



Who - The CEO Council is an organization comprised of business and community leaders in the Greater Peoria Area and a sister organization to the Peoria Area Chamber of Commerce. Both are part of the Greater Peoria Business Alliance.

What – For nearly two years the CEO Council studied Peoria’s relationship with its private water supplier, concluding the City Council should conduct a due diligence examination to explore the re-municipalization of the water system. The CEO Council is conducting a comprehensive public education campaign to build greater community understanding of this issue to urge the City Council to get an appraisal of the system. Under Peoria’s 1889 Franchise Agreement with Illinois American Water Co., the City has the right to consider repurchasing the system every five years.

When – The next deadline for the City to exercise its repurchase option is fall 2018. A vote by the Council would begin an appraisal process, but would not obligate the City to make the purchase. Only after a fair market price is established would the city have to commit to making the purchase. The deadline for that decision is May 2019.

Where - The City of Peoria has the contractual right to buy the water system that serves Peoria, West Peoria, Bartonville and some limited nearby areas.

Why - The CEO Council has determined, that under the right conditions, a public water system would be beneficial to Peoria consumers for several reasons:

- Local control of rates which are currently twice the national average
- Control of water supply
- Greater financial efficiency
- A revenue stream to support other city services
- Economic development
- Better coordination of repairs and city services

1. **Control of rates** – Peorians pay twice the national average for water, and substantially more for water than our neighbors – East Peoria, Washington, Morton, etc. – and our competing cities – Springfield, Rockford, Joliet, etc. The difference: those communities, like 85% of Americans, are served by public water systems. Peoria is served by a private, for-profit operator. With a public system, the Peoria City Council would set rates that are currently established by the Illinois Commerce Commission, based in Springfield.
2. **Control of the water supply** -- Water is our most vital resource. Water is the primary reason the Peoria community was founded where it is. The Illinois River has been essential to the economic health of the community since its founding. Yet our supply of drinking water is controlled by a private corporation that can – and does - sell that resource outside of the city of Peoria, with no benefit to Peorians. It is in the best long-term interests for city residents to control and protect this life-sustaining resource for future generations.
3. **Greater financial efficiency** – The city can borrow money at more favorable rates to improve the system; the city does not pay the state or federal taxes (costs which are passed on to customers in the form of higher rates) that a private operator does; a private operator earns profits and pays shareholders – a public system reinvests excess revenue in the community.
4. **A revenue stream to support other city services** – Other communities use excess revenue generated from their water system to support city services. Peoria could use that revenue for tax relief, to improve the water system or for other city services, rather than sending local money out of the community as corporate profits.
5. **Economic development** – A public water system can be used to attract jobs, employers and promote growth. Currently, IAWC, as an ICC regulated utility, does not participate in economic development initiatives as fully as a locally owned and controlled system can.
6. **Better coordination of repairs and city services** – A public water utility could better coordinate street repairs with the city Public Works Department. Equipment from a public water system could be used for snow removal, street cleanup, beautification and other services.