



VILLAGE OF TOLONO WATER & WASTEWATER SYSTEM ACQUISITION



VILLAGE OF TOLONO

The Village of Tolono is located in Champaign County, located within Illinois American Water’s Champaign County operations. The Village of Tolono has a population of 3,604 and serves approximately 1,307 water and 1,256 wastewater customers. The Village of Tolono was a wholesale customer of Illinois American Water prior to joining the company’s Eastern Division in June 2023.

CHALLENGES

Operational: Community leaders were looking for the best possible option for the future of their water and wastewater systems. The Village was unable to support community growth without making significant investments which would result in large rate increases for customers.

Financial: The Village had concerns about capital needs and evaluated cost comparisons of investing themselves or selling the systems to make investments elsewhere in the community.

Rates: The Village’s rates were unable to sustain the operations, maintenance and capital improvements necessary to adequately provide water and wastewater services to their residents.

SOLUTION THROUGH PARTNERSHIP

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

LONG-TERM INVESTMENTS IN INFRASTRUCTURE

Financial: Illinois American Water acquired the water and wastewater assets of the Village of Tolono for \$9.4 million.

Rates: Customers in the Village of Tolono were transitioned to Illinois American Water’s rates approved by Illinois Commerce Commission.

Operational: To date, significant progress has been made modernizing Tolono’s water and wastewater infrastructure including the design phase for a new wastewater treatment plant (WWTP), while near-term reliability and performance improvements have already been implemented across the system. These efforts include:

- replacement of all customer meters and transition to new automated metering.
- updated or replaced three lift stations and added back generators for resiliency.
- enhancements to treatment efficiency and performance.

Investment: During the first 5 years of ownership, Illinois American Water expects to invest \$17 million in upgrades to its water and wastewater systems serving the Village of Tolono.

ILLINOIS AMERICAN WATER’S INVESTMENTS IN TOLONO

Year	Investment
2023	\$1.0 million
2024	\$2.6 million
2025	\$3.9 million
2026	\$3.5 million
Total	\$11.0 million

