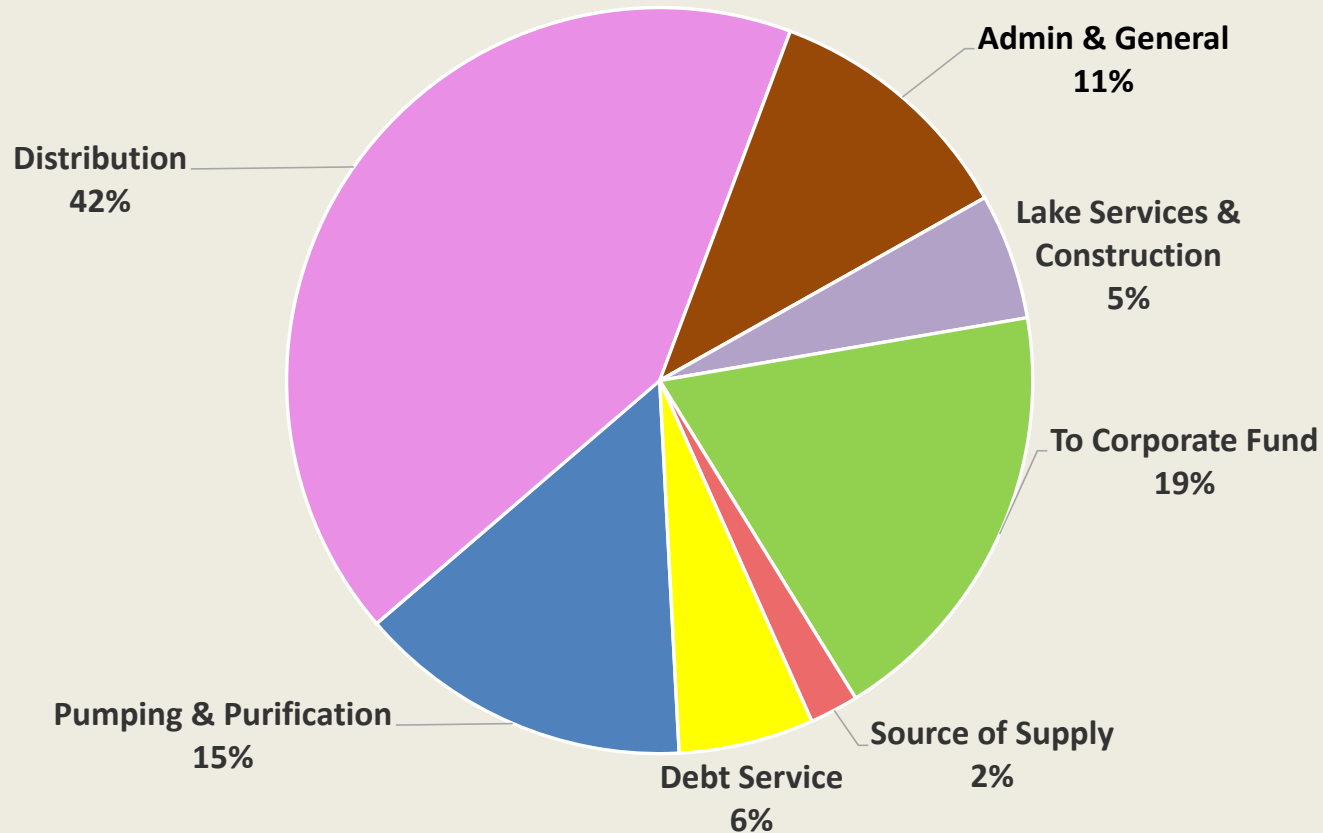


# WATER FUND DISTRIBUTION SYSTEM MATERIAL EXPENSES





# FY26 WATER FUND EXPENSES BY DIVISION



# FY26 MAJOR FINANCIAL ALLOCATIONS

- Water Main Replacement and Lead Service Line \$10.8M
- Crew/Staff Addition at Water Distribution \$1M
- Water Distribution Department Facility Relocation - \$13.5M
- Address Debt
  - Reimburse Corporate Fund For Lawsuit Payment for drowning \$170K
  - Reinstate Water PILOT Payment to Corporate \$651K
  - Electric Fund Reimbursement - \$1M
- Equipment Replacement Program \$1.4M
- Water Shed – IL EPA 319 Grant \$350K for two years
- Lake Roads \$300k



# RAIL CONSOLIDATION WATER PROJECTS

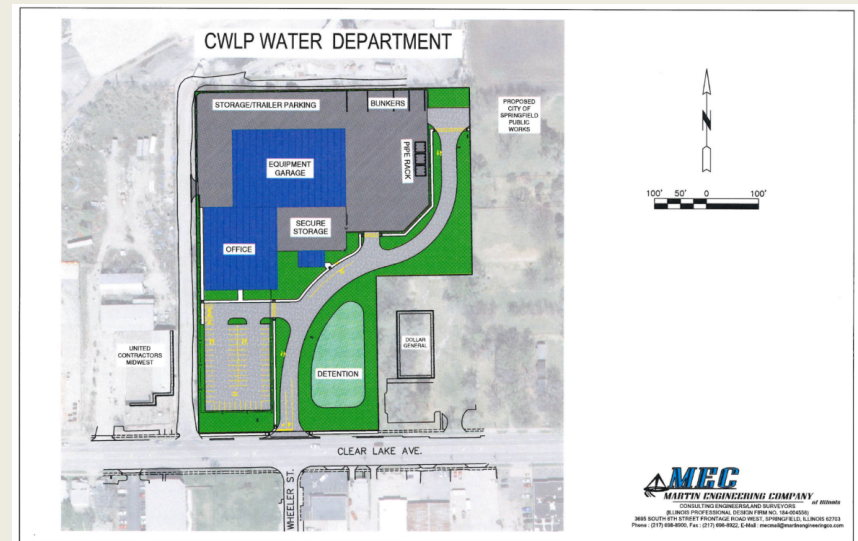


**CWLP Water High Speed Rail Costs**

Project Location	Status	Actual Cost (Water)	Projected Cost (Water)
11th & Ridgely Upgrades	Future		\$ 1,500,000
19th & North Grand Overpass	Future		\$ 400,000
10th & North Grand Underpass	In Progress		\$ 4,800,000
10th & Carpenter Underpass (R214)	Complete	\$ 151,000	
10th & Madison Underpass	N/A		
10th & Jefferson Underpass (R505)	Complete	\$ 359,000	
10th & Monroe Upgrades (R515)	Complete	\$ 893,000	
10th & Cook Existing Underpass Upgrades (R500)	Complete	\$ 121,000	
10th & South Grand Existing Underpass Upgrades	N/A		
19th & South Grand Underpass	Future		\$ 150,000
10th & Laurel Underpass (R341)	Complete	\$ 199,000	
9th & Ash Underpass (R341 + R322)	Complete	\$ 970,000	
19th & Ash Underpass	Future		\$ 150,000
5th & 6th Existing Underpass Upgrades (N. of Iles) (R404)	Complete	\$ 529,000	
		\$ 3,222,000	\$ 7,000,000
Grand Total			\$ 10,222,000

# WATER DISTRIBUTION FACILITY RELOCATION

- Share property with Public Works at Clear Lake Site
- Fall 2025 construction planned ~\$16M (\$8 M Bonded in 2020)



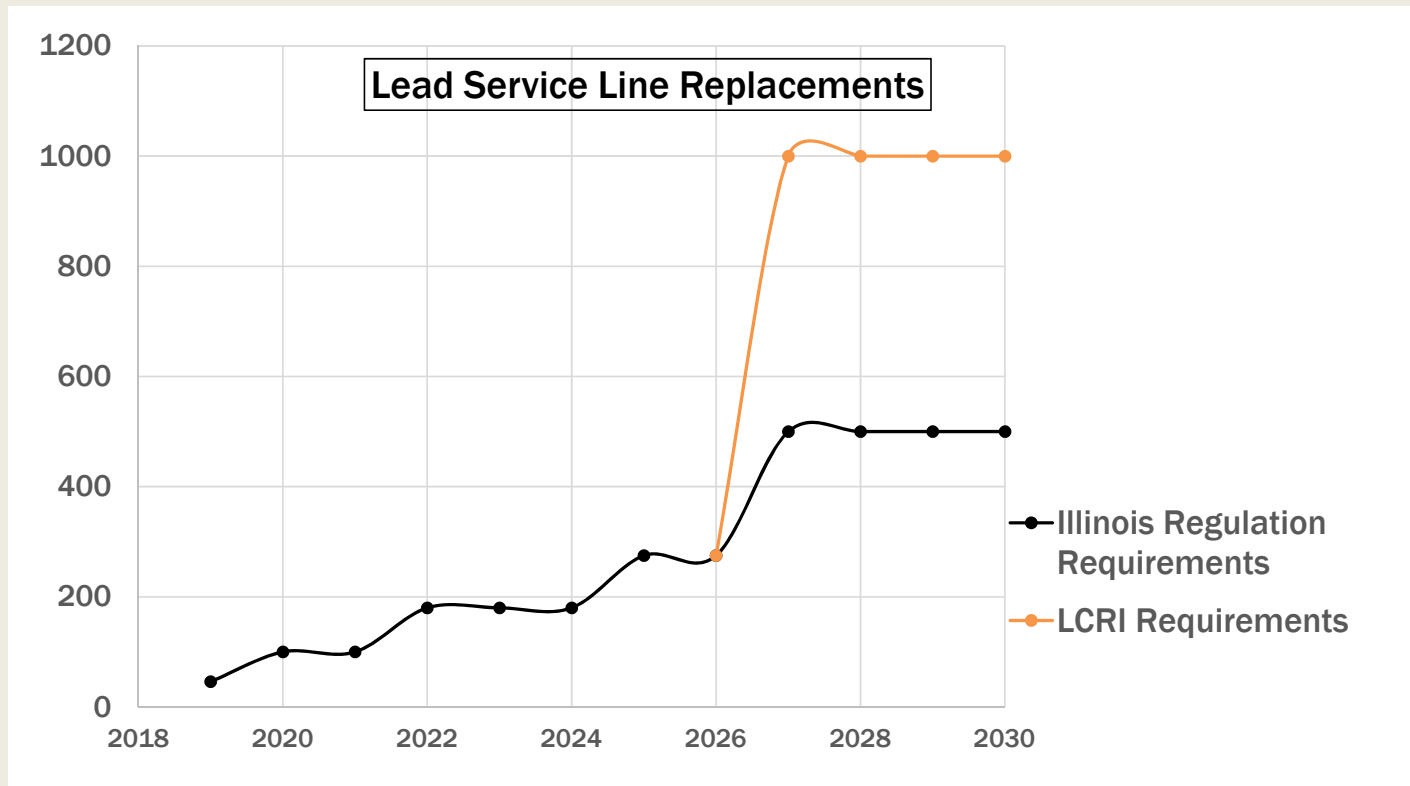
2021/2101 Clearlake Avenue

# FY'26 AND FY'27 LEAD LINE REPLACEMENT PROGRAM



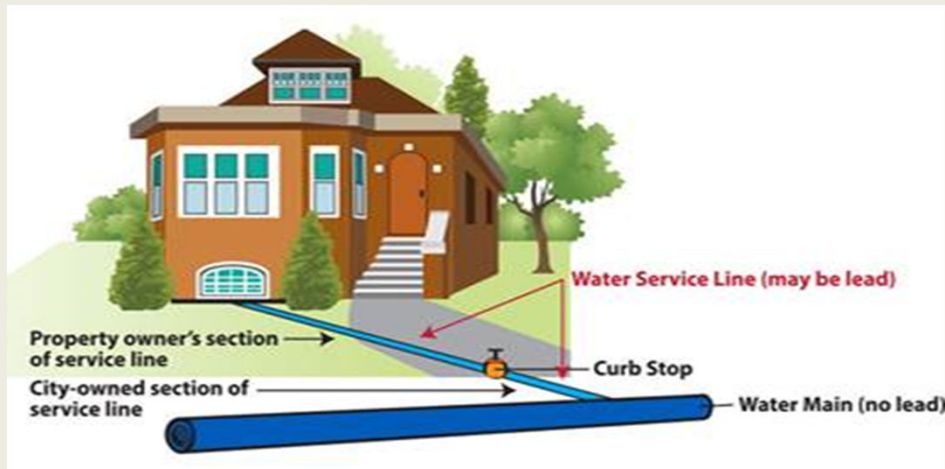
- 550 Total Lead Service Line Replacements ~ \$7M
- Planned Replacements (400, \$5M)  
CWLP/IEPA SRF Funded  
Wards 2 & 3 Census Tracts 16 and 23
- Emergency Replacements (150, \$2M)  
- CWLP/ARPA Funded

# LEAD SERVICE LINE PROGRAM





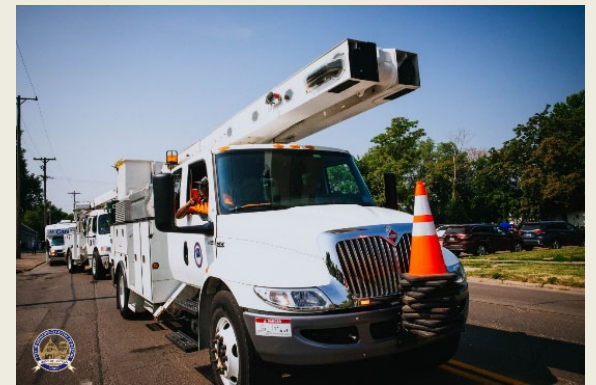
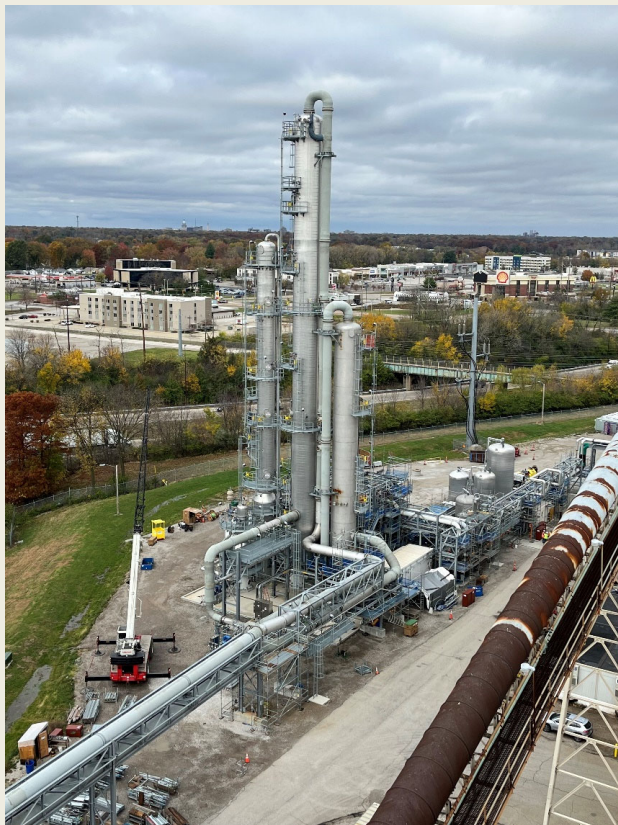
# LCRI FEDERAL UNFUNDED MANDATE LEAD SERVICE LINE REPLACEMENT



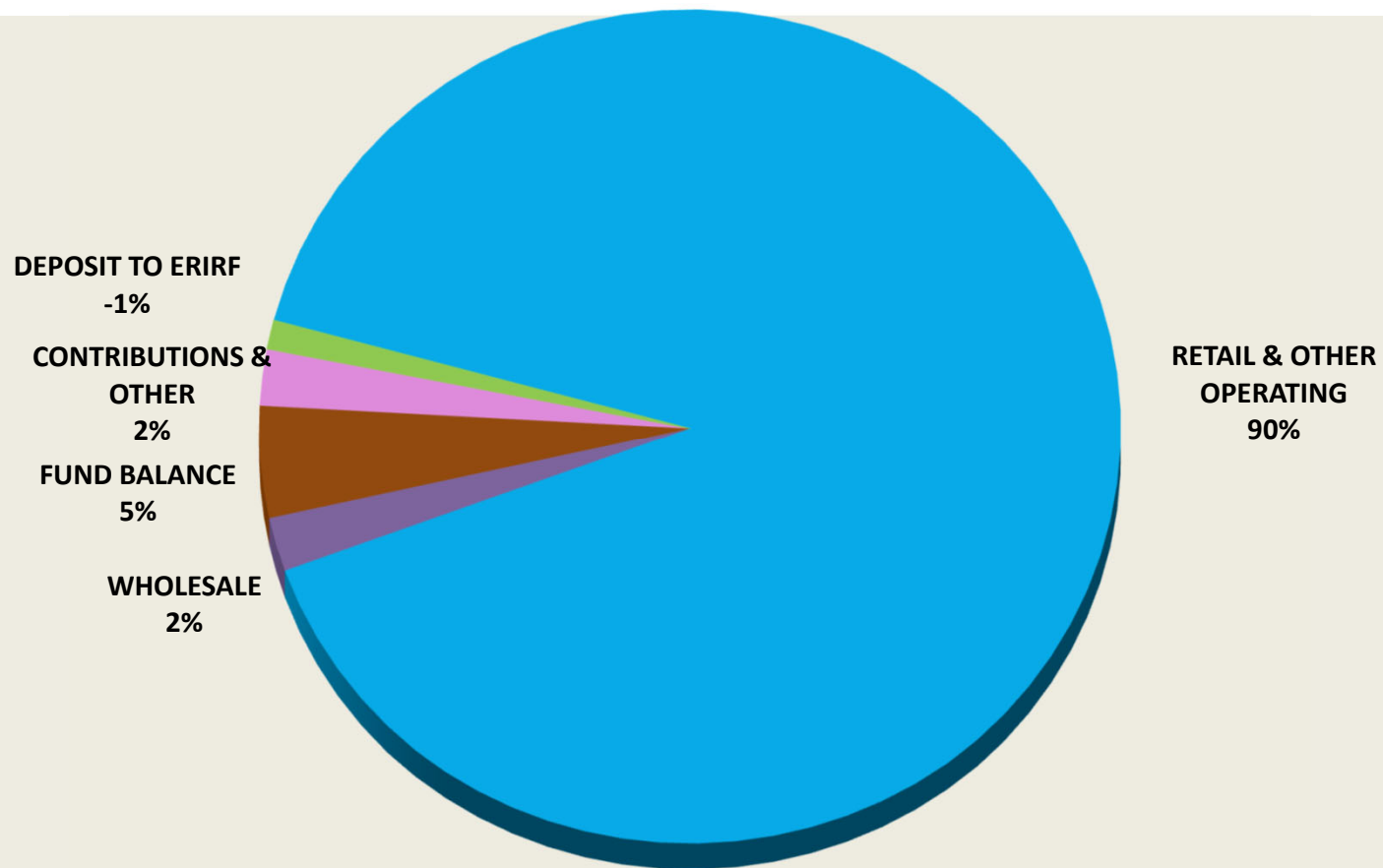
- Federal and State Regulations Start in 2027 – 10% of lines each year
- \$150M over 10 years
- \$15M/Year for 10 Years ~ 1,000 services/year



# ELECTRIC FUND



# FY26 ELECTRIC FUND RESOURCES

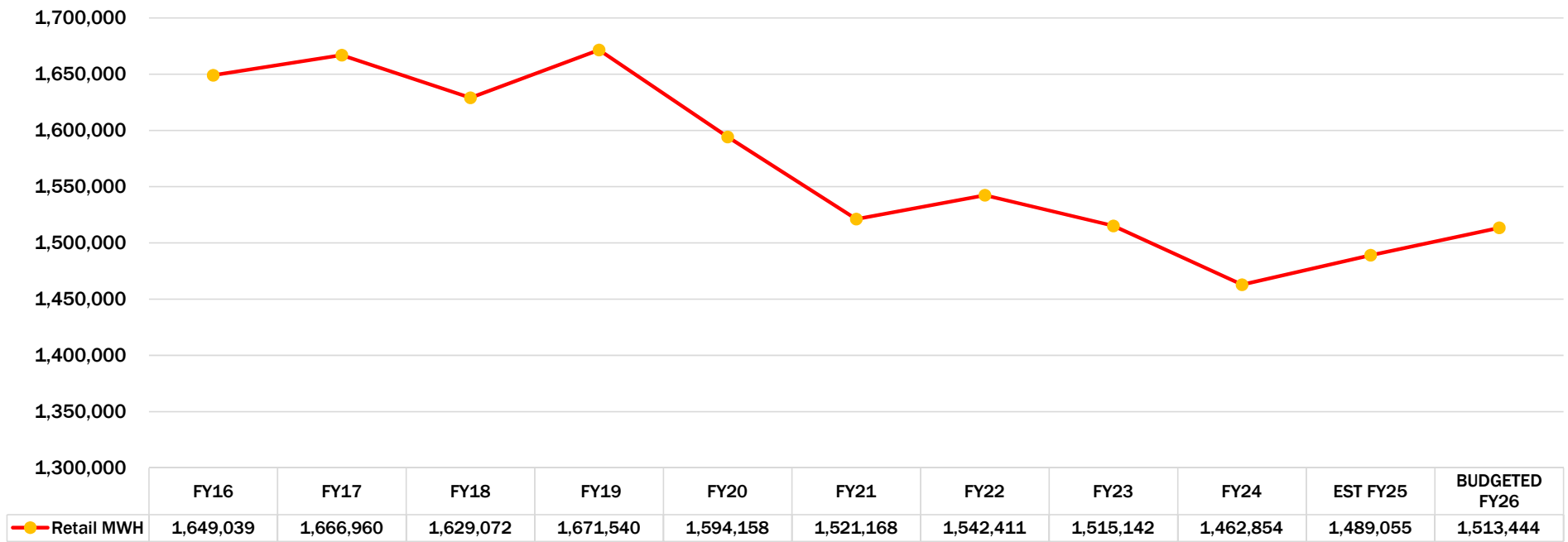


# ELECTRIC FUND RESOURCES

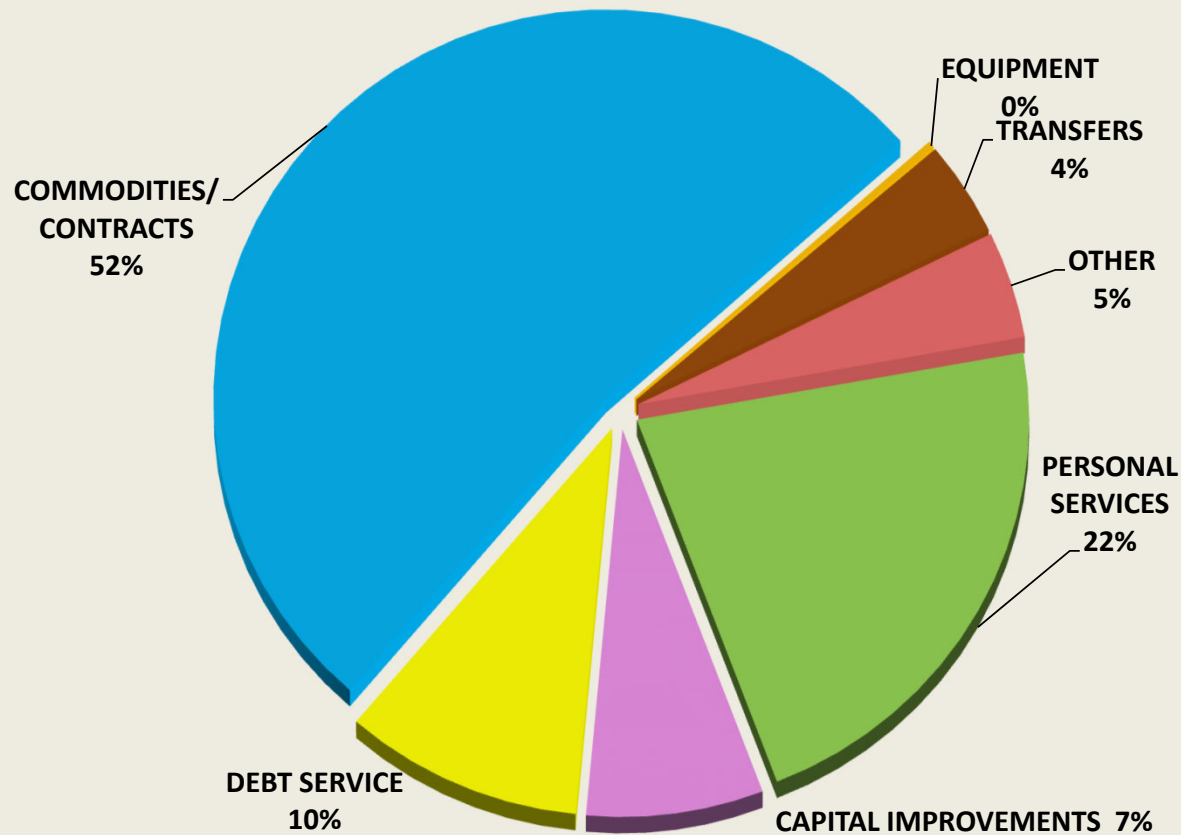
	BUDGETED RESOURCES			
	FY2026	FY2025	\$ VARIANCE	%VARIANCE
RETAIL & OTHER OPERATING	\$231,843,159	\$232,814,268	\$ (971,109)	-0.4%
WHOLESALE	5,336,806	6,855,676	(1,518,870)	-22.2%
FUND BALANCE	11,150,000	11,059,342	90,658	0.8%
CONTRIBUTIONS & OTHER	5,578,317	8,107,860	(2,529,543)	-31.2%
DEPOSIT TO ERIRF	(2,875,544)	(2,917,991)	42,447	-1.5%
<b>TOTAL</b>	<b>\$ 251,032,738</b>	<b>\$ 255,919,155</b>	<b>\$ (4,886,417)</b>	<b>-1.9%</b>

# ELECTRIC RETAIL SALES TREND

**Retail MWH**



# FY26 ELECTRIC FUND EXPENSES BY EXPENSE CATEGORY

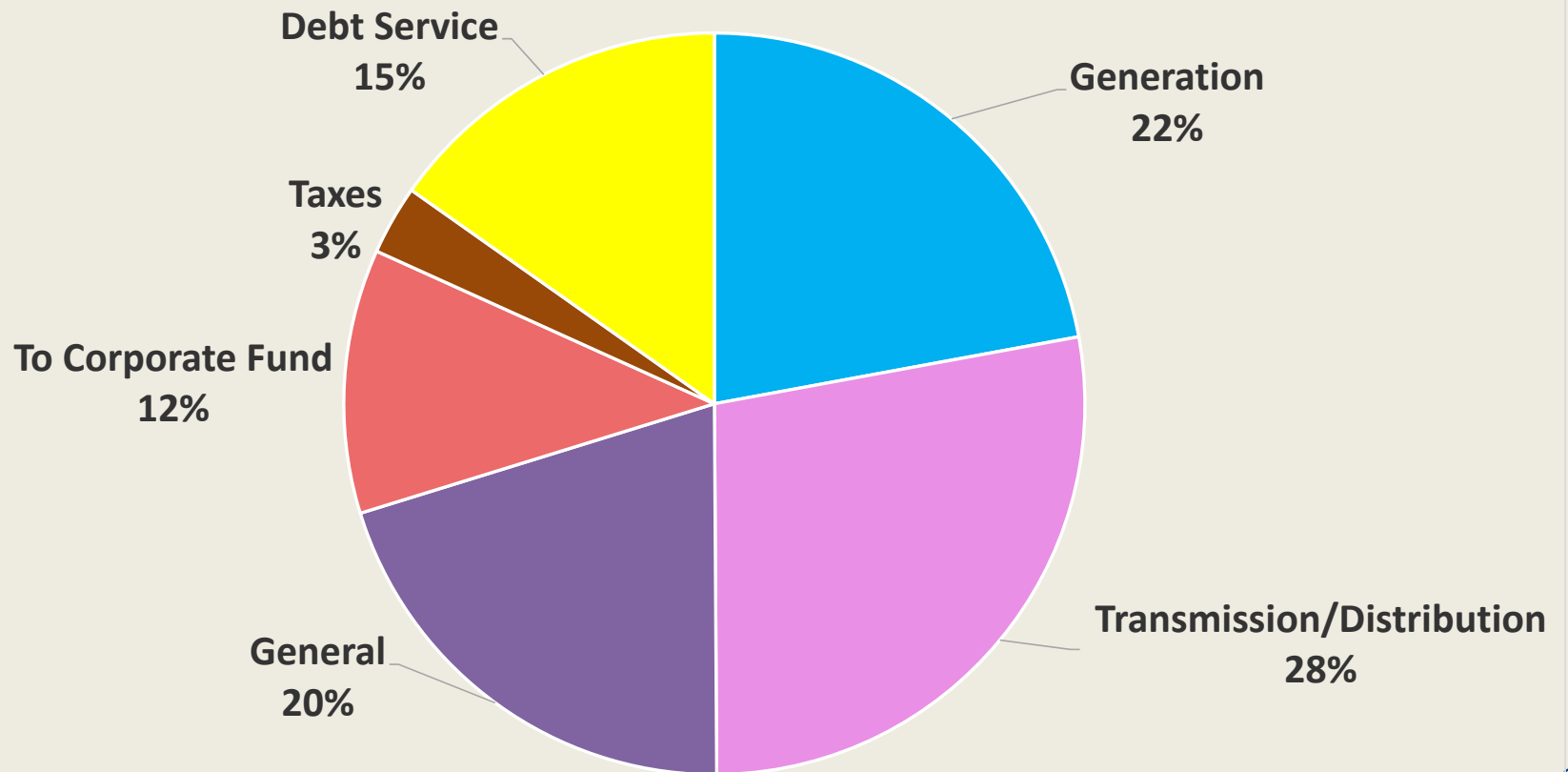




# ELECTRIC FUND EXPENSES

	BUDGETED EXPENSES			
	FY2026	FY2025	\$ VARIANCE	% VARIANCE
PERSONAL SERVICES	\$ 55,131,509	\$ 52,688,774	\$ 2,442,735	4.6%
CAPITAL IMPROVEMENTS	18,322,108	19,293,530	(971,422)	-5.0%
DEBT SERVICE	24,662,557	36,984,107	(12,321,550)	-33.3%
COMMODITIES & CONTRACTS	131,048,749	124,147,164	6,901,585	5.6%
EQUIPMENT	716,700	2,301,788	(1,585,088)	-68.9%
TRANSFERS	9,927,645	10,134,012	(206,367)	-2.0%
OTHER	11,219,616	11,104,107	115,509	1.0%
<b>TOTAL</b>	<b>\$ 251,028,884</b>	<b>\$ 256,653,482</b>	<b>\$ (5,624,598)</b>	<b>-2.2%</b>

# FY26 ELECTRIC FUND EXPENSES BY DIVISION





# FY26 ELECTRIC FUND PROJECTS

## Advanced Metering Infrastructure (AMIs)

- Smart Meters-Outage Response & Opportunities for Load Management, Time of Use Rates
- Total estimated cost ~\$16M over a four year period
- Funded with Bond refinancing savings
- Currently reviewing RFP with Vendor selection Spring 2025
- Phase 1 ~\$4M Beginning Summer 2025 to install network



# FY26 ELECTRIC FUND PROJECTS



## Transmission & Distribution

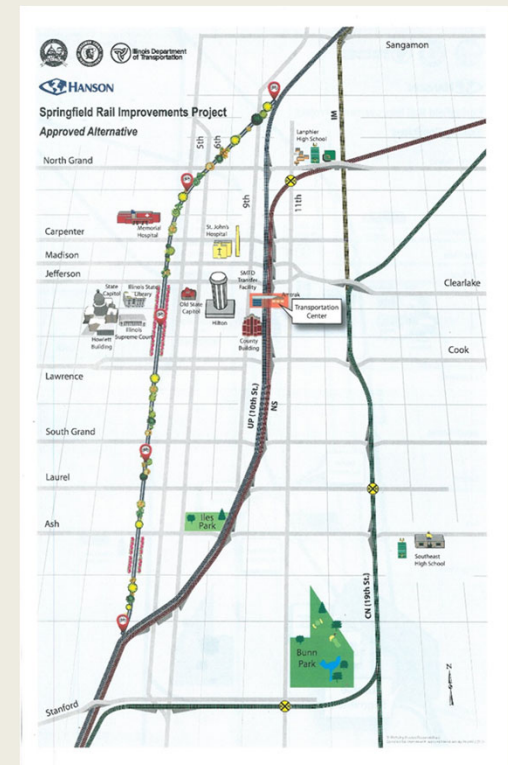
### Overhead Infrastructure

- Tree Trimming / Line Clearance
- Pole Replacements
- LED Street Lighting
- Woodside Rd / Iron Bridge Transmission relocation

# RAIL CONSOLIDATION ELECTRIC PROJECTS

**CWLP Electric High Speed Rail Costs**

Project Location	Status	Actual Cost (Electric)	Projected Cost (Electric)
19th & North Grand Overpass	Future		\$ 850,000
10th & North Grand Underpass	Future		\$ 150,000
10th & Carpenter Underpass	Complete	\$ 1,300,000	
10th & Madison Underpass	Complete		\$ 450,000
10th & Jefferson Underpass	Complete		\$ 500,000
10th & Cook Existing Underpass Upgrades	Complete	\$ 15,000	
10th & South Grand Existing Underpass Upgrades	Complete	\$ 25,000	
19th & South Grand Underpass	Future		\$ 250,000
10th & Laurel Underpass	Complete	\$ 177,000	
9th & Ash Underpass	Complete	\$ 429,000	
19th & Ash Underpass	Future		\$ 600,000
5th & 6th Existing Underpass Upgrades (N. of Iles)	Complete	\$ 264,000	
		<b>\$ 2,210,000</b>	<b>\$ 2,800,000</b>
	<b>Grand Total</b>		<b>\$ 5,010,000</b>



# FY26 ELECTRIC FUND PROJECTS

## Transmission & Distribution



### Substation and Relaying Infrastructure

- 138 kV & 68 kV Breakers and Relays
- Voltage Regulators and Load Tap Changers
- Battery Bank Charger upgrades

# FY26 ELECTRIC FUND PROJECTS

## Rebuilds

- Distribution
  - Lambert Lane (East of Richardson Manufacturing)
  - Westwood Terrace
  - Amos and North Grand
  - Northgate
  - Washington & Oxford
  - Lincoln Land Community College Feeders
- Transmission
  - 69k Line between Reynolds, Factor and Grandview Substations



# FY26 ELECTRIC FUND PROJECTS

## T&D Engineering & Planning



### Infrastructure

- Westchester – Wind Farm Interconnection
- Interstate – Lanesville Line Rebuild Design

### Reliability

- Distribution Planning Study
- Line Mounted Recloser Systems
- Vault Switches/fuses in downtown
- Interstate to Lanesville (Line 33) rebuild

### Energy Services Office

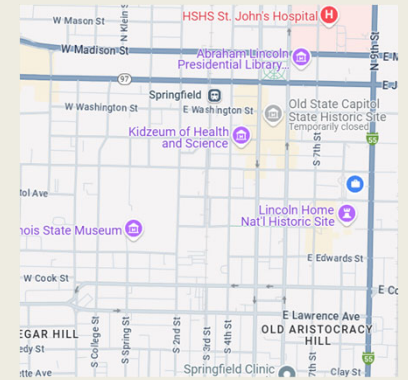
- Re-open Insulation Rebate



# FY26 GRANT PROJECTS

## IDOT State Planning and Research Grant (digital twin project)

- With Public Works LIDAR & Ground Penetrating Radar to collect assets; Lawrence to Madison and 9<sup>th</sup> St to College.



## IL Finance Authority/Climate Bank: Grid Resilience Grant

- Federal funds \$1,060,000 and matching \$530,000; Replacing breakers in critical substations, installing single phase reclosers and vault mounted switches across distribution system to improve fault detection, isolation and restoration times.



# FY26 GRANT PROJECTS

## ■ IL Finance Authority/Climate Bank: Charging and Fueling Infrastructure Grant

- Federal funds \$531,280 and matching \$255,000; Nine sites including downtown, high traffic shopping areas and UIS. Total of 40 Level 2 charging ports.



## ■ DCEO Community Solar Energy Sovereignty Grant

- Phase 1, \$100,000; Planning and Feasibility including financial modeling and governance framework.





# ELECTRIC FUND LARGE PROJECTS

## Integrated Resource Plan

- Analysis of Energy Resource Options

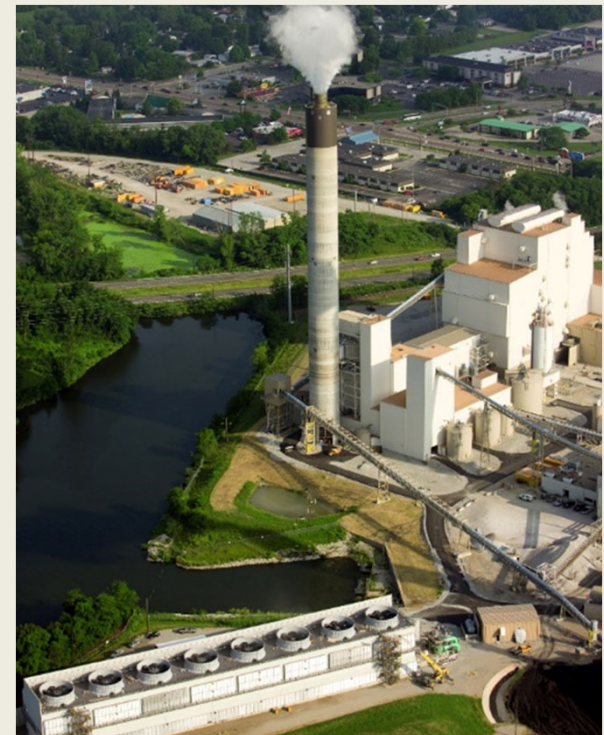
## Energy & Capacity

- 25 MW Solar, Battery Storage projects

## Unit 4 Cooling Tower Rebuilds

## Electric Dispatch Center Relocation

- Continue Design & Planning

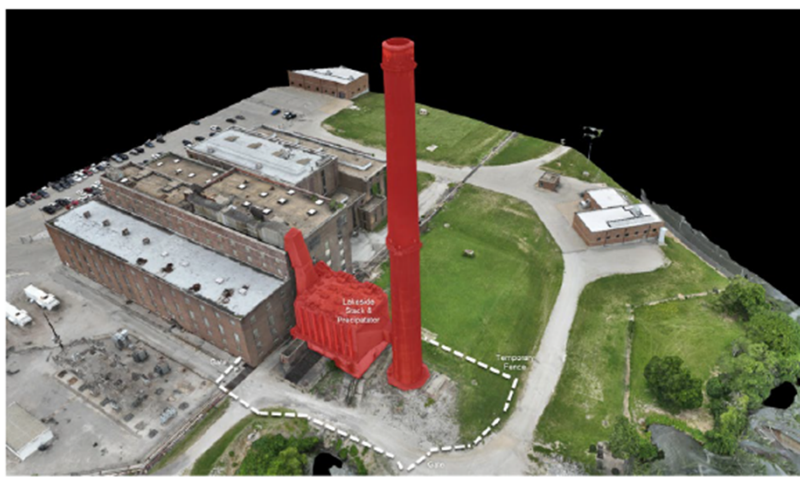


# FY26 ELECTRIC FUND PROJECTS

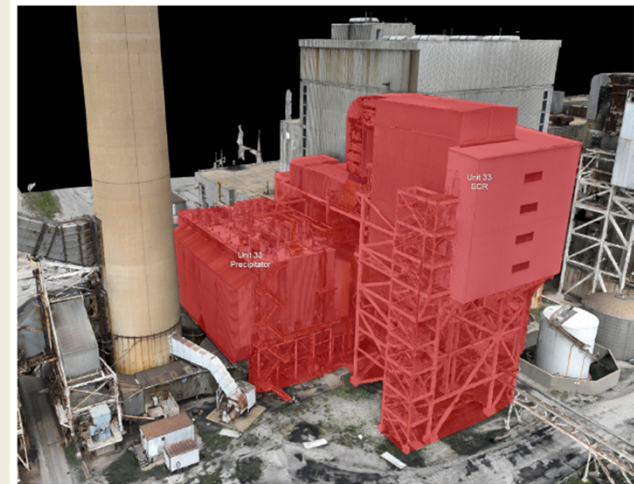
## Generation Division

Decommissioning Phase 1, \$1.54M

Lakeside Stack and Precipitator



Unit 33 Precipitator, SCR and Ducting



# FY26 ELECTRIC FUND PROJECTS

## Generation Division

### Decommissioning Phase 1, \$1.54M

Dallman 31/32 Precipitator, SCR, Ducting



Dallman 31/32 FGDS (scrubber)



# ISD



- Upgrading the City's Enterprise Resource Planning Software
  - FY26 Cost \$2.8M
    - Corporate Fund \$1.2M
    - CWLP \$1.6M
- Commercial Office Servers
  - \$500,000





Thank You

