



SOLUTIONS THAT WORK

Selling the City's water and wastewater systems to Illinois American Water made good sense for the customers and community.

CITY OF VILLA GROVE WATER & WASTEWATER SYSTEM ACQUISITION

The City of Villa Grove is located in Douglas County, approximately 6 miles from Illinois American Water's Champaign County operations. The City of Villa Grove has a population of 2,553 and serves approximately 1,489 drinking water and 1,069 wastewater customers. The City of Villa Grove joined Illinois American Water's Eastern Division in September 2022.

CHALLENGES

- **Operational:** Community leaders were looking for the best possible option for the future of operating their water and wastewater systems.
- **Financial:** The City was concerned about the financial capital needs and wanted to invest in other areas of the community.
- **Rates:** The City's existing rates were unable to sustain the operations, maintenance and capital improvements necessary to adequately provide water and wastewater service to residents without significantly increasing their bills.

SOLUTION

The City of Villa Grove chose to issue a Request for Proposals (RFP) to sell its water and wastewater assets. Through the competitive RFP process, Illinois American Water was selected by the City as the best long-term solution provider to its residents.

BENEFITS

- **Operational:** Illinois American Water accepted responsibility for the water and wastewater systems and began managing the systems following the closure of the sale. Illinois American Water plans to invest approximately \$21M in the first seven years of ownership.
- **Financial:** Illinois American Water acquired to the City of Villa Grove for \$11 million. Proceeds from the sale will be used to benefit the community.
- **Rates:** The City of Villa Grove joined Illinois American Water and rates approved by the ICC were implemented.

QUESTIONS?

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