

STATE OF INDIANA

INDIANA UTILITY REGULATORY COMMISSION

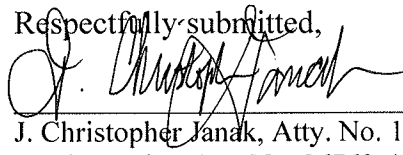
IN THE MATTER OF THE PETITION OF THE
TOWN OF WINFIELD, LAKE COUNTY,
INDIANA, FOR APPROVAL OF A
REGULATORY ORDINANCE ESTABLISHING A
SERVICE AREA FOR THE TOWN'S MUNICIPAL
SEWER SYSTEM PURSUANT TO IND. CODE § 8-
1.5-6 *ET SEQ.*

CAUSE NO. 45992

PREFILED REBUTTAL TESTIMONY AND EXHIBITS
OF JENNIFER Z. WILSON

Prefiled Rebuttal Testimony of Jennifer Z. Wilson	<u>Petitioner's Exhibit 43</u>
Rate Comparison Chart	<u>Petitioner's Exhibit 44</u>
Excerpts from August 7, 2025 Deposition of Greg Guerrettaz	<u>Petitioner's Exhibit 45</u>
Excerpts from August 7, 2025 Deposition of Albert Stong	<u>Petitioner's Exhibit 46</u>
Crown Point August 12, 2025 Response to Winfield Data Request 3.4	<u>Petitioner's Exhibit 47</u>
Crown Point August 12, 2025 Response to Winfield Data Request 3.2	<u>Petitioner's Exhibit 48</u>
Crown Point 2012 Filing for 25% Surcharge	<u>Petitioner's Exhibit 49</u>

Respectfully submitted,



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OF
JENNIFER Z. WILSON

ON BEHALF OF
THE TOWN OF WINFIELD, LAKE COUNTY, INDIANA

I.
INTRODUCTION

1
2
3
4 1. Q PLEASE STATE YOUR NAME, ON WHOSE BEHALF YOU ARE
5 TESTIFYING, AND BUSINESS ADDRESS.

6 A My name is Jennifer Z. Wilson, and I am testifying on behalf of the Petitioner,
7 the Town of Winfield, Indiana ("Winfield" or "Petitioner"). My business
8 address is 3815 River Crossing Parkway, Suite 400, Indianapolis, Indiana
9 46240.

10 2. Q ARE YOU THE SAME JENNIFER Z. WILSON WHO FILED DIRECT
11 TESTIMONY IN THIS PROCEEDING?

12 A Yes.

13 3. Q WHAT IS THE PURPOSE OF YOUR TESTIMONY?

14 A The purpose of my testimony is to respond to the direct testimony and exhibits
15 offered by Mr. Gregory T. Guerrettaz in the filing for the City of Crown Point,
16 Indiana ("Crown Point").

17 **II.**
18 **CROWN POINT'S SIGNIFICANTLY HIGHER RATES AND CHARGES**
19 **WOULD NEGATIVELY IMPACT CUSTOMERS AND ECONOMIC**
20 **DEVELOPMENT IN THE DISPUTED AREA**

21
22 4. Q DO YOU AGREE WITH MR. GUERRETTAZ'S ANSWER TO
23 QUESTION 14 IN HIS TESTIMONY WHERE HE STATES THAT THE
24 DIFFERENCES IN SEWER RATES SHOULD NOT BE A
25 CONTROLLING OR POWERFUL FACTOR IN DETERMINING
26 WHICH UTILITY WILL SERVE THE DISPUTED AREA?

1 A No, I do not. Mr. Guerrettaz's testimony is entirely inconsistent with the
2 plain, unambiguous language of the governing statute, Indiana Code § 8-1.5-
3 6-8. Section 8(g) outlines the five factors the Commission "shall consider"
4 when considering the competing ordinances. It states as follows:

5 g) In making a determination under subsection (f), the
6 commission shall consider the following:

7 (1) The ability of another utility to provide service in the
8 regulated territory.

9 **(2) The effect of a commission order on customer rates**
10 **and charges for service provided in the regulated**
11 **territory.**

12 (3) The effect of the commission's order on present and
13 future economic development in the regulated territory.

14 (4) The history of utility service in the regulated territory,
15 including any contracts for utility service entered into by the
16 municipality that adopted the regulatory ordinance and any
17 other municipalities, municipal utilities, or utilities.

18 (5) Any other factors the commission considers necessary.

19 (emphasis added)

20 In addition to being contrary to Ind. Code § 8-1.5-6-8(g), Mr. Guerrettaz's
21 statement is inconsistent with a recent Commission decision. In a recent
22 territorial case in which I provided testimony, Cause No. 46087, the Commission
23 found that the amount of the rates were not only important under Section (g)(2)
24 of the statute, but also found that the amount of the rates and charges would
25 impact economic development and the Commission's consideration under
26 Section (g)(3). In Cause No. 46087, the Commission specifically stated:

b. Effect on Customer Rates and Charges Within Disputed

Area. The evidence reflects that Pendleton's current rates and charges for a 4,000-gallon user are \$44.96, which is inclusive of Pendleton's \$5.00 fire protection charge. The evidence also reflects that Pendleton charges new customers with a 5/8 inch or 3/4 inch meter a capacity fee of \$2,000 per EDU, as well as the actual cost of water tap or \$3,000, whichever is greater. A new connection to the Pendleton system will incur a charge of at least \$5,000. Whereas, Anderson's current rate for 4,000 gallons is \$24.31, plus a \$2.67 fire protection charge for 5/8 inch meter. Anderson's current tap fee is \$820. **Thus, Anderson's current rates and charges are lower than Pendleton's, which will benefit new economic development and new customers in the Disputed Area. (Final Order in IURC Cause No. 46087, p. 18) (emphasis added)**

Mr. Guerrettaz's testimony on this issue appears to be an inappropriate attempt to distract the Commission from the fact that Crown Point's rates are exceedingly high in comparison to communities similar in size to Crown Point. By the time an Order is issued in this Cause, Crown Point's user rate for a 5,000 gallon per month customer in the Disputed Area will be \$131.63 which is 120% higher than Winfield's user rate and are some of, if not the absolute highest user rates in the State of Indiana for sewer utilities of municipalities with a population of at least 25,000 people in the 2020 census (see Petitioner's Exhibit 44). The rate survey was conducted by using the rate ordinance of the entity and calculating the resulting sewer charge for a residential user with a 5/8 inch meter for usage of 5,000 gallons or 668 cubic feet. If the rate ordinance or listing of charges was not available, the utility was contacted to provide the resulting charge. At the same time, Crown Point's connection fees (i.e., tap fee of \$3,590

1 and SDC of \$2,052) will be 77% higher than Winfield's connection fees of
2 \$3,190.

3 **5. Q MS. WILSON, WHAT IS YOUR RECOMMENDATION WITH**
4 **RESPECT TO MR. GUERRETTAZ'S REQUEST THAT THE**
5 **COMMISSION VIEW THE DIFFERENCES IN SEWER RATES AS**
6 **NOT CONTROLLING OR NOT AN IMPORTANT FACTOR IN**
7 **DETERMINING WHICH UTILITY SHOULD SERVE THE**
8 **DISPUTED AREA.**

9 A Mr. Guerrettaz's argument that sewer rates and charges should not be a
10 controlling or powerful factor in this case: (i) ignores the plain language of
11 the applicable statute and IURC case law on this matter; and (ii) is an attempt
12 to distract the Commission from the fact that Crown Point's rates are
13 excessive, would place a hardship on the end users, and would discourage
14 economic development in the Disputed Area. For these reasons, I would
15 request that the Commission reject Mr. Guerrettaz's suggestion that the rates
16 and charges in the Disputed Area are not very important.

17 **6. Q DO YOU AGREE WITH MR. GUERRETTAZ'S RATIONALE IN HIS**
18 **ANSWER TO QUESTION 14 AS TO WHY RATES AND CHARGES**
19 **SHOULD NOT BE CONSIDERED?**

20 A No, I do not. Even if Indiana Code §8-1.5-6-8(g) (and Commission precedent)
21 did not mandate the Commission to consider sewer rates and charges when
22 making its decision, Mr. Guerrettaz's rationale ignores the facts and is actually

1 inconsistent with his most recent statements on this issue. In his answer to
2 Question 14, Mr. Guerrettaz provided two hypothetical reasons for why rates
3 may be different between municipalities, including the amount of: (i)
4 investment in major plant improvements; and (ii) investment in expansions to
5 serve growing customer requests. He states that current rates are not a
6 reflection of future rates. He then explained a hypothetical scenario in which
7 he attempted to support his statement that using “lower tax revenue subsidized
8 rates do not reflect true utility service costs and do not send accurate price
9 signals to the utility customers.” His final support for not using sewer rates as
10 a controlling factor was that the new customer growth could hypothetically
11 reduce rates in the future. In his support for the statement that differences in
12 sewer rates should not be a controlling or powerful factor in the determination
13 of which entity should serve the Disputed Area, Mr. Guerrettaz refers to
14 hypothetical situations that may or may not occur and some could be true for
15 either entity, Crown Point or Winfield.

16 The actual facts, not hypotheticals, are that Crown Point’s current Phase I rate
17 would result in a user fee of \$104.44 per month for 5,000 gallons of usage for
18 a customer in the Disputed Area. On January 1, 2026, Crown Point’s Phase II
19 will be in effect which will result in a monthly user fee of \$131.63 for 5,000
20 gallons of usage in the Disputed Area. Larger families and large volume users
21 will see even higher increases. Comparably, Winfield will currently charge
22 such residential customers \$59.75 a month. Crown Point’s sewer charge to a

1 5,000 gallon outside-the-city user is currently seventy-five percent (75%)
2 greater than the amount Winfield currently charges. Starting January 1, 2026,
3 the difference increases to one hundred twenty percent (120%).

4 **III**

5 **FUTURE RATE INCREASES**

6
7 **7. Q MS. WILSON, IS CROWN POINT SUBJECT TO CERTAIN ORDERS**
8 **OR JUDGEMENTS FROM THE INDIANA DEPARTMENT OF**
9 **ENVIRONMENTAL MANAGEMENT ("IDEM")?**

10 A Yes. As Mr. Lin explains in his testimony, Crown Point has been subject to an
11 Agreed Judgment since September 27, 2007 ("2007 Agreed Judgment") (see
12 Petitioner's Exhibit 38) and an Agreed Order dated May 25, 2023 ("2023
13 Agreed Order") (see Petitioner's Exhibit 39) (collectively, the 2007 Agreed
14 Judgment 2023 Agreed Order will be referred to as "IDEM Enforcement
15 Orders"). While I am certainly no expert on the IDEM Enforcement Orders,
16 my understanding is that the IDEM Enforcement Orders require Crown Point
17 to make certain improvements to its wastewater collection, transmission, and
18 treatment facilities on or before January 1, 2028.

19 **8. Q ARE CROWN POINT'S RATES IN AN AMOUNT SUFFICIENT TO**
20 **PAY FOR ALL THE IMPROVEMENTS REQUIRED TO COMPLY**
21 **WITH THE IDEM ENFORCEMENT ORDERS?**

22 A Based upon the Crown Point Rate Consultant's Report (i.e. Petitioner's Exhibit
23 19), they are not. The Phase I rates currently in place and Phase II rates effective

1 January 2026 supposedly will fund the interceptor (Phase 2 projects) and
2 proposed wastewater treatment plant improvements (Phase 3 projects). I
3 understand from Mr. Lin's testimony and Mr. Stong's deposition testimony that
4 there are a series of lift station improvements that will also need to be made to
5 divert flows from Crown Point to a new wastewater treatment plant being
6 proposed by Crown Point ("Proposed WWTP"). While these improvements are
7 required to be completed by January 1, 2028, as I discuss later in my testimony,
8 Crown Point does not yet have a plan to finance these improvements.

9 I would note that the initial rate Ordinance introduced by Crown Point in
10 February 2025, provided a three-phase increase. According to Crown Point's
11 Rate Consultant's Report (i.e. Petitioner's Exhibit 19), a third phase of the
12 proposed rate increase (at 26%) was insinuated to be needed to cover the
13 principal and interest on bonds that could be issued to pay for the final phase
14 (i.e., Phase IV Lift Stations) of improvements that are required by the IDEM
15 Enforcement Actions. A copy of this Ordinance was attached to my prefiled
16 direct testimony as Petitioner's Exhibit 21.

17 **9. Q WHAT WOULD THE RATES BE FOR CUSTOMERS IN THE**
18 **DISPUTED AREA IF CROWN POINT IMPLEMENTED THE FINAL**
19 **PHASE OF ITS RATE INCREASE?**

20 A As I mentioned previously, Crown Point has to plan, finance, and construct
21 the final phase of improvements (noted as Phase IV of Projects) to comply
22 with the IDEM Enforcement Actions. If Crown Point uses its sewer user fees,

1 as Mr. Guerrettaz stated was most appropriate in his Prefiled Direct
2 Testimony (see Crown Point Exhibit No. 3, p.6, lines 6-10), the rate would
3 then be \$160.56 per month for a 5,000 gallon user in the Disputed Area as
4 calculated in Crown Point's Rate Consultant's Report (i.e. Petitioner's
5 Exhibit 19, at Exhibit AE).

6 **10. Q IS CROWN POINT ALSO CONSIDERING AN INCREASE TO ITS**
7 **CONNECTION FEES?**

8 A Yes, it is. At a Crown Point Public Hearing held by its City Council on
9 March 3, 2025, Mr. Guerrettaz indicated that Crown Point would be
10 reviewing its system development charges within the next year. At the
11 hearing, Mr. Guerrettaz specifically stated:

12 And as I explained in prior meetings, we constantly review the
13 wastewater and the water utility financial condition. We'll be updating
14 a system development charge, which is only charged to new
15 development. It's not charged to current rate payers. Once we enter
16 into the construction contracts and are able to sign, seal, and deliver
17 those as part of the process. We've also talked with the Council and
18 Mayor about options . . . (See Petitioner's Exhibit 25, Transcript of
19 March 3, 2025, hearing, p. 11, lines 11-16)

20 At his deposition, Mr. Guerrettaz stated that he had discussed, and the Council
21 was interested in, significantly increasing the sewer system development
22 charges. Mr. Guerrettaz specifically testified:

23 Q There was some discussion, I believe, at the public
24 hearing about reviewing your system development
25 charges and tap fees in the next year or two; is that
26 correct?

27 A That is correct. Council -- the City Council asked when it
28 was last updated and asked for, you know, that to go up. I
29 made the statement, it might -- once we get bids and

1 everything on the new projects of Phase II and Phase III, it
2 might double. Their response was, "It probably ought to
3 triple." So they have requested that we look at it in the
4 future.

5 Q And is that a look to see if it needs to be increased
6 because of the new investment?

7 A That's correct.
8

9 [See Petitioner's Exhibit 45, p. 61, lines 8-23].
10

11 If Crown Point doubles its current sewer system development charge, the
12 charge for new customers will be \$4,104 per equivalent dwelling unit. If
13 Crown Point triples its system development charge, the new charge will be
14 \$6,156 per equivalent dwelling unit. When factoring in Crown Point's tap fee
15 of \$3,509, the connection fees for new customers connecting in the Disputed
16 Area would be either \$7,694 if the system development charge is doubled or
17 almost \$10,000 if the City triples its sewer system development charge. The
18 connection fees for Crown Point could be three times higher than Winfield's
19 system development charge of \$3,190. If Crown Point is allowed to serve the
20 Disputed Area, the charge for connection will be detrimental to the future
21 economic development of the area.

22 **11. Q HAVE YOU PREPARED A TABLE THAT COMPARES THE**
23 **CURRENT RATES AND CHARGES FOR CROWN POINT AND**
24 **WINFIELD, AS WELL AS THE POTENTIAL RATE INCREASES**
25 **FROM CROWN POINT?**

26 A Yes, I have. Please find outlined below, Table 1 that compares the rates and
27 charges of the two parties seeking to provide service to the Disputed Area.

TABLE 1 Summary of Rates and Charges

	Current Rates and Charges	Adopted Rates and Chares to take effect in January 2026	Potential Rates and Charges in January 2027(1)
Monthly Rates			
Crown Point (2)	\$ 83.55	\$ 105.30	\$ 128.45
Statewide average (3)	59.42		
Winfield	59.75		
Monthly Charge to Disputed Area			
Crown Point with 25% Out of City	104.44	131.63	160.56
Surcharge (2)			
Winfield (2)	59.75		
System Development Charges (SDC)			
Crown Point	2,052		\$ 4,104 -6,156
Winfield	3,190		
Other Connection Charges			
Crown Point	3,590		
Winfield	-		
Combined SDC and Other Connection Charges			
Crown Point	5,642		\$ 7,694 – 9,746
Winfield	3,190		

- (1) As introduced in February 2025 but later removed in the final Crown Point Sewer Ordinance passed in March 2025. Includes the potential doubling or tripling of the SDC per Mr. Guerretaz's testimony.
- (2) Based on 5,000 gallons of usage.
- (3) As I indicated in my prefiled direct testimony, the Commission states on page 75 of its 2024 Annual Report (available at <https://www.in.gov/iurc/files/IURC-2024-Annual-Report-web.pdf>) that, as of January 1, 2024, the average wastewater rate approved by the Commission for 4,000 gallons of wastewater.

**12. Q RATHER THAN INCREASING SEWER RATES TO FUND THE
REQUIRED IMPROVEMENTS, HAS MR. GUERRETTAZ NOW
PROPOSED A NEW POTENTIAL PLAN FOR FINANCING?**

A The financing of the fourth phase of projects has not yet been determined by Crown Point. At his deposition, Mr. Guerretaz said Crown Point may now consider using other City revenues to pay for the Phase IV improvements that

1 are required by the IDEM Enforcement Orders. Mr. Guerrettaz specifically

2 stated in reference to the Phase IV Lift Stations Construction Project:

3 Q So what do these improvements, these lift station
4 improvements, will those be funded as part of the Phase I
5 and Phase II improvements?

6 A What those on Exhibit O labeled Lift Station,
7 Construction Project 4, may be financed many different
8 ways. And even in combination of ways. One of those was
9 we were seeking in January and February -- this was told
10 to counsel, we were trying to get a food and beverage tax
11 implemented in Crown Point. A food and beverage tax is
12 what I told everything could fund Phase IV project along
13 with the specific appropriation that we have put into the
14 redevelopment budget in 2025. And then I will again put
15 in in 2026 when I do that budget. So I know it very, very
16 well. So there was discussion about a whole host. We
17 might even use Edit. We might use LIT. The new LIT
18 under Senate Bill 1 . . .

19 See Petitioner's Exhibit 45, p. 20, line 22 – page 21, line 15.

20
21 **13. Q IS MR. GUERRETTAZ NOW DISCUSSING A POTENTIAL**
22 **FINANCING PLAN THAT IS INCONSISTENT WITH HIS DIRECT**
23 **TESTIMONY?**

24 A Yes, he is. In his prefiled direct testimony, Crown Point's Exhibit 3, Mr.
25 Guerrettaz stated that using taxpayer dollars could mask the true cost of
26 service. He also criticized a small utility that could be construed to be
27 Winfield for using tax dollars for completing sewer improvements within a
28 hypothetical scenario. Now, Mr. Guerrettaz appears to be embracing the
29 very concepts he rejected in his prefiled direct testimony. (see Crown Point's
30 Exhibit 3, p. 6, lines 1-10).

1 **14. Q IS THERE ANY EVIDENCE THAT CROWN POINT HAS USED**
2 **CONNECTION CHARGES TO FUND OPERATIONAL EXPENSES**
3 **RATHER THAN ADJUSTING ITS USER RATES ON A TIMELY**
4 **BASIS?**

5 A Yes. It appears from the testimony at the February 3, 2025 Crown Point City
6 Council meeting that Crown Point has for many years failed to timely
7 increase its rates, requiring Crown Point to cannibalize its system
8 development charges to meet its operational expenses. At the February 3,
9 2025 City Council meeting, there was the following statements:

10 **William Doty** (member of the public) - . . . what I'm
11 disputing is why the people that have already lived here and
12 paid for these expansions, they have no problem paying for
13 upkeeping it. What they have a problem with is when you
14 see all of these subdivisions going in and then you come and
15 say we want to raise your sewer rate this much because we
16 need it. We need to build a new one. Where did that problem
17 create? Where did it start from, the expansion. So shouldn't
18 you put the burden where it belongs, rather than on all the
19 rest of the people. That's where it comes from.

20 **Mayor Pete Land** - Yeah, that's a valid point, I think some
21 of it, because the past Council's going back to '09. Since
22 there's only been three increases on the sewer side, so I think
23 that **a lot of those connection fees were taken and they**
24 **were applied to keep the rates so we don't have to raise**
25 **the rate. So obviously costs go up every year but I think**
26 **that the leadership back then was OK, we're gonna take**
27 **these connection fees and system development fees, and**
28 **we're going to apply them to our wastewater operations**
29 **that we have so there has doesn't have to be a rate**
30 **increase.** (emphases added)

31 Petitioner's Exhibit 25, February 3, 2025 Transcript, p. 46, lines 8-23;

32 Petitioner's Exhibit 26 at 1:15:17.

1 In this same meeting, Crown Point's engineer, Mr. Stong, suggested that using
2 system development charges to supplement user fees would continue to occur.

3 Mr. Stong's specifically stated:

4 (Stong): To perform the improvement projects, we must
5 increase the rates so we can service the debt. We don't have
6 an option. It's in the State Judicial Agreement. Nobody
7 likes to hear you don't have an option . . . We have a State
8 Judicial Agreement we have an Agreed Order we have this
9 plan, we've already accepted subsidies from the county,
10 from the State of Indiana, so that's the path we're on. It's
11 the best of bad decisions. Obviously, the best thing would
12 be people to say just shutdown the city. Don't accept any
13 additional flows. Well if you did that, still have to pay for
14 the downtown interceptor project and you wouldn't have
15 any additional customers, so at the end of the day it would
16 cost you more. Now we are in a situation that the quicker
17 we grow and we can bring customers on, the sooner we can
18 offset these costs, **connection development fees into the**
19 **rates so that we can service the debt and we can**
20 **beneficially impact the rates that need to be passed.**
21 (emphasis added)

22 Petitioner's Exhibit 25, p. 35, lines 17-29; Petitioner's Exhibit 26 at 1:23:47.

23 Based on my professional opinion, system development charges should be
24 used for capital projects such as expanding the capacity of Crown Point's
25 system or paying for the improvements required by the IDEM Enforcement
26 Orders, not for application to operating expenses.

27 **15. Q DO YOU THINK ITS FAIR TO THE OUT-OF-TOWN USERS TO**
28 **NOW PAY FOR THE COST ASSOCIATED WITH CROWN POINT'S**
29 **FAILURE TO TIMELY ADJUST RATES?**

30 **A** No, I do not. If Crown Point is granted the Disputed Area, the out-of-town

1 users would pay a disproportionate share of the costs arising out of Crown
2 Point's failure to timely increase rates over the last sixteen (16) years (and the
3 cannibalization of its SDC's that could be used to offset capital costs). By
4 virtue of the out-of-town surcharge, the end users in the Disputed Area would
5 be paying for the financial sins of Crown Point and its City Administration.
6 This is particularly unfair considering that the out-of-town customers did not
7 vote for and have no say in how Crown Point will run its utility. Now, Crown
8 Point is seeking to force these end users to obtain service from Crown Point so
9 that Crown Point can collect a 25% surcharge that will subsidize its in-town
10 customers/voters.

11 **16. Q DOES CROWN POINT HAVE A SPECIFIC PLAN FOR FINANCING**
12 **THE IMPROVEMENTS NECESSARY TO MEET THE**
13 **REQUIREMENTS IN THE IDEM ENFORCEMENT ORDERS?**

14 A No, it does not. Initially, Crown Point discussed increasing its user rates in an
15 amount sufficient to cover the principal and interest on the bonds that would
16 be used to build the improvements required by the IDEM Enforcement
17 Actions; however, Crown Point retracted these rates before the March 3, 2025
18 public hearing. (See Petitioner's Exhibit 25, March 3, 2025 hearing, p. 10, line
19 24 to p. 11, line 2). Now, Crown Point appears to be considering several
20 options as a means of paying for the required improvements. As of the
21 deposition on August 7, 2025, Crown Point did not have specific plan for
22 financing the improvements required by the IDEM Enforcement Actions by

1 January 1, 2028. When asked about Crown Point's financing plan for the
2 Phase IV improvements, Crown Point's engineering witness, Al Stong stated
3 at his deposition:

4 Q . . . What is the timing on that project? When will the
5 Phase IV project be done, Mr. Stong?

6 A All projects are to be completed prior to January 2028.

7 Q Is there financing in place for this Phase IV project that
8 would divert the flows?

9 A I'm not aware of the financing. You'll have to ask the
10 rate consultant.

11 Q There was a final phase of the rate increase that was
12 dropped at the March hearing, and it was called the Phase
13 IV increase for the Phase IV projects. Was that the rate
14 increase that was going to help fund the debt that was
15 going to be used to construct this Phase IV project?

16 A You'll have to ask the rate consultant. I'm not aware.

17 Q You do not know?

18 A I'm not involved in rates. I'm involved in the
19 engineering.

20 . . .

21 Q Okay. When do you anticipate there will be funding
22 available for this project?

23 A Again, you'll have to ask the rate consultant.

24 Q You don't know?

25 A No.

26 Q Do you know if the Phase IV increase that was set forth
27 in Mr. Guerrettaz's accounting report was going to help
28 fund this Phase IV project?

29 A You'll have to ask Mr. Guerrettaz.

30 Q You do not know?

31 A I don't know the details of the financing that Mr.
32 Guerrettaz has created.

33 Q So your answer is you do not know; correct?

34 A I do not know.

35
36 (Petitioner's Exhibit 46, p. 91, line 8 – p. 93, line 8)
37

1 When asked the same question, Crown Point's financial advisor, Greg
2 Guerrettaz, stated:

3 Q Did you prepare an accounting report that supported
4 these three phases?

5 A I believe in February, there is a report --let's look at your
6 witness's information. If we look at your witness's
7 information, I believe she has a February report, and it says
8 in there it had Phase IV for construction. I believe --yes.
9 There's some --

10 Q Phase IV for construction of what? Explain that to me.
11 What was that supposed to fund? That's what I don't
12 understand.

13 A Oh, well, I'm sorry. That would be an engineering
14 question specifically if you want to say how many miles of
15 pipe, how many -- what sizes of pipes. But clearly on
16 Exhibit O, it says "lift stations, Phase IV." So if you really,
17 you know, really want more than that, please see our
18 engineering witness.

19
20 (Petitioner's Exhibit 46, p. 16, line 8 to p. 17, line 1.
21

22 Q Now, are all the projects necessary to fund the control -
23 - long-term control plan to meet the agreed order funded
24 with the Phase I and Phase II rates?

25 A I'm sorry, sir. You would have to ask the engineer
26 because he has a very big master plan. And that's properly
27 asked to him.

28 Q The engineer told me I needed to ask you what the Phase
29 III rates would finance and whether the first two phases
30 would finance all of the improvements in the long-term
31 control plan. Are you now telling me I need to ask the
32 engineer that question?

33 MR. GLENNON: Object to the form.

34 BY MR. JANAK:

35 Q You can answer.

1 A Restate the question.

2 **Q The engineer told me I needed to ask you what the**
3 **Phase III rates would finance and whether the first two**
4 **phases would finance all of the improvements in the**
5 **long-term control plan. Are you now telling me I need**
6 **to ask the engineer that question?**

7 A Yes, sir.

8 (Petitioner's Exhibit 45, Page 19, line 24 – page 20, line 21)

9 Q Let me ask you this. Let me ask --At this point, we have
10 no financing -- "we," being Crown Point, have no
11 financing in place to pay for these lift stations and pipe
12 improvements; is that correct?

13 A Correct.

14 (Petitioner's Exhibit 45, Page 23, lines 10-15)

15 Based on this testimony, it is evident that Crown Point does not have a
16 financing plan. Crown Point must either increase its sewer rates and charges
17 yet again in order to issue new revenue bonds or find another financing vehicle
18 by using City taxes (which Crown Point has criticized Winfield for doing).

19 **IV**

20 **FINANCIAL STATUS OF CROWN POINT AND WINFIELD**

21
22 **17. Q IS CROWN POINT MORE FINANCIALLY ABLE TO SERVE THE**
23 **DISPUTED AREA?**

24 A No. Mr. Guerrettaz stated in his testimony at Question 12 that Crown Point,
25 due to its size, has additional financing options while a small town is limited.
26 He continued to describe the assessed valuation tax base and cash amount
27 across all the Crown Point funds. He explained that this includes access to
28 additional capital through financing options. However, later in his testimony

1 at question 14, he disagrees with a hypothetical scenario he constructed in
2 which tax revenues are used to subsidize sewer utility service cost since it
3 would not “send accurate price signals” to the utility customers. Mr Guerrettaz
4 both touts the resources of Crown Point to aid the Disputed Area but also
5 acknowledges that such support would have the effect of not reflecting true
6 utility service costs. Crown Point has not shown a willingness to use the
7 resources of the City tax base or cash amounts of the City to ameliorate the
8 large rate increases it recently made to the rates and charges of its sewer utility
9 in the ordinance passed by its Council in March. As I previously testified, Mr.
10 Guerrettaz is now considering sending inaccurate “price signals” to the utility
11 customers for the funding of the Phase IV improvements that need to be done
12 on or before January 2028, by using other City resources.

13 **18. Q HOW DIFFERENT IS THE ECONOMIC HEALTH OF THE TWO**
14 **ENTITIES?**

15 A One way to compare the economic health of an entity is to compare the ratings
16 on its outstanding debt. Standard and Poor’s rated the City of Crown Point on
17 their general obligation debt issued in December of 2024 as “AA”. Winfield
18 Building Corporation has a “AA-“ rating from Standard and Poor’s on its lease
19 rental debt issued in 2020. Thus, the ratings for the two entities are very
20 similar. Since the economic health of the two entities are similar when looking
21 at the rating from Standard and Poor’s, we look to other differences that will
22 affect the Disputed Area. The sewer rates to be charged to the customers in the

1 Disputed Area are a major differential between the entities.

2 **19. Q IS CROWN POINT CURRENTLY SENDING ACCURATE PRICE**
3 **SIGNALS TO ITS UTILITY CUSTOMERS?**

4 A No. Crown Point's sewer rates inappropriately subsidize its storm water
5 service. Rather than subsidizing the sewer rates with tax revenues, it appears
6 from the data that Mr. Guerrettaz presented in his report to support the sewer
7 rate increase and the report included in his testimony, Crown Point subsidizes
8 its stormwater operations with higher sewer rates. The sewer subsidy of the
9 stormwater does not send accurate price signals to the customers of the sewage
10 works. From the data provided in the two reports, the customers of the sewage
11 works are paying higher sewer rates to support the stormwater utility.

12 **20. Q PLEASE EXPLAIN THE CROWN POINT SEWAGE WORKS**
13 **SUBSIDY OF THE STORMWATER UTILITY.**

14 A In the Rate Consultant's Report (i.e. Petitioner's Exhibit 19) that was prepared
15 by Mr. Guerrettaz dated February 14, 2025, which supported the rate increases
16 passed by Crown Point in ordinance No. 2025-01-02 (Petitioner's Exhibit 20),
17 Crown Point listed that a 51% rate increase was necessary in the year 2025.
18 Later in the exhibits, the sewer rates and charges are then increased again for
19 a twenty-six percent (26%) rate increase in the year 2026. Mr. Guerrettaz's
20 Rate Consultant's Report dated February 14, 2025, did not succinctly present
21 a summary of the revenue requirements for the two phases of increases with
22 the corresponding adjustable revenues subject to the rate increases. Below, I

have attempted to provide some clarity to the amounts used in Crown Point's calculation of the rate increases using either the data provided from the Rate Consultant's Report dated February 14, 2025, (Petitioner's Exhibit 19) or from the Rate Consultant's Report dated April 7, 2025, included as Attachment B to Mr. Guerrettaz's testimony. The reference points are identified in the notes below the table.

TABLE 2 Summary of Crown Point Revenue Requirements

		Total Phase I and Phase II
Operating Expenses		
Sewer Operating Expense including PILOT (2024)(1)	\$ 8,497,246	
Adjustments to Operating Expenses (2024)(2)	573,971	
Adjustments to Operating Expenses (2025)(3)	936,641	
Stormwater Operating Expense (2024) (1)	1,401,114	
Total Proforma Operating Expenses (2026)(4)		\$ 11,408,972
Annual Debt Service		
Combined Current Annual Debt Service	2,758,863	
2025 State Revolving Fund Loans Debt Service	5,933,050	
Total Proforma Year 2026 Combined Debt Service (4)		8,691,913
Coverage/Extensions and Replacements (4)		5,344,005
Total Revenue Requirements		25,444,890
Less: Sewer Adjustable Metered Sales (2024)(5)		(11,071,219)
Less: Sewer Miscellaneous Revenues: Tap In, SDC, and Sewer Penalties (2024)		(3,308,243)
Less: Stormwater Fees and Penalties (2024)(5)		(1,072,547)
Deficit		9,992,881
Divide by: Sewer Adjustable Metered Sales		11,071,219
Calculated Percentage Rate Increase Required		90.26%
Compare to Increases Adopted:		
Phase I Increase March 2025 (6)		51.00%
Phase II Increase January 2026 (7)		26.00%
Compounded Phase I and Phase II Rate Increase		90.26%

- 1 (4) Attachment B to Mr. Guerrettaz's Testimony ("GTG Testimony"). Exhibit B,
2 Calendar Year 2024
3 (5) Difference between Total Operating Expenses for Actual Calendar Year 2024 as
4 shown on Exhibit V of Attachment B to GTG Testimony and Total Expenses for
5 Calendar Year 2024 shown on Exhibit B of Attachment B to GTG Testimony.
6 (6) Difference between Total Operating Expenses for Estimated Calendar Year 2025
7 and Actual Calendar Year 2024 shown on Exhibit V of Attachment B to GTG
8 Testimony.
9 (7) Agrees to amount shown for Estimated Calendar Year 2026 on Exhibit V of
10 Attachment B to GTG Testimony.
11 (8) Attachment B to GTG Testimony. Exhibit C, Calendar Year 2024
12 (9) Listed on Exhibit V of Rate Consultant's Report dated February 14, 2025.
13 (10) Listed on Exhibit Z of Rate Consultant's Report dated February 14, 2025.
14

15 In Table 2, the stormwater utility operating expenses are \$1,401,114 for calendar
16 year 2024 and the stormwater operating revenues used to reduce the revenue
17 requirement deficit is \$1,072,547.

18 **21. Q CAN YOU QUANTIFY THE SUBSIDY FROM THE SEWAGE WORKS**
19 **CUSTOMERS TO CROWN POINT'S STORMWATER UTILITY?**

20 A According to the labels and data provided in the Crown Point Rate Reports, I
21 have attempted to quantify the subsidy. In 2024, the Crown Point sewage
22 works customers subsidized the Crown Point stormwater utility by at least by
23 the differential between the stormwater operating receipts of \$1,072,547 and
24 the stormwater operating disbursements of \$1,401,114. This calculates to a
25 minimum of \$328,567 subsidy. The actual subsidy is likely greater since the
26 Rate Consultant's Report (Petitioner's Exhibit 19) that was prepared by Mr.
27 Guerrettaz dated February 14, 2025, did not provide support or reasons for the
28 total amount of increases to operating expenses for 2025 and 2026. The
29 adjustments made in the Rate Consultant's Report (Winfield's Exhibit 19) that

1 was prepared by Mr. Guerrettaz dated February 14, 2025, note on Exhibit F
2 that there is a payroll increase of four percent (4%), a corresponding benefits
3 increase of twenty-five percent (25%) on the payroll increase, and an eight
4 percent (8%) increase on all other costs not adjusted. He did not make any
5 adjustments to remove non-recurring expenses. The Rate Consultant's Report
6 (Petitioner's Exhibit 19) that was prepared by Mr. Guerrettaz dated
7 February 14, 2025, also did not provide support for the coverage/extensions
8 and replacements or delineate between sewer and stormwater capital projects.
9 The Rate Consultant's Report (Petitioner's Exhibit 19) that was prepared by
10 Mr. Guerrettaz dated February 14, 2025, did not provide an allocation for debt
11 service between the two utilities. The State Board of Accounts Federal
12 Statement Audit Report of City of Crown Point Lake County, Indiana
13 January 1, 2024 to December 31, 2024, filed in June of 2025 ("2024 Audit")
14 lists the 2019 Sewage Works Refunding Revenue Bonds Sewage and
15 Stormwater Improvements as Storm Water Revenue Bonds in the Schedule of
16 Leases and Debt. Also in the 2024 Audit, the description in the 2011 SRF
17 Loan, 2014 SRF Loan, 2015 SRF Loan all list both Wastewater and
18 Stormwater Improvements in the title of the loan. Thus the subsidy of the sewer
19 utility to the stormwater utility could be much more than just the operating net
20 receipts disparity for calendar year 2024 of \$328,567.

21 **22. Q MS. WILSON, DO YOU KNOW IF CROWN POINT HAS**
22 **OUTSTANDING STORMWATER DEBT?**

1 A No, I do not. The 2024 Audit lists the 2019 Bonds as the Stormwater Bonds,
2 but neither the financial or engineering witness could state if there are any
3 Stormwater Bonds. At the respective depositions, Mr. Stong and Mr.
4 Guerrettaz both stated that they did not know if Crown Point had issued and
5 had outstanding for stormwater related projects. Mr. Stong specifically
6 testified as follows:

7 Q Mr. Stong, who does the stormwater engineering for
8 Crown Point? Do you do that, or is that somebody else?

9
10 A Christopher Burke handles the MS4 program.

11
12 Q Okay.

13
14 A We have put together a stormwater master plan in the
15 past. I believe it was dated 2018. But the duties are split
16 between ourselves and Christopher Burke.

17
18 Q Do you know if those plans, any of those projects from
19 the master plan have been completed?

20
21 A I don't know the status of stormwater projects.

22
23 Q So do you know anything about whether they have done
24 stormwater projects or not or which projects have been
25 done? Do you know anything about any of the projects they
26 have done for stormwater?

27
28 A I do not.

29
30 Q Do you know if they have any debt outstanding
31 associated with the stormwater?

32
33 A I'm not really attuned to their stormwater program
34 funding, things of that nature.

35
36 Q So you've done the master plans, but you don't know if
37 they followed through?

1
2 A We put together the master plan in 2018, and I identified
3 potential projects. I don't know if they followed through
4 with the projects or not.
5 (Petitioner's Exhibit 46, p. 95, line 4 – p. 96, line 6)

6 Similarly, Mr. Guerrettaz testified as follows:

7 Q. Does the sewer utility have any debt service associated
8 with stormwater projects?

9 A I do not know that today, sitting here.

10 Q Mr. Stong testified that he did in 2018 a stormwater
11 master plan. Do you know if any of those improvements
12 have been completed by the utility?

13 A No. You would have to ask our engineering witness.

14 Q Are you aware that that we asked for a stormwater report,
15 a rate report?

16 A There's been so many data requests. Subject to check; I do
17 not know for a fact.

18 Q Would you agree that the stormwater rate report would
19 tell me what debt has been issued for the stormwater
20 utility?

21 A No. Not necessarily.

22 Q It wouldn't tell me what debt has been issued?

23 A Huh-uh.

24 Q It wouldn't tell what debt is been attributable to the
25 stormwater?

26 A No.

27 Q So it wouldn't tell me that if there's a stormwater fee --
28 stormwater debt, that is actually used to calculate the
29 amount of the stormwater fee?

30 A It may or may not. I do recall at one point in time we may
31 have done a stormwater bond, and the water -- or the
32 wastewater, the sewer utility, and the stormwater utility is
33 responsible for that debt. But I don't believe there is any
34 debt outstanding on -- specifically on the stormwater
35 utility. There may have been in the past but I don't recall.

36 Q Has there been a stormwater cost of service study done?

37 A There was a stormwater rate study done many years ago.

38 Q And again, might that show me whether there was debt
39 issued and outstanding at that time and still outstanding -
40 - might that show me that?

1 A I have no idea.

2 Q Would you agree that that -- if I had that report, it would
3 help me determine?

4 A No, I would not agree.

5 Q Because you're not sure --Is that because you're not sure
6 that the debt that's attributable to stormwater is included
7 this that report?

8 A The rate.

9 Q Yes.

10 A The rate report that I understood -- I understand is the
11 original rate report that put together the stormwater
12 utility. Probably would not be issuing debt, did not issue
13 -- would believe we issued debt at that point. Don't recall
14 if we have issued debt since.

15 Q So when you go to call calculate your rates for
16 stormwater, would you typically look at the amount of
17 debt that's outstanding for stormwater projects?

18 A If I had a stormwater utility today, I would look at the
19 debt, if it had any debt. Yes.

20 (Petitioner's Exhibit 45, p. 43, line 7 -- p. 45, line 20)

21
22 **23. Q ARE YOU SURPRISED THAT NEITHER WITNESS KNEW**

23 **WHETHER CROWN POINT HAD OUTSTANDING DEBT RELATED**

24 **TO STORMWATER PROJECTS**

25 A Yes, I am. I do know that Mr. Guerrettaz worked for Crown Point when he
26 was a member of my firm in the 1990's. I was very surprised that he did not
27 know if Crown Point had any outstanding stormwater debt or if any of the
28 sewer bonds financed stormwater projects. At the same time, Mr. Stong has
29 been Crown Point's engineer for quite some time.

30 **24. Q CAN YOU IDENTIFY ADDITIONAL STORMWATER RECEIPTS**
31 **THAT OCCURRED IN 2024?**

32 A No. The Rate Consultant's Report (Petitioner's Exhibit 19) that was prepared by

1 Mr. Guerrettaz dated February 14, 2025, and the Rate Consultant's Report dated
2 April 7, 2025, included as Attachment B to Mr. Guerrettaz's testimony lack
3 transparency. In Table 1 above, I used the data from Mr. Guerrettaz's reports for
4 those items specifically identified as "stormwater," If there are other stormwater
5 receipts, they were not specifically identified as such within either Rate
6 Consultant's Report.

7 **25. Q CAN YOU IDENTIFY ANY CAPITAL EXPENDITURES OR OTHER**
8 **NONRECURRING EXPENSES WITHIN THE CROWN POINT**
9 **STORMWATER OPERATING EXPENSE FOR 2024?**

10 A No. If there were capital expenditures or nonrecurring expenses included in the
11 operating expenses, Mr. Guerrettaz should have made an adjustment to remove
12 the such expense from the test year. To such extent there is capital expenditures
13 or nonrecurring expenses in the stormwater operating expense, Mr. Guerrettaz
14 applied an eight percent inflationary adjustment to such nonrecurring expense.

15 **26. Q IS THE SUBSIDY OF SEWER FEES FOR STORMWATER EXPENSES**
16 **A NEW OCCURRENCE?**

17 A No, it is not. Based on Mr. Guerrettaz's February 14, 2025 Consultant Report
18 attached to my direct testimony as Petitioner's Exhibit 19, Exhibit B shows
19 that the stormwater operation and maintenance expenses for 2023 were
20 \$2,532,087. Exhibit C of that same report shows that the revenues were only
21 \$1,039,685. Based upon the data presented, this is a subsidy for this year alone
22 of almost \$1.5 million dollars. In 2022, the stormwater expenses were

1 \$1,415,101. Unfortunately, the revenue was only \$1,186,852. In 2021, the
2 expenses were \$817,049. The revenues, however, were \$723,469. In 2020, the
3 expenses were \$1,011,119, but the revenues were only \$940,671.

4 **27. Q DID CROWN POINT TRY TO EXPLAIN AWAY THE SUBSIDY**
5 **FROM SEWER TO STORMWATER?**

6 A Yes. When asked about this at his deposition, Mr. Guerrettaz says the shortfall
7 was most likely covered by the stormwater O&M Fund. Petitioner's Exhibit
8 45, p. 46, line 5 to p. 47, line 9. This is not transparent in either of the Rate
9 Reports in the identification of other receipts to the stormwater fund.

10 **28. Q WHO IS PAYING FOR THE SUBSIDY FROM SEWER TO**
11 **STORMWATER?**

12 A All sewer customers are paying higher rates in order to subsidize Crown
13 Point's underfunded stormwater utility. It is particularly troubling that the out-
14 of-town customers, including the future customers within the Disputed Area,
15 do not receive any stormwater services from the City. As noted by Mr. Beaver
16 in his testimony, Crown Point's stormwater service area is limited to only those
17 areas within its municipal boundaries. Therefore, the out-of-town sewer
18 customers are paying for a service that they do not receive.

19 **29. Q ARE THE OUT-OF-TOWN USERS ALSO PAYING A SURCHARGE**
20 **FOR A SERVICE THEY ARE NOT RECEIVING?**

21 A Absolutely.

22 **30. Q WHEN DID CROWN POINT LAST MAKE A STUDY OF THEIR**

STORMWATER RATES?

A That is a good question. Winfield asked this question to Crown Point in discovery. Crown Point replied “The request seeks information that is neither relevant nor reasonably calculated to lead to relevant admissible information. The Regulated Territory statute addresses water and sewer service. It does not address stormwater service.” See Petitioner's Exhibit 47, Crown Point Data Request No. 3.4 Response, August 12, 2025.

According to the Crown Point Code of Ordinances, Title V Chapter 53 Stormwater Regulations, the stormwater rate of six dollars (\$6) for all residential properties within the City of Crown Point was established in 2008 with Ordinance No. 2008-09-1. This is the current stormwater rate according to the Crown Point website at <https://www.crownpoint.in.gov/167/Stormwater-Fees>.

31. Q WHEN WAS THE CROWN POINT OUTSIDE THE CITY SURCHARGE ESTABLISHED?

A According to the 2012 filing with the IURC, the ordinances initially setting rates and charges for property within and property outside the municipality's corporate boundaries took effect on March 21, 1994, for sewer service (corrected later in the petition to May 5, 1969). However, according to the deposition by Mr. Guerrettaz, the surcharge has existed since 1966. Petitioner's Exhibit 45, p. 6, lines 1 – 11.

32. Q WHEN WAS THE LAST TIME A COST-OF-SERVICE STUDY FOR

**CROWN POINT SEWAGE WORKS PERFORMED TO JUSTIFY THE
OUTSIDE-THE-CITY SURCHARGE?**

A That is a good question. Winfield asked this question to Crown Point in discovery. Crown Point replied “The request seeks information that is neither relevant nor reasonably calculated to lead to relevant admissible information. Crown Point has identified the sewer rates which it will charge in its proposed regulated territory. The support, basis and calculation of those sewer rates are outside the scope of this proceeding, are irrelevant, and not likely to lead to the discovery of admissible information.” Petitioner's Exhibit 48, Crown Point Data Request No. 3.2 Response, August 12, 2025.

**33. Q IS THE QUESTION OF WHEN THE LAST SEWER COST OF
SERVICE STUDY WAS PERFORMED PERTINENT?**

A Yes, it is. The outside-of-the-city surcharge was established in 1969 by the sewage works according to Ordinance 2012 09-26. (See Petitioner's Exhibit 49). A cost of service study should address the justification of the outside-the-city surcharge. It has been over fifty-six years since the outside-the-city surcharge was enacted. According to the 2012 filing, there were 27 users of the “works for service to property located outside the corporate boundaries of the municipality”. (See Petitioner's Exhibit 49). The customers in the Disputed Area, over time, will significantly increase the number of customers affected by the surcharge if Crown Point becomes the sewer provider.

V

**CROWN POINT HAS NOT BEEN TRANSPARENT AND ITS
PROPOSED RATES TO THE DISPUTED AREA DO NOT REFLECT
THE COST OF SERVICE**

34. Q DO YOU BELIEVE THAT CROWN POINT HAS BEEN
TRANSPARENT WITH ITS PROPOSED RATE INCREASES?

A No, I do not. As I indicated above, Mr. Guerrettaz's February 14, 2025 report which is the basis for Crown Point's most recent rate increase fails to meet generally accepted standards for demonstrating a rate increase. If you read Mr. Guerrettaz's revenue requirements page on Exhibit V of my Petitioner's Exhibit 19, there is no analysis of any of the expenses or the revenues. The few adjustments made are for salaries and wages, benefits, and an inflation percentage of eight percent. The revenue requirement is not presented as recommended in the Water Environment Federation Manual of Practice No. 27 Financing and Charges for Wastewater Systems ("WEF Manual 27"). Nor does there appear to be any adjustments for other items normally seen in transparent, easily understood rate or revenue requirement reports. The page of revenue requirements listed in Petitioner's Exhibit 19 does not list the components needed to calculate the rate increase of 51% for Phase I nor the additional 26% enacted for Phase II. I fear that if Crown Point is authorized to serve the Disputed Area, then there will be no transparency for customers in these areas when trying to determine how their rates were calculated.

35. Q IS THERE ANY INDICATION THAT CROWN POINT'S 25% OUT-
OF-TOWN SURCHARGE IS COST BASED?

1 A No, there is not. As I mentioned above, there appears to be no cost-of-service
2 study that has been recently completed to justify this. I further note that the
3 Disputed Area would be immediately next to Crown Point's proposed brand-
4 new plant and would be served by brand new transmission facilities. As
5 explained by Mr. Lin and Mr. Duffy, many of the flows from Crown Point's
6 in-city users will be diverted through expensive infrastructure and miles of
7 piping to the Proposed WWTP. The existing in-town customers are also served
8 by a combined sewer (or CSO) system which has and will require significant
9 upgrades in future years. Considering the close proximity of the Disputed Area
10 to the Proposed WWTP, it appears that Crown Point wants to serve customers
11 in the Disputed Area and charge them a 25% surcharge to subsidize the cost
12 that would otherwise be due and payable by the citizens of Crown Point. While
13 Crown Point's 25% surcharge has been grandfathered in pursuant to statute, I
14 think it is important for the Commission to recognize the financial impact of
15 this surcharge, especially in light of Crown Point's high user rates. It seems
16 ironic that Crown Point is seeking approval to be the exclusive provider outside
17 its City limits while at the same time trying to "soak" the out-of-town
18 customers with a 25% surcharge.

19 **36. Q WERE THERE CONCERNS RAISED BY MEMBERS OF THE**
20 **PUBLIC AT THE PUBLIC HEARINGS ABOUT THE**
21 **TRANSPARANCY OF CROWN POINT AND SEWER OPERATIONS?**

22 Yes, there were several complaints about the transparency and motives of

Crown Point. Petitioner's Exhibit 25, at p. 12.

37. Q DOES THIS LACK OF TRANSPARENCY CONCERN YOU?

A Yes, it does in this instance. In this Cause, Crown Point is seeking to provide service to areas outside of its municipal limits, including the Disputed Area. I believe the issue of lack of transparency will be particularly problematic for these individuals as they do not have a voice in city government. There is already a lack of transparency with respect to its voters, this issue could become worse for those customers outside its municipal limits, especially if Crown Point is given authority to exclusively serve outside its municipal boundaries.

38. Q ARE THERE ANY OTHER CONCERNS ABOUT LACK OF TRANSPARENCY, MS. WILSON?

A Yes. Crown Point has all of its public meetings taped and available on its website. The only two meetings that are not on the website are the two that concern the introduction, public hearing, and adoption of its most recent increase. While I do not know the intent of Crown Point in removing these particular meetings from its website, it does raise further concerns about Crown Points transparency with respect to its sewer system and user rates.

V

CONCLUSION

39. Q WHICH UTILITY PROVIDES THE LOWER COST OPTION TO THE FUTURE SEWER CUSTOMERS OF THE DISPUTED AREA?

1 A Winfield provides the lower cost option. The sewer rates to be charged to the
2 customers in the Disputed Area is a major differential between the entities.
3 Winfield has used the resources of the Town to keep the rates and charges of
4 the sewage works at \$59.75 per month per residential user. If the customers in
5 the Disputed Area are served by Crown Point, they will pay an outside-the-
6 city surcharge that may not have been validated as to the percentage for over
7 fifty-six years and whose sewer revenues are being used to subsidize to the
8 stormwater utility that they are not a customer.

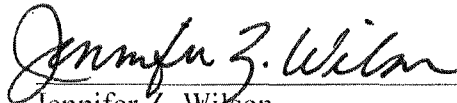
9 **40. Q DOES THIS CONCLUDE YOUR TESTIMONY?**

10 A Yes.

11

VERIFICATION

I affirm under the penalties for perjury that the foregoing testimony is true to the best of my knowledge, information, and belief.



Jennifer Z. Wilson

CERTIFICATE OF SERVICE

I certify that a copy of the foregoing has been served upon the following by electronic mail this 19th day of August, 2025:

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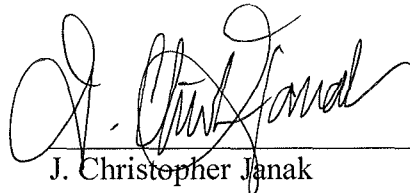
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J. Christopher Janak

Petitioner's Exhibit 44

SEWER RATE SURVEY

Cities and Towns in Indiana with over 25,000 Population

Rank	City/Town	2020 Census	County	Effective Date	Sewer Charge (1)
1	Evansville	117,298	Vanderburgh	2021	\$ 85.30
2	Crown Point	33,899	Lake	2025	83.55 (2)
3	Hobart	29,752	Lake	2025	78.58 (2)
4	Greenwood	63,830	Johnson	2025	73.19
5	Jeffersonville	49,447	Clark	2015	67.13
6	Fort Wayne	263,886	Allen	2024	66.10
7	Franklin	25,313	Johnson	2024	64.78
8	Goshen	34,517	Elkhart	2025	63.75
9	Richmond	35,720	Wayne	2025	61.90
10	Elkhart	53,923	Elkhart	2025	61.15 (2)
11	Mishawaka	51,063	St. Joseph	2021	61.08
12	Lawrence	49,370	Marion	2025	60.26
13	Terre Haute	58,389	Vigo	2018	60.19
14	Muncie	65,194	Delaware	2025	59.78 (2)
15	Bloomington	79,168	Monroe	2025	57.17
16	South Bend	103,453	St. Joseph	2025	56.94
17	Zionsville	30,603	Boone	2025	56.85
18	Indianapolis	887,642	Marion	2025	55.82
19	Valparaiso	34,151	Porter	2025	55.04
20	Noblesville	69,604	Hamilton	2024	53.28
21	Portage	37,926	Porter	2025	53.00 (2)
22	Columbus	50,474	Bartholomew	2025	51.35 (2)
23	New Albany	37,841	Floyd	2017	51.30
24	Westfield	46,410	Hamilton	2023	47.77
25	West Lafayette	44,595	Tippecanoe	2025	47.67 (2)
26	Marion	28,310	Grant	2025	46.72 (2)
27	Brownsburg	28,973	Hendricks	2022	43.87 (2)
28	Carmel	99,757	Hamilton	2025	43.63 (2)
29	Anderson	54,788	Madison	2009	43.17
30	Kokomo	59,604	Howard	2023	42.90
31	Gary	69,093	Lake	2016	42.50
32	Lafayette	70,783	Tippecanoe	2019	42.50
33	Plainfield	34,625	Hendricks	2023	36.40
34	Fishers	98,977	Hamilton	2025	34.00
35	Michigan City	32,075	La Porte	2012	33.77
36	Merrillville	36,444	Lake	2024	32.80
37	East Chicago	26,370	Lake	2024	29.05
38	Schererville	29,646	Lake	2025	26.73 (2)
39	Hammond	77,879	Lake	2017	19.95

(1) Residential 5/8" meter monthly billing for 6.68 CCF or 5,000 Gallons.

(2) Rate increase pending.

Petitioner's Exhibit 45

STATE OF INDIANA
INDIANA UTILITY REGULATORY COMMISSION

Cause Number 45992

IN THE MATTER OF THE PETITION OF)
THE TOWN OF WINFIELD, LAKE COUNTY,)
INDIANA, FOR APPROVAL OF A)
REGULATORY ORDINANCE ESTABLISHING)
A SERVICE TERRITORY FOR THE TOWN'S)
MUNICIPAL SEWER SYSTEM PURSUANT TO)
IND. CODE 8-1.5-6, ET SEQ.)

DEPOSITION OF GREGORY GUERRETTAZ

The deposition upon oral examination of
GREGORY GUERRETTAZ, a witness produced and sworn
before me, Tara Gandel Hudson, RPR, CRR, a Notary
Public in and for the County of Hancock, State of
Indiana, taken on behalf of the Town of Winfield at
the offices of Bose, McKinney & Evans LLP, 111
Monument Circle, Suite 2700, Indianapolis, Marion
County, Indiana, on the 7th day of August, 2025,
scheduled to commence at 1:30 p.m., pursuant to the
rules of the Indiana Utility Regulatory Commission,
with written notice as to the time and place
thereof having been given.

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1 Q Okay. Were you there when Crown Point initially
2 adopted the 25 percent surcharge for sewer?

3 A No. Because that was 1966.

4 Q They've had it for 59 years, then; is that
5 correct?

6 A To answer your question, I was not there in
7 1966.

8 Q Okay. My next question is, so they have had an
9 out-of-town surcharge in the amount of
10 25 percent since 1966?

11 A And maybe even before that.

12 Q Do you know what the amount --

13 Do you know how the surcharge was
14 calculated?

15 A No, sir. I was not there in 1966.

16 Q Have you subsequently seen a report or anything
17 that would say how it was calculated?

18 A I have not looked for a report, so no, I would
19 not.

20 Q Do you know how many customers -- out-of-town
21 customers they had at the time the sewer -- the
22 surcharge was implemented?

23 A No, sir.

24 Q Do you know if there was an agreement or an
25 understanding from the people originally who

1 illustration this number.

2 Q Now, the original proposal, as I understand it,
3 was these Phase III rates were supposed to go
4 into effect on August 1, 2026. Have I
5 misunderstood? Can you explain that to me,
6 Mr. Guerrettaz? Is that not true?

7 MR. GLENNON: Object to the form.

8 You may answer.

9 A Page 2 of this draft ordinance has August 1,
10 2026, but it also has August 1 of 2025 for
11 Phase II, which is not correct. So this
12 ordinance isn't right.

13 BY MR. JANAK:

14 Q This was introduced at the February meeting --
15 is that correct? -- of the City Council?

16 A Subject to check, I'll say yes. It was
17 introduced.

18 Q And it's your testimony that this was not a
19 recommendation from you, this was just a
20 hypothetical?

21 A I'm sorry, sir. I didn't say hypothetical. I
22 said it was an illustration of a possible
23 increase sometime in the future.

24 Q Now, are all the projects necessary to fund the
25 control -- long-term control plan to meet the

1 agreed order funded with the Phase I and
2 Phase II rates?

3 A I'm sorry, sir. You would have to ask the
4 engineer because he has a very big master plan.
5 And that's properly asked to him.

6 Q The engineer told me to ask you about the
7 financing. He said, "You need to ask Greg what
8 these are going to be used to finance."

9 Now you're telling me it's the engineer.
10 Is that your testimony?

11 MR. GLENNON: Object to the form.

12 BY MR. JANAK:

13 Q You can answer.

14 A Restate the question.

15 Q The engineer told me I needed to ask you what
16 the Phase III rates would finance and whether
17 the first two phases would finance all of the
18 improvements in the long-term control plan.

19 Are you now telling me I need to ask the
20 engineer that question?

21 A Yes, sir.

22 Q So what do these improvements, these lift
23 station improvements, will those be funded as
24 part of the Phase I and Phase II improvements?

25 A What shows on Exhibit O labeled Lift Station,

1 Construction Project 4, may be financed many
2 different ways. And even a combination of ways.

3 One of those was we were seeking in January
4 and February -- and this was told to counsel.
5 We were trying to get a food and beverage tax
6 implemented in Crown Point.

7 A food and beverage tax is what I told
8 everybody could fund Phase IV project, along
9 with the specific appropriation that we have put
10 into the redevelopment budget in 2025. And then
11 I will again put in in 2026 when I do that
12 budget. So I know it very, very well.

13 So there was discussion about a whole host.
14 We might even use EDIT. We might use LIT, the
15 new LIT under Senate Bill 1 as I stated in my
16 testimony, okay, on that page.

17 There's a lot of options. So no need to
18 hurry on something that's out there in the
19 future.

20 Q Let's ask this. These lift stations. These
21 lift stations that you're talking about, do you
22 know if they are part of the improvements that
23 are necessary to meet the agreed order?

24 A Again, I would say you need to structure your
25 question lift stations and pipes. And I don't

1 Q That is not a way to finance it?

2 A You said that you proposed. I didn't propose.
3 I illustrated in this rate report in February
4 one way of many -- and also told everyone many
5 ways of doing this.

6 And, you know, one of those, like I told
7 you, we sought legislative approval for a food
8 and beverage tax. And that's an awesome way to
9 finance sewer improvements.

10 Q Let me ask you this. Let me ask --

11 At this point, we have no financing --
12 "we," being Crown Point, have no financing in
13 place to pay for these lift stations and pipe
14 improvements; is that correct?

15 A Correct.

16 Q Now, I think it was suggested at the public
17 hearing that we know where the market is at this
18 time, and what we're saying is we will review
19 the Phase III in a year or so.

20 What did you mean by "We'll look at the
21 market in another year"?

22 I think you said that, actually. That was
23 your quote from the public hearing. What did
24 you mean when you said that?

25 A I think you said it correctly at first when you

1 would have to double-check the math with the
2 specific stormwater utility.

3 Q But you would agree there's a stormwater
4 shortfall, revenues versus expenses, of
5 \$328,000; correct?

6 A Appears, given the numbers you gave me, yes.

7 Q Does the sewer utility have any debt service
8 associated with stormwater projects?

9 A I do not know that today, sitting here.

10 Q Mr. Stong testified that he did a 2018
11 stormwater master plan. Do you know if any of
12 those improvements have been completed by the
13 utility?

14 A No. You would have to ask our engineering
15 witness.

16 Q Are you aware that we asked for a stormwater
17 report, a rate report?

18 A There's been so many data requests. Subject to
19 check; I do not know for a fact.

20 Q Would you agree that the stormwater rate report
21 would tell me what debt has been issued for the
22 stormwater utility?

23 A No. Not necessarily.

24 Q It wouldn't tell me what debt has been issued?

25 A Huh-uh.

1 Q It wouldn't tell what debt is attributable to
2 the stormwater?

3 A No.

4 Q So it wouldn't tell me that if there's a
5 stormwater fee -- or a stormwater debt, that
6 that is actually used to calculate the amount of
7 the stormwater fee?

8 A It may or may not. I do recall at one point in
9 time, we may have done a stormwater bond and the
10 water -- or the wastewater, the sewer utility,
11 and the stormwater utility is responsible for
12 that debt.

13 But I don't believe there is any debt
14 outstanding on -- specifically on the stormwater
15 utility. There may have been in the past, but I
16 don't recall.

17 Q Has there been a stormwater cost of service
18 study done?

19 A There was a stormwater rate study done many
20 years ago.

21 Q And again, might that show me whether there was
22 debt issued and outstanding at that time and
23 still outstanding -- might that show me that?

24 A I have no idea.

25 Q Would you agree that that -- if I had that

1 report, it would help me determine?

2 A No, I would not agree.

3 Q Because you're not sure --

4 Is that because you're not sure that the
5 debt that's attributable to stormwater is
6 included in that report?

7 A The rate --

8 Q Yes.

9 A -- report that I understood, I understand is the
10 original rate report that put together the
11 stormwater utility. Probably would not be
12 issuing debt, did not issue -- I don't believe
13 we issued debt at that point. Don't recall if
14 we have issued debt since.

15 Q So when you go to calculate your rates for
16 stormwater, would you typically look at the
17 amount of debt that's outstanding for stormwater
18 projects?

19 A If I had a stormwater utility today, I would
20 look at the debt, if it had any debt. Yes.

21 Q Okay. Would you agree --

22 A But again, I would also agree that it doesn't
23 apply outside the city limits.

24 Q Let's look at -- back on Exhibit 8, Exhibit B.

25 A Yes, sir. I'm there.

1 Q Let's look for calendar year 2023.

2 A '23?

3 Q 2023. Yes.

4 A Okay. Yes, sir.

5 Q Under Stormwater, it shows stormwater expenses
6 of 2,532,000; is that right?

7 A Yes, sir.

8 Q Let's look at Exhibit C on the next page. I
9 show the stormwater revenues are roughly
10 1,045,000. Would you agree with that?

11 A Yes, it appears.

12 Q Would you agree that that's a shortfall of
13 almost \$1.5 million?

14 A I would agree that number minus that number
15 probably equals 1.5. But I would also agree
16 that we've been repairing stormwater quite
17 significantly throughout the city of
18 Crown Point.

19 I would also submit that we have an O&M
20 fund that has been providing and helping with
21 the operation and maintenance. And you clearly
22 can see that fund on Exhibit A.

23 Q To the extent there are shortfalls that are not
24 covered by the other miscellaneous funds that
25 are for stormwater only, would you agree that

1 the sewer fees are paying the shortfall?

2 A No.

3 Q Where is the money coming from, Mr. Guerrettaz?

4 A Probably from the cash balance. There could
5 have been, even in that year, some other influx
6 of money. As a matter of fact, we used RBA
7 (phonetic) in the past for stormwater. I would
8 have to do some really good analysis of the
9 stormwater utility.

10 But again, it only affects the people in
11 the city of Crown Point. It does not affect
12 anyone that is outside the city limits.

13 Q So the stormwater O&M fund is 691,000 for 2023;
14 is that correct?

15 A Yes, sir.

16 Q Can you show me in this report where you were
17 able to use that 691,000 to offset that
18 \$1.5 million shortfall?

19 A No, sir. I told you I would have to do a
20 detailed study of all inflows and outflows to
21 the stormwater utility, and this report does not
22 do that. It never intended to.

23 Q So you do not know, as we sit here today, if
24 sewer is subsidizing stormwater? You don't
25 know; is that correct?

1 85,000 for a long, long time.

2 Q How many customers is the City adding per year
3 right now, Mr. Guerrettaz? Do you know?

4 A Per year, off the top of my head, I do not know.
5 I looked up the total customers. I think we're
6 around 14-, 17,000. But total per year, I can't
7 keep up. There are so many.

8 Q There was some discussion, I believe, at the
9 public hearing about reviewing your system
10 development charges and Tap fees in the next
11 year or two; is that correct?

12 A That is correct. Council -- the City Council
13 asked when it was last updated and asked for,
14 you know, that to go up. I made the statement,
15 it might -- once we get bids and everything on
16 the new projects of Phase II and Phase III, it
17 might double. Their response was, "It probably
18 ought to triple."

19 So they have requested that we look at it
20 in the future.

21 Q And is that a look to see if it needs to be
22 increased because of the new investment?

23 A That's correct.

24 Q What are Crown Point's current -- what's its
25 current system development charge,

Petitioner's Exhibit 46

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STATE OF INDIANA
INDIANA UTILITY REGULATORY COMMISSION
Cause Number 45992
IN THE MATTER OF THE PETITION OF)
THE TOWN OF WINFIELD, LAKE COUNTY,)
INDIANA, FOR APPROVAL OF A)
REGULATORY ORDINANCE ESTABLISHING)
A SERVICE TERRITORY FOR THE TOWN'S)
MUNICIPAL SEWER SYSTEM PURSUANT TO)
IND. CODE 8-1.5-6, ET SEQ.)

DEPOSITION OF ALBERT STONG, PE

The deposition upon oral examination of
ALBERT STONG, PE, a witness produced and sworn
before me, Tara Gandel Hudson, RPR, CRR, a Notary
Public in and for the County of Hancock, State of
Indiana, taken on behalf of the Town of Winfield at
the offices of Bose McKinney & Evans LLP, 111
Monument Circle, Suite 2700, Indianapolis, Marion
County, Indiana, on the 7th day of August, 2025,
scheduled to commence at 9:00 a.m., pursuant to the
rules of the Indiana Utility Regulatory Commission,
with written notice as to the time and place
thereof having been given.

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1 A It appears to be a summary update memorandum
2 regarding growth projections.

3 Q Was this included as part of your 2025 PER?

4 A I believe it was.

5 Q Okay. The first paragraph -- let me back up.
6 The 2025 PER to which it was attached, I
7 believe, is a sanitary sewer master plan; is
8 that correct?

9 A Can you repeat that, please.

10 Q Yes. The 2025 PER that it was attached to was a
11 sanitary sewer master plan; is that correct?

12 A That's correct.

13 Q Now, the first paragraph in this memorandum
14 mentions water utility improvement projects and
15 water master plans in the first paragraph only.
16 Is that a typo? Should it be sewer?

17 A No. This was regarding -- we manage both
18 utilities. So we performed our water utility
19 improvements projects, and we revisited growth
20 projections after they were completed.

21 Q Okay. So the first paragraph is referring to
22 water, but the remainder of the memo pertains to
23 sewer; is that correct?

24 A I believe it's applicable to both identifying
25 anticipated growth.

1 Q Okay. On the first page here, second paragraph,
2 it says, last sentence:

3 "This level of detail was determined
4 required as a historical growth projection
5 approach was proven inaccurate in the original
6 master plan assembly."

7 Can you explain that sentence to me? What
8 are you saying right there?

9 A When we assembled our water master plan, any
10 planning report typically identifies a 20-year
11 planning horizon. Our water master plan was
12 assembled, and projects were implemented. Once
13 the projects were implemented, we revisited
14 demands. Demands exceeded historical growth, so
15 we revisited growth projections to update our
16 planning document.

17 Q Okay. Now, the next paragraph, paragraph 4, it
18 says:

19 "Locations received past request for
20 development but denied due to lack of utility
21 capacity to accept."

22 Was that for both sewer and water?

23 A It would be. Yes.

24 Q So the City, prior --

25 How long has the City been denying requests

1 Question 13. In response to Question 13, I
2 identify the four-phase improvements project
3 illustrated on Exhibit C or further described
4 below.

5 Would you like me to go through the
6 descriptions?

7 Q No need to do that.

8 What is the timing on that project? When
9 will the Phase IV project be done, Mr. Stong?

10 A All projects are to be completed prior to
11 January 2028.

12 Q Is there financing in place for this Phase IV
13 project that would divert the flows?

14 A I'm not aware of the financing. You'll have to
15 ask the rate consultant.

16 Q There was a final phase of the rate increase
17 that was dropped at the March hearing, and it
18 was called the Phase IV increase for the
19 Phase IV projects. Was that the rate increase
20 that was going to help fund the debt that was
21 going to be used to construct this Phase IV
22 project?

23 A You'll have to ask the rate consultant. I'm not
24 aware.

25 Q You do not know?

1 A I'm not involved in rates. I'm involved in the
2 engineering.

3 Q That's not my question. My question is -- let's
4 ask you this.

5 When are you going to do that project? Is
6 it going to be done now as part of the first
7 phase of the project, or is that going to come
8 later? I'm talking about the diversion.

9 A Sure.

10 MR. GLENNON: Object to the form.
11 Compound.

12 Go ahead.

13 A It says in my testimony:

14 "This project is slated to commence
15 construction in the summer of 2026."

16 So that is after construction commences
17 with respect to the southeast wastewater
18 treatment plant.

19 BY MR. JANAK:

20 Q Okay. When do you anticipate there will be
21 funding available for this project?

22 A Again, you'll have to ask the rate consultant.

23 Q You don't know?

24 A No.

25 Q Do you know if the Phase IV increase that was

1 set forth in Mr. Guerrettaz's accounting report
2 was going to help fund this Phase IV project?

3 A You'll have to ask Mr. Guerrettaz.

4 Q You do not know?

5 A I don't know the details of the financing that
6 Mr. Guerrettaz has created.

7 Q So your answer is you do not know; correct?

8 A I do not know.

9 Q So if that rate increase was -- if that increase
10 does not occur, do you know if there will be
11 funding available for this Phase IV project?

12 MR. GLENNON: Asked and answered. He's
13 already indicated he doesn't have any details on
14 the financing. You need to talk to Greg
15 Guerrettaz.

16 BY MR. JANAK:

17 Q You can answer.

18 A I don't know.

19 Q Would you agree, though, that the entire plan
20 for diverting flows from the City to free up
21 capacity for the anticipated development from
22 the City, it is necessary for the City to
23 complete these facilities? Would you agree with
24 that?

25 A Our state judicial agreement identifies the

1 (A recess was taken between 11:32 a.m. and
2 11:38 a.m.)

3 BY MR. JANAK:

4 Q Mr. Stong, who does the stormwater engineering
5 for Crown Point? Do you do that, or is that
6 somebody else?

7 A Christopher Burke handles the MS4 program.

8 Q Okay.

9 A We have put together a stormwater master plan in
10 the past. I believe it was dated 2018. But the
11 duties are split between ourselves and
12 Christopher Burke.

13 Q Do you know if those plans, any of those
14 projects from the master plan have been
15 completed?

16 A I don't know the status of stormwater projects.

17 Q So do you know anything about whether they have
18 done stormwater projects or not or which
19 projects have been done? Do you know anything
20 about any of the projects they have done for
21 stormwater?

22 A I do not.

23 Q Do you know if they have any debt outstanding
24 associated with the stormwater?

25 A I'm not really attuned to their stormwater

1 program funding, things of that nature.

2 Q So you've done the master plans, but you don't
3 know if they followed through?

4 A We put together the master plan in 2018, and I
5 identified potential projects. I don't know if
6 they followed through with the projects or not.

7 MR. JANAK: I think that does it, with one
8 caveat that I might as well be upfront about
9 this. I'm done for now. We will be filing a
10 motion to compel certain discovery that has not
11 been provided that I asked to be provided by
12 last Friday in preparation for this deposition.

13 So we're going to be closed for now, but we
14 want to reserve the right to reopen the
15 deposition once we get the responses to that
16 discovery. I think that will be more of a Greg
17 Guerrettaz thing, but I have to look at it to
18 see if it implicates any of Mr. Stong's
19 testimony.

20 So with that being said, I think I'm done
21 for now with that reservation of rights.

22 MR. GLENNON: For the record, we've been
23 working with your co-counsel on resolving any
24 discovery disputes. We made it very clear to
25 him if there's something you need, why, let us

Petitioner's Exhibit 47

Request No. 3.4:

Please provide the latest ordinance that made a change to the Crown Point stormwater rates.

Objection: The request seeks information that is neither relevant nor reasonably calculated to lead to relevant admissible information. The Regulated Territory statute addresses water and sewer service. It does not address stormwater service.

AMENDED RESPONSE: See Objection see Amended Response to 3.3 above. Winfield seeks the needlessly complicate this proceeding with issues that have nothing to do with the statutory criteria for Regulatory Ordinances. Without waiving any objection, please see Crown Point's website.

Petitioner's Exhibit 48

Request No. 3.2:

When did Crown Point Sewage Works prepare their last cost of service study? Please provide a copy.

Objection: The request seeks information that is neither relevant nor reasonably calculated to lead to relevant admissible information. Crown Point has identified the sewer rates which it will charge in its proposed regulated territory. The support, basis and calculation of those sewer rates are outside the scope of this proceeding, are irrelevant, and not likely to lead to the discovery of admissible information.

RESPONSE: See Objection.

Request No. 3.2:

When did Crown Point Sewage Works prepare their last cost of service study? Please provide a copy.

Objection: The request seeks information that is neither relevant nor reasonably calculated to lead to relevant admissible information. Crown Point has identified the sewer rates which it will charge in its proposed regulated territory. The support, basis and calculation of those sewer rates are outside the scope of this proceeding, are irrelevant, and not likely to lead to the discovery of admissible information.

AMENDED RESPONSE: See Objection and Objection 3.1. Winfield already has Crown Point's phase one and phase two rates needed to consider the effect on rates. No other rate increases are planned or expected at this time. Winfield seeks to pointlessly expand or create issues not required by or germane to the Regulatory Ordinance statute, thus needlessly burdening the Commission, Crown Point and all other parties.

Winfield's Reply: The date Crown Point prepared its last cost of service study is relevant and, at a minimum, is reasonably calculated to lead to admissible information. Pursuant to Ind. Code §§ 8-1.5-6-9(c) and 8-1.5-6-8(g), the Commission is to consider "[t]he effect of a commission order on customer rates and charges for service provided in the regulated territory" in making its public interest determination. Crown Point's last cost of service study will aid the Commission in determining the likelihood of future rate increases beyond the 56% rate increase in March 2025 and the 26% rate increase scheduled for January 2026. Winfield has a right to view such rate studies to determine if the sewer rates contain costs are properly borne by the stormwater utility. Please provide Crown Point's last cost of service study.

Petitioner's Exhibit 49



CITY OF CROWN POINT

David D.F. Uran
Mayor

LEGAL DEPARTMENT

David H. Nicholls
City Attorney

August 31, 2012

Received
September 5, 2012
INDIANA UTILITY
REGULATORY COMMISSION

Director
Water and Wastewater Division
Indiana Utility Regulatory Commission
PNC Center
101 West Washington St., Suite 1500E
Indianapolis, IN 46204

Dear Director,

On behalf of the City of Crown Point and pursuant to General Administrative Order 2012-2 of the IURC I herein enclose the city's Petition for Approval of Rate and Charge Difference Between Property Within and Property Outside the Corporate Boundaries of the City of Crown Point, Indiana.

Thanking you in advance for your consideration, I remain,

Very truly yours,

David H. Nicholls

Enc:

www.crownpoint.in.gov

Courthouse Square, Room 300 • P.O. Box 794 • Crown Point, IN 46308

Office (219) 662-3258

Fax (219) 663-2373

STATE OF INDIANA

INDIANA UTILITY REGULATORY COMMISSION

**PETITION FOR APPROVAL OF RATE AND CHARGE DIFFERENCE
BETWEEN PROPERTY WITHIN AND PROPERTY OUTSIDE THE
CORPORATE BOUNDARIES OF THE CITY OF CROWN POINT, INDIANA**

Pursuant to Indiana Code § 8-1.5-3-8.3(c), Petitioner, the City of Crown Point, Indiana, by counsel, David H. Nicholls, respectfully requests the Director of the Water and Waste Water Division of the Indiana Utility Regulatory Commission (Commission) to approve the rate and charge difference between property within and property outside the corporate boundaries of the City of Crown Point, Indiana.

In support of its Petition, Petitioner states:

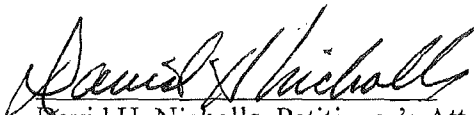
1. The ordinances initially setting rates and charges for property within and property outside the municipality's corporate boundaries took effect on October 11, 1966 for water service and March 21, 1994 for sewer service.
2. Attached is a copy Ordinance No. 728 (Water), and Ordinance No. 1734 (Sewer).
3. The works that are the subject of these ordinances serve eleven thousand, nine hundred and thirty six (11,936) users and are both a water and waste water utility works.
4. The percentage difference between the rates and charges imposed upon twenty seven (27) users of the works for service to property located outside the corporate boundaries of the municipality and to property located within the corporate boundaries is twenty five (25%) percent.
5. The percentage does not vary upon the rate of consumption or use of the utilities.
6. Each prospective user of said utilities that is located outside the corporate boundaries of the city must request connection to said utilities at a meeting of the Board of Public Works and Safety and at the Common Council regularly scheduled open public meetings wherein said user is questioned as to the user's understanding of the surcharge and whether the user agrees to it.
7. Petitioner considers Indiana Code § 8-1.5-3-8.3(c), among other statutes,

applicable to the relief requested by this Petition.

8. David H. Nicholls, Crown Point City Attorney, is counsel of record for the Petitioner in this matter and is duly authorized to accept service of papers in this cause on behalf of Petitioner.

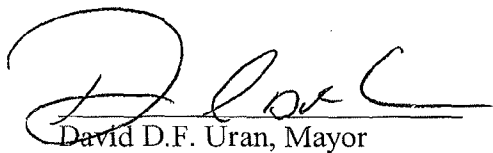
WHEREFORE, The City of Crown Point, Indiana requests the Commission issue an Order approving the percentage rate and charge difference between property within and property outside the corporate boundaries of Crown Point, Indiana and for all other just and proper relief in the premises.

Respectfully submitted,



David H. Nicholls, Petitioner's Attorney

I, David D.F. Uran, affirm under the penalties for perjury that the foregoing representations are true to the best of my knowledge, information and belief.



David D.F. Uran, Mayor

8/28/12

David H. Nicholls
Nicholls & Nicholls, LLC
117 ½ W. Joliet Street
Crown Point, Indiana 46307

Indiana Attorney #9624-45

EXHIBITS

Ordinance # 728 passed October 11, 1966

Ordinance # 1734 passed March 21, 1994

ORDINANCE NO. 728

An Ordinance establishing rates and Charges
for the use of and services rendered by the
waterworks system of the City of Crown Point

WHEREAS, the Common Council of the City of Crown Point has authorized the construction of a new water treatment plant and the making of extensions and additions to the existing waterworks system of said City for the purpose of providing a sufficient supply of water at proper pressure to the inhabitants of the City and properly protecting the health, well-being and property of said City and its inhabitants; and

WHEREAS, in order to procure the necessary funds to pay the cost of construction and installation of said new water treatment plant and extensions and additions, it is necessary for the City to issue and sell waterworks revenue bonds payable solely out of the revenues of said waterworks system, which revenues under the existing schedule of rates and charges are insufficient to enable the City to finance the needed extensions and additions; and

WHEREAS, the Common Council now finds that the existing rates and charges for the use of and service rendered by the waterworks of said City are too low and are insufficient to enable the City to operate properly its waterworks plant, provide for depreciation, and finance said new improvements; that the proposed new water treatment plant and the extensions and additions will improve the service rendered by said waterworks system and make the same of greater value to the City and its inhabitants, and that the existing rates and charges should be increased; now therefore,

BE IT ORDAINED BY THE COMMON COUNCIL OF THE CITY OF CROWN POINT, INDIANA:

Sec. 1. That there shall be and there are hereby established for the use of and the service rendered by the waterworks system of the City of Crown Point, the following rates and charges, based on the use of water supplied by said waterworks system:

<u>Metered Rates</u>	<u>Rate per 1000 gal.</u>
First 3,000 gallons per month	\$ 1.30
Next 7,000 gallons per month	1.10
Next 40,000 gallons per month	.90
Next 50,000 gallons per month	.70
Next 150,000 gallons per month	.50
All over 250,000 gallons per month	.30

Minimum Rates

<u>Meter Size</u>	<u>Rate per Month</u>
5/8 inch	\$ 3.90
3/4 inch	4.50
1 inch	6.00
1 1/2 inch	11.00
2 inch	15.00
3 inch	30.00
4 inch	50.00

Public Fire Protection

For each Fire Hydrant per year: \$ 150.00

Late Payment Charges

Bills unpaid fifteen days following due date, as stated in such bills, shall be subject to a collection charge of 10% on the first \$3.00 of unpaid billing and 3% on the balance of unpaid billing in excess of \$3.00.

Service Outside City Limits

For users of water located outside the corporate limits of the City, an additional charge in the amount of 25% of the billing for water usage computed at the above rates will be imposed.

Sec. 2. All ordinances and parts of ordinances in conflict herewith are hereby repealed; provided, however, that the existing schedule of water rates and charges shall remain in full force and effect until the schedule of rates and charges fixed by this ordinance shall be approved by the Public Service Commission of Indiana, and until such time as the order of said Commission approving said new rates and charges shall direct.

Sec. 3. This ordinance shall be in full force and effect from and after its passage and signing by the Mayor; provided, however, that the schedule of rates and charges herein set out shall not become effective unless approved by the Public Service Commission of Indiana, or until such time as said Commission shall direct.

Passed and adopted by the Common Council of the City of Crown Point on the 11th day of October, 1966.

Marvin G. Erlenbach
Presiding Officer

Attest:

Kenneth Stanford
Clerk-Treasurer

Presented by me to the Mayor of the City of Crown Point on the 11th day of October, 1966, at the hour of 8:30^p P.M.

Kenneth Stanford
Clerk-Treasurer

This ordinance approved and signed by me on the 11th day of October, 1966, at the hour of 8:30 P.M.

Marvin G. Erlenbach
Marvin G. Erlenbach, Mayor

ORDINANCE NO. 1734

SEWER RATE ORDINANCE

An Ordinance establishing a schedule of rates and charges to be collected by the City of Crown Point from the owners of property served by the sewage works of said City and other matters connected therewith.

WHEREAS, the City proposes to construct, maintain and operate a sewage works for the purpose of collecting and disposing of the sewage of the City in a sanitary manner financed in part by a grant from the U.S. Environmental Protection Agency; and

WHEREAS, it is necessary to establish a schedule of rates and charges so as to produce sufficient revenue to pay expenses of maintenance and operation, and to provide funds for necessary replacements and improvements to the sewage works, and to pay the principal and interest on the proposed revenue bonds in accordance with the applicable bond ordinance, all in a manner in accordance with the guidelines of the U.S. Environmental Protection Agency; now, therefore,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CROWN POINT:

Section 1. Unless the context specifically indicates otherwise, the meaning of terms used in this ordinance shall be as follows:

- (a) "Ammonia" (or NH₃-N) shall have the same meaning as defined in the Sewer Use Ordinance.
- (b) "Board" shall mean the Board of Public Works & Safety of the City of Crown Point, or any duly authorized officials acting in its behalf.
- (c) "BOD" (or Biochemical Oxygen Demand) shall have the same meaning as defined in the Sewer Use Ordinance.
- (d) "CBOD" (or Carbonaceous Biochemical Oxygen Demand) shall have the same meaning as defined in the Sewer Use Ordinance.
- (e) "COD" (or Chemical Oxygen Demand) shall have the same meaning as defined in the Sewer Use Ordinance.
- (f) "Combined Sewer System" shall mean the sanitary and other sewers as defined in the NPDES Permit issued to the City of Crown Point, Indiana for its sewers.

- (g) "Local Capital Charges" shall mean the average annual principal and interest payments on all proposed revenue bonds or other long-term capital debt and depreciation costs.
- (h) "Excessive Strength Surcharge" shall mean an additional charge which is billed to users for treating sewage wastes with an average strength in excess of "normal domestic sewage".
- (i) "Industrial Wastes" shall mean the wastewater discharges from industrial, trade or business processes as distinct from employee wastes or wastes from sanitary conveniences.
- (j) "NPDES (National Pollutant Discharge Elimination System) Permit" shall have the same meaning as defined in the Sewer Use Ordinance.
- (k) "Normal Domestic Sewage" (for the purpose of determining surcharges) shall mean wastewater or sewage having an average daily concentration as follows:
 - S.S. not more than 250 mg/l
 - BOD not more than 250 mg/l
 - Ammonia not more than 40 mg/l
 - Phosphorus not more than 10 mg/l
- (l) "Operation and Maintenance Cost" include all costs, direct and indirect, necessary to provide adequate wastewater collection, transport and treatment on a continuing basis and produce discharges to receiving waters that conform with all related Federal, State and local requirements. (These costs include replacement.)
- (m) "Other Service Charges" shall mean tap charges, connection charges, area charges, and other identifiable charges other than excessive strength surcharges.
- (n) "Person" shall mean any and all persons, natural or artificial, including any individual, firm, company, municipal or private corporation, association, society, institution, enterprise, governmental agency or other entity.
- (o) "Phosphorus" shall have the same meaning as defined in the Sewer Use Ordinance.
- (p) "Replacement Costs" shall mean the expenditures for obtaining and installing equipment, accessories or appurtenances which are necessary during the useful life of the treatment works to maintain the capacity and performance for which such works were designed and constructed.

- (q) "S.S." (or suspended solids) shall have the same meaning as defined in the Sewer Use Ordinance.
- (r) "Shall" is mandatory; "May" is permissive.
- (s) "Sewage" shall have the same meaning as defined in the Sewer Use Ordinance.
- (t) "Sewer Use Ordinance" shall mean a separate and companion enactment to this Ordinance, which regulates the connection to and use of public and private sewers.
- (u) "City" shall mean the City of Crown Point acting by and through its Board of Public Works & Safety.
- (v) "User Charge" shall mean a charge levied on users of the wastewater treatment works for the cost of operation and maintenance of such works pursuant to Section 204(b) of Public Law 92-500.
- (w) "User Class" shall mean the division of wastewater treatment customers by source, function, waste characteristics, and process or discharge similarities, (i.e. residential, commercial, industrial, institutional, and governmental in the User Charge System).

Residential User - shall mean a user of the treatment works whose premises or building is used primarily as a residence for one or more persons, including all dwelling units, etc.

Commercial User - shall mean any establishment involved in a commercial enterprise, business or service which based on a determination by the City discharges primarily segregated domestic wastes or wastes from sanitary conveniences.

Institutional User - shall mean any establishment involved in a social, charitable, religious, and/or educational function which, based on a determination by the City discharges primarily segregated domestic wastes or wastes from sanitary conveniences.

Governmental User - shall mean any Federal, State or local governmental user of the wastewater treatment works.

Industrial User - shall mean any manufacturing or processing facility that discharges industrial waste to a wastewater treatment works.

EDU (Equivalent Dwelling Unit) - shall mean a single family residential dwelling unit that supplies not in excess of 310 gallons per day to the sanitary sewer system. The Indiana State Board of Health Bulletin S.E. 13 shall be utilized to determine flows used in the calculation of EDU's for flows other than a single family residential unit.

Section 2. Every person whose premises are served by said sewage works shall be charged for the service provided. These charges are established for each user class, as defined, in order that the sewage works shall recover, from each user and user class, revenue which is proportional to its use of the treatment works in terms of volume and load. User charges are levied to defray the cost of operation and maintenance (including replacement) of the treatment works. User charges shall be uniform in magnitude within a user class.

- (a) User charges are subject to the rules and regulations adopted by the U.S. Environmental Protection Agency publishes in the Federal Register February 17, 1984 (40 CFR 35.2140). Replacement costs, which are recovered through the system of user charges, shall be based upon the expected useful life of the sewage works equipment.
- (b) The various classes of users of the treatment works for the purpose of this Ordinance, shall be as follows:

Residential
Commercial
Governmental
Institutional
Industrial

Section 3. For the use of the service rendered by sewage works, rates and charges shall be collected from the owners of each and every lot, parcel of real estate or building that is connected with the City's sanitary system or otherwise discharges sanitary sewage, industrial wastes, water or other liquids, either directly or indirectly, into the sanitary sewage system of the City. Such rates and charges include user charges, debt service costs, excessive strength surcharges and other service charges, which rates and charges shall be payable as hereinafter provided and shall be effective on and in the amount determined as follows:

- (a) Rates Effective for the first full billing cycle following the issuance of the bonds and until January 1, 1996.

The sewage rates and charges shall be based on the quantity of water used on or in the property or premises subject to such rates and charges as the same is measured by the water meter that is used, subject to a minimum charge, based on the size of water meter installed except as herein otherwise provided. For the purpose of billing and collecting

the charges for sewage service, the water meters shall be read monthly and the users shall be billed each month (or period equaling a month). The water usage schedule on which the amount of said rates and charges shall be determined is as follows:

- (1) Billing and Operation, Maintenance and Replacement rate per 1,000 gallons of usage per month:

\$2.01

- (2) Local Capital Charge per 1,000 gallons of usage per month:

\$0.84

- (3) Minimum rate per month:

<u>Meter Size:</u>	<u>Monthly Minimum Charge:</u>
5/8" water meter	\$ 8.55
3/4" water meter	12.31
1" water meter	21.89
1 1/4" water meter	34.20
1 1/2" water meter	49.25
2" water meter	87.55
3" water meter	196.99
4" water meter	350.21
6" water meter	787.97

(b) Rates Effective from and after January 1, 1996:

The sewage rates and charges shall be based on the quantity of water used on or in the property or premises subject to such rates and charges as the same is measured by the water meter that is used, subject to a minimum charge, based on the size of water meter installed except as herein otherwise provided. For the purpose of billing and collecting the charges for sewage service, the water meters shall be read monthly and the users shall be billed each month (or period equaling a month). The water usage schedule on which the amount of said rates and charges shall be determined is as follows:

- (1) Billing and Operation, Maintenance and Replacement rate per 1,000 gallons of usage per month:

\$2.41

- (2) Local Capital Charge per 1,000 gallons of usage per month:

\$1.64

- (3) Minimum rate per month:

<u>Meter Size:</u>	<u>Monthly Minimum Charge:</u>
5/8" water meter	\$12.15
3/4" water meter	17.50
1" water meter	31.10
1 1/4" water meter	48.60
1 1/2" water meter	69.98
2" water meter	124.42
3" water meter	279.94
4" water meter	497.66
6" water meter	1,119.74

- (c) For users of the sewage works that are unmetered water uses or accurate meter readings are not available, the monthly charge shall be determined by equivalent single family dwelling units (EDU's), except as herein provided. A sewage service bill shall be rendered once each month (or period equaling a month). The schedule on which said rates and charges shall be determined and effective on the following dates as follows:

Residential single family dwelling unit:

- For of the first full billing cycle following the issuance of the Bonds and until January 1, 1996 \$17.80
- From and after January 1, 1996 \$25.30

(based on an average residential customer using 6,242 gallons):

- (d) For the service rendered to the City, the City shall be subject to the same rates and charges.
- (e) Notwithstanding any other provision of this Ordinance to the contrary, the rates and charges contained in this Ordinance shall not take effect (and will not apply to any usage of the combined sewer system) until the first monthly billing cycle after the issuance of any Bonds pursuant to Ordinance 1736. Prior to such billing

cycle following the issuance of any Bonds, rates and charges will be as presently fixed by ordinance.

- (f) In order to recover the cost of monitoring industrial wastes, the City shall charge the user not less than \$100.00 per sampling event plus the actual cost for collecting and analyzing the sample(s) as determined by the City or by an independent laboratory. This charge will be reviewed on the same basis as all other rates and charges in this ordinance.

Section 4. The quantity of water discharged into the combined sewer system and obtained from sources other than the utility that serves the City shall be determined by the City in such manner as the City shall reasonably elect, and the sewage service shall be billed at the above appropriate rates; except as hereinafter provided in this section, the City may make proper allowances in determining the sewage bill for quantities of water shown on the records to be consumed, but which are also shown to the satisfaction of the City that such quantities does not enter the combined sewer system.

- (a) In the event a lot, parcel of real estate or building discharging sanitary sewer system, either directly or indirectly, is not a user of water supplied by the water utility serving the City, and the water used thereon or therein is not measured by a water meter, or is measured by a water meter not acceptable to the City, then the amount of water used shall be otherwise measured or determined by the City. In order to ascertain the rate or charge provided in this ordinance, the owner or other interested party shall, at his expense, install and maintain meters, wires, volumetric measuring devices or any adequate and approved method of measurement acceptable to the City for the determination of sewage discharge.
- (b) In the event a lot, parcel of real estate or building discharging sanitary sewage, industrial wastes, water or other liquids into the City's combined sewer system, either directly or indirectly, is a user of water supplied by the water utility serving the City, and in addition, is a user of water from another source which is not measured by a water meter or is measured by a meter not acceptable to the City, then the amount of water used shall be otherwise measured or determined by the City. In order to ascertain the rates or charges, the owner or other interested parties shall, at his expense, install and maintain meters, wires, volumetric measuring devices or any adequate and approved method of measurement acceptable to the City for the determination of sewage discharge.
- (c) In the event two or more residential lots, parcels of real estate, or buildings discharging sanitary sewage, water or other liquids into the City's combined sewer system, either directly or indirectly, are users of water and the quantity of water is measured by a single water meter, then in each such case, for billing purposes, the quantity of water used shall be averaged for each user and the minimum charge and the flow rates and charges shall apply to each of the number

of residential lots, parcels of real estate or buildings served through the single water meter.

- (d) In the event two (2) or more dwelling units such as mobile homes, apartments or housekeeping rooms discharging sanitary sewage, water or other liquids into the City's combined sewer system, either directly or indirectly, are users of water and the quantity of water is measured by a single water meter, then in such case, billing shall be for a single service in the manner set out elsewhere herein, except that a minimum charge shall be billed in the amount of \$17.80 for the period prior to January 1, 1996 and \$25.30 thereafter per month per dwelling unit served through the single water meter. In the case of mobile home courts, the number of dwelling units shall be computed and interpreted as the total number of mobile home spaces available for rent plus any other dwelling units served through the meter. A dwelling unit shall be interpreted as a room or rooms or any other space or spaces in which cooking facilities are provided.
- (e) In the event a lot, parcel of real estate or building discharges sanitary sewage, industrial waste, water or other liquids into the City's combined sewer system, either directly or indirectly, and uses water in excess of 10,000 gallons per month, and it can be shown to the satisfaction of the City that a portion of water as measured by the water meter or meters does not and can not enter the combined sewer system, then the owner or other interested party shall, at his expense, install and maintain meters, weirs, volumetric measuring devices or any adequate and approved method of measurement acceptable to the City for the determination of sewage discharge.

Section 5. In order that the rates and charges may be justly and equitably adjusted to the service rendered to users, the City shall base its charges not only on the volume, but also on strength and character of the stronger-than-normal domestic sewage and wastes which it is required to treat and dispose of. The City shall require the user to determine the strength and content of all sewage and wastes discharged, either directly or indirectly into the combined sewer system, in such manner, by such method and at such times as the City may deem practicable in light of the conditions and attending circumstances of the case, in order to determine the proper charge. The user shall furnish a central sampling point available to the City at all times.

- (a) Normal sewage domestic waste strength should not exceed a suspended solids in excess of 250 milligrams per liter of fluid, biochemical oxygen demand in excess of 250 milligrams per liter of fluid, ammonia in excess of 40 milligrams per liter of fluid, or phosphorus in excess of 10 milligrams per liter of fluid. Additional charges for treating stronger-than-normal domestic waste shall be made on the following bases:

- (1) Rate Surcharge Based Upon Suspended Solids
There shall be an additional charge of sixteen cents (\$.16) per pound of suspended solids for suspended solids received in excess of 250 milligrams per liter of fluid.
 - (2) Rate Surcharge Based Upon BOD
There shall be an additional charge of nineteen cents (\$.19) per pound of biochemical oxygen demand for BOD received in excess of 250 milligrams per liter of fluid.
 - (3) Rate Surcharge Based upon Ammonia
There shall be an additional charge of forty-three cents (\$.43) per pound of ammonia for ammonia received in excess of 40 milligrams per liter of fluid.
 - (4) Rate Surcharge Based upon Phosphorus
There shall be an additional charge of One Dollar and three cents (\$1.03) per pound of phosphorus for phosphorus received in excess of 10 milligrams per liter of fluid.
- (b) The determination of Suspended Solids, Biochemical Oxygen Demand, Ammonia and Phosphorus contained in the waste shall be in accordance with the latest copy of "Standard Methods for the Elimination of Water, Sewage and Industrial Wastes", as written by the American Public Health Association, the American Water Works Association and the Water Pollution Control Federation, and in accordance with "Guidelines Establishing Test Procedures for Analysis of Pollutants", 40 CFR Part 136.

Section 6. Such rates and charges shall be prepared, billed and collected by the City in the manner provided by law and ordinance.

- (a) The rates and charges for all users shall be prepared and billed monthly. Annually, each user shall be notified of the rates charged for operation, maintenance and replacement for that user during the next year in conjunction with a regular bill.
- (b) The rates and charges may be billed to the tenant or tenants occupying the properties served, unless otherwise requested in writing by the owner, but such billing shall in no way relieve the owner from the liability in the event payment is not made as herein required.

The owners or properties served, which are occupied by a tenant or tenants, shall have the right to examine the collection records of the City for the purpose of determining whether bills have been paid by such tenant or tenants, provided that such examination shall be made at the office at which such records are kept and during the hours that such office is open for business.

- (c) As is provided by statute, all rates and charges not paid by the 15th day of the month following receipt are hereby declared to be delinquent and a penalty of ten percent (10%) of the amount of the rates and charges shall thereupon attach thereto.

Section 7. In order that the rates and charges for sewage services may remain in proportion to the cost of providing services to the various users or user classes, the City shall cause a study to be made within a reasonable period of time following the first two years of operation, following the date on which this ordinance goes into effect. Such study shall include, but not be limited to, an analysis of the cost associated with the treatment of excessive strength effluents from industrial users, volume and delivery flow rate characteristics attributed to the various users or user classes, the financial position of the sewage works and the adequacy of its revenue to provide reasonable funds for the operation and maintenance, replacements, debt service requirements and capital improvements to the wastewater treatment systems. Thereafter, on a biennial basis, within a reasonable period of time following the normal accounting period, the City shall cause a similar study to be made for the purpose of reviewing the proportionality of the rates and charges for sewage services on a continuing basis. Said studies shall be conducted by officers or employees of the City or by a firm of certified public accountants, or a firm of consulting engineers which firms shall have experience in such studies, or by such combination of officers, employees, certified public accountants or engineers as the City shall determine to be best under the circumstances. The City shall, upon completion of said study revise and adjust the rates and charges, as necessary, in accordance therewith in order to maintain the proportionality and sufficiency of the rates.

Section 8. The City, through its Board of Public Works & Safety, shall make and enforce such by-laws and regulations as may be deemed necessary for the safe, economical and efficient management of the City's sewage system, pumping stations and sewage treatment works, for the construction and use of house sewers and connections to the sewage treatment works, the sewage collection system and for the regulation, collection and rebating and refunding of such rates and charges.

The Board of public Works & Safety is hereby authorized to prohibit dumping of wastes into the City's sewage system which, in its discretion, are deemed harmful to the operation of the sewage treatment works of the City, or to require method affecting pretreatment of said wastes to comply with the pretreatment standards included in the National Pollutant Discharge Elimination System (NPDES) permit issued to the sewage works or as contained in the EPA

General Pretreatment Regulations, 40 CFR Part 403 and any amendments thereto or the City's Pretreatment Program Plan.

Section 9. That the rules and regulations promulgated by the City, after approval by the Board of Public Works & Safety shall, among other things, provide for an appeal procedure whereby a user shall have the right to appeal a decision of the administrator of the sewage system and user charge system to the Board of Public Works & Safety and that any decision concerning the sewage system or user charges of said board may be appealed to a court of competent jurisdiction to the extent provided by the law.

Section 10. The invalidity of any section, clause sentence or provision of this ordinance shall not affect the validity of any other part of this ordinance which shall be given effect without such invalid part or parts.

Section 11. The Board of Public Works & Safety is hereby further authorized to enter into special rate contracts with customers of the sewage works where clearly definable reduction in cost to the sewage works can be determined, and such reduction shall be limited to such reduced costs.

Section 12. The rates and charges as herein set forth shall become effective on the dates specified herein on the first full billing period occurring after each effective date and the adoption of this ordinance.

Section 13. The Board shall not grant free service or use of the sewage treatment system to any person, group or entity. It is not necessary for an area or parcel of real estate to be annexed to the City to receive sewage treatment if said use and/or charges thereon are approved by the Board of Works & Public Safety.

Section 14. All tap-in or other connection fees for new connections to the combined sewer system shall be at the rate and according to existing ordinances for said fees.

Section 15. This ordinance shall be in full force and effect from and after its passage, approval, recording and publication as provided by law.

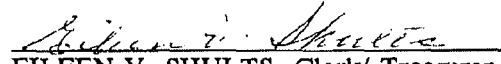
PASSED and ADOPTED this 21st day of November, 1994.


JAMES D. METROS, Presiding Officer

ATTEST:


EILEEN V. SHULTS, Clerk/Treasurer

Presented by me to James D. Metros, Mayor of the City of Crown Point, Indiana this 21st day of November, 1994.


EILEEN V. SHULTS, Clerk/ Treasurer

Approved, signed and returned to the Common Council of the City of Crown Point, Indiana this 21st day of November, 1994.


JAMES D. METROS, Mayor

Received
September 10, 2012
INDIANA UTILITY
REGULATORY COMMISSION

*Starts on Aug bill due
in Sept*

ORDINANCE NO. 2010 07-09

**ORDINANCE AMENDING ORDINANCES 1845, 2003-07-19 AND
2008-07-20 CONCERNING WATER UTILITY RATES AND CHARGES**

WHEREAS, Greg Guerrettaz of Financial Solutions Group, Inc. was retained to review and recommend changes in the Crown Point Water Utility's rates and charges necessary to fund the area-wide rate increase by Indiana American Water Company that was recently approved by the Indiana Utility Regulatory Commission; and

WHEREAS, The City has determined that the "Public Hydrant Rental Charge" contained in Ordinance 2004-10-37, Section 2, should be repealed and abolished; and

WHEREAS, said consultant has determined and recommended that to achieve the above and in the best interests of the City of Crown Point Water Utility it is necessary to amend Ordinance 1845, Ordinance 2003-07-19 and Ordinance 2008-07-20 as found in Municipal Code Section 50.02 (A), (B), (D), & (E).

WHEREAS, The City will undertake a "Cost of Services" study to be completed in 2011; and,

NOW, THEREFORE, IT IS ORDAINED by the Crown Point Common Council, that:

Section 1. That Ordinance 1845, Ordinance 2003-07-19 and Ordinance 2008-07-20 as found in Crown Point Municipal Code §50.02 (A), (B), (D), & (E) are hereby amended to reflect the "new rates" as follows:

§50.02: RATES AND CHARGES FOR WATER

(A) Monthly Metered Rates - Per 1,000 Gallons

	<u>New Rates</u>
First 3,000 Gallons per month	\$9.27
Next 7,000 Gallons per month	7.82
Next 40,000 Gallons per month	6.41
Over 50,000 Gallons per month	5.01

(B) Minimum Monthly Charges

	Gallonage Allowed	
5/8 & 3/4 inch meter	1,500	\$13.91
1 inch meter	5,000	43.45
1 1/2 inch meter	10,000	78.64
2 inch meter	14,000	108.19
3 inch meter	31,000	217.16
4 inch meter	53,000	353.98
6 inch meter	136,000	769.81
8 inch meter	230,000	1,240.75

ORDINANCE NO. 2010 07-09

1

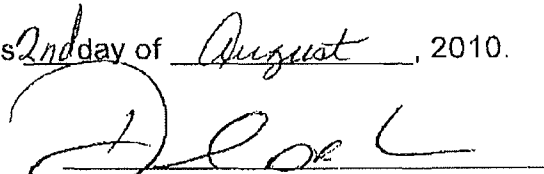
(D) Annual Fee for Fire Sprinkler Protection Systems

2 inch tap	\$ 147.98
3 inch tap	180.08
4 inch tap	267.04
6 inch tap	595.21
8 inch tap	1,055.26

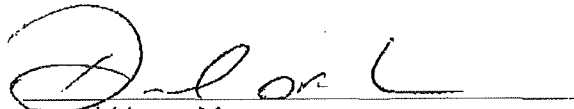
(E) Annual Hydrant Rental Charge Per Hydrant - Private

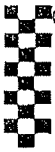
Per Hydrant	\$831.44
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Section 2. The foregoing amendments to Ordinances 1845, 2003-07-19 and 2008-07-20 as found in Municipal Code §50.02 (A), (B), (D) & (E), shall be in full force and effect upon its passage and adoption and Section 2 of Ordinance 2004-10-37 is hereby repealed and abolished. All other Ordinances and provisions thereof not in conflict with the above shall remain in full force and effect.

ORDINANCE 2010 07-09PASSED AND ADOPTED this 2nd day of August, 2010.
David Uran, Presiding Officer

ATTEST.


Patti Olson, IAMC/CMC Clerk TreasurerPresented by me to David Uran, Mayor of the City of Crown Point, Indiana,
this 2nd day of August, 2010, at 7 p.m.
Patti Olson, IAMC/CMC Clerk-TreasurerApproved, signed and returned by me to the Common Council of the City of
Crown Point, Indiana, this 2nd day of August, 2010.
David Uran, Mayor



CITY OF CROWN POINT

CLERK-TREASURER

Patti Olson, IAMC, CMC
Clerk-Treasurer

FAX COVER SHEET

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SEP 28 2012

INDIANA UTILITY
REGULATORY COMMISSIONDATE: Sept. 28, 2012TO: Dana Lynn + Carol StephanFROM: Patti Olson, Clerk-TreasurerNUMBER OF PAGES TO FOLLOW THIS COVER SHEET 3IF ANY ERROR IN TRANSMISSION OCCURS PLEASE CALL
(219) 662-3235 AND ASK FOR Patti

OUR FAX NUMBER IS (219) 662-3378

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SEP 28 2012

INDIANA UTILITY
REGULATORY COMMISSIONORDINANCE 2012 09-26

AN ORDINANCE AMENDING CHAPTER 51 OF THE CROWN POINT CODE OF ORDINANCES BY ADDING SECTION 51.39 ENTITLED: SERVICE OUTSIDE CITY LIMITS

WHEREAS, The City has been pursuant to Ordinance No. 772 et seq. lawfully charging sewer system users located outside the City's corporate limits a 25% surcharge and,

WHEREAS, The Crown Point Code of Ordinances book in its present form erroneously does not reflect the surcharge lawfully imposed since 1969 and,

WHEREAS, The omission of said surcharge from the Ordinance Code book and previous revisions over the last 43 years has been occasioned by mistake, inadvertence, excusable neglect or scrivener's error and,

WHEREAS, The correction of said omission is achieved using the City's Home Rule powers, as conveyed in I.C. 36-1-3-1 et seq., by passing an ordinance having a Nunc Pro Tunc effective date as of passage and adoption of Ordinance No. 772, to wit: May 5, 1969.

THEREFORE, NOW BE IT ORDAINED BY THE COMMON COUNCIL OF THE CITY OF CROWN POINT, INDIANA, THAT:

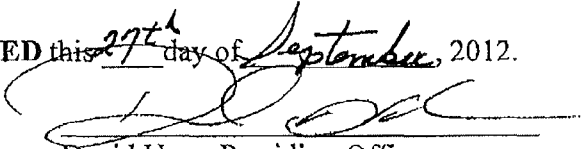
Chapter 51 of the Crown Point Code of Ordinances is hereby amended Nunc Pro Tunc by adding § 51.39 which shall read as follows:

§ 51.39 SERVICE OUTSIDE CITY LIMITS. For users of the City's sewers located outside the corporate limits of the City, an additional charge in the amount of 25% of the billing for said sewer usage computed at the above rates will be imposed.

This ordinance shall be effective immediately upon passage and adoption by the Common Council of the City of Crown Point, Indiana and have an effective date retroactive to May 5, 1969.

ORDINANCE NO. 2012 - 09-26

PASSED AND ADOPTED this 27th day of September, 2012.


David Uran, Presiding Officer

ATTEST:


Patti Olson, IAMC/CMC Clerk Treasurer

Presented by me to David Uran, Mayor of the City of Crown Point, Indiana,

This 27th day of September, 2012, at 6 P.M.


Patti Olson, IAMC/CMC Clerk Treasurer

Approved, signed and returned by me to the Common Council of the City of Crown Point, Indiana, the 27th day of September, 2012.


David Uran, Mayor

COUNTY OF LAKE)
)
STATE OF INDIANA)

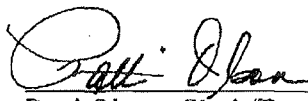
AFFIDAVIT

Comes now Patti Olson, Clerk/Treasurer for the City of Crown Point, Indiana and avers and says:

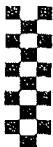
1. That she is the duly elected and sworn Clerk/Treasurer for the City of Crown Point, Indiana.
2. That by virtue of her office she is the official keeper of the records for the City of Crown Point.
3. That she has made a diligent search of said records.
4. That she has found no amendments to Ordinance No. 772, passed and adopted on May 5, 1969, that affect the imposition of a 25% surcharge for users of the City's sewer system that are located outside the corporate boundaries of the City of Crown Point.

Further your affiant sayeth not

I affirm under the penalties of perjury that the above representation are true and correct to the best of my knowledge and belief.


Patti Olson, Clerk/Treasurer


Date



CITY OF CROWN POINT

CLERK-TREASURER

Patti Olson, IAMC, CMC
Clerk-Treasurer

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SEP 28 2012

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(219) 662-3235 AND ASK FOR Patti

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SEP 28 2012

INDIANA UTILITY
REGULATORY COMMISSIONORDINANCE 2012 09-26

AN ORDINANCE AMENDING CHAPTER 51 OF THE CROWN POINT CODE OF ORDINANCES BY ADDING SECTION 51.39 ENTITLED: SERVICE OUTSIDE CITY LIMITS

WHEREAS, The City has been pursuant to Ordinance No. 772 et seq. lawfully charging sewer system users located outside the City's corporate limits a 25% surcharge and,

WHEREAS, The Crown Point Code of Ordinances book in its present form erroneously does not reflect the surcharge lawfully imposed since 1969 and,

WHEREAS, The omission of said surcharge from the Ordinance Code book and previous revisions over the last 43 years has been occasioned by mistake, inadvertence, excusable neglect or scrivener's error and,

WHEREAS, The correction of said omission is achieved using the City's Home Rule powers, as conveyed in I.C. 36-1-3-1 et seq., by passing an ordinance having a Nunc Pro Tunc effective date as of passage and adoption of Ordinance No. 772, to wit: May 5, 1969.

THEREFORE, NOW BE IT ORDAINED BY THE COMMON COUNCIL OF THE CITY OF CROWN POINT, INDIANA, THAT:

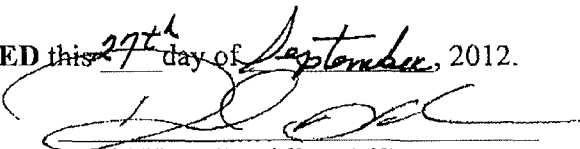
Chapter 51 of the Crown Point Code of Ordinances is hereby amended Nunc Pro Tunc by adding § 51.39 which shall read as follows:

§ 51.39 SERVICE OUTSIDE CITY LIMITS. For users of the City's sewers located outside the corporate limits of the City, an additional charge in the amount of 25% of the billing for said sewer usage computed at the above rates will be imposed.

This ordinance shall be effective immediately upon passage and adoption by the Common Council of the City of Crown Point, Indiana and have an effective date retroactive to May 5, 1969.

ORDINANCE NO. 2012 - 09-26

PASSED AND ADOPTED this 27th day of September, 2012.


David Uran, Presiding Officer

ATTEST:

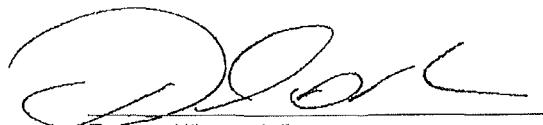

Patti Olson, IAMC/CMC Clerk Treasurer

Presented by me to David Uran, Mayor of the City of Crown Point, Indiana,

This 27th day of September, 2012, at 6 P.M.


Patti Olson, IAMC/CMC Clerk Treasurer

Approved, signed and returned by me to the Common Council of the City of Crown Point, Indiana, the 27th day of September, 2012.


David Uran, Mayor

COUNTY OF LAKE)
)
STATE OF INDIANA)


AFFIDAVIT

Comes now Patti Olson, Clerk/Treasurer for the City of Crown Point, Indiana and avers and says:

1. That she is the duly elected and sworn Clerk/Treasurer for the City of Crown Point, Indiana.
2. That by virtue of her office she is the official keeper of the records for the City of Crown Point.
3. That she has made a diligent search of said records.
4. That she has found no amendments to Ordinance No. 772, passed and adopted on May 5, 1969, that affect the imposition of a 25% surcharge for users of the City's sewer system that are located outside the corporate boundaries of the City of Crown Point.

Further your affiant sayeth not

I affirm under the penalties of perjury that the above representation are true and correct to the best of my knowledge and belief.


Patti Olson, Clerk/Treasurer


Date



CITY OF CROWN POINT

CLERK-TREASURER

Patti Olson, IAMC, CMC
Clerk-Treasurer

COUNTY OF LAKE)

STATE OF INDIANA)

Received
October 05, 2012
INDIANA UTILITY
REGULATORY COMMISSION

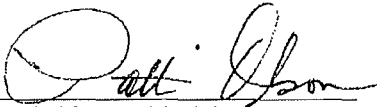
AFFIDAVIT

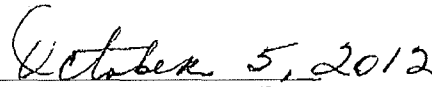
Comes now Patti Olson, Clerk/Treasurer for the City of Crown Point, Indiana and avers and says:

1. That she is the duly elected and sworn Clerk/Treasurer for the City of Crown Point, Indiana.
2. That by virtue of her office she is the official keeper of the records for the City of Crown Point.
3. That she has made a diligent search of said records.
4. That she has found no amendments to Ordinance No. 772, passed and adopted on May 5, 1969, that affect the imposition of a 25% surcharge for users of the City's sewer system that are located outside the corporate boundaries of the City of Crown Point.
5. That she has found no amendments to Ordinance No. 755, passed and adopted on September 3, 1968, that adds a 25% use and service surcharge to the charges levied against all users of the City's sewer system that are located outside the corporate boundaries of the City of Crown Point.

Further your affiant sayeth not

I affirm under the penalties of perjury that the above representation are true and correct to the best of my knowledge and belief.


Patti Olson, Clerk/Treasurer


Date

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Fax (219) 662-3378