RECEIVED
AUG 26 1974
STATE OF INDIANA
STREAM POLLUTION CONTROL
BOARD

BEFORE THE STREAM POLLUTION CONTROL BOARD

STATE OF INDIANA

IN THE MATTER OF THE PETITION OF THE TRUSTEE OF ANDERSON TOWNSHIP, RUSH COUNTY, INDIANA FOR THE ORGANIZATION OF A REGIONAL SEWAGE DISTRICT PURSUANT TO INDIANA CODE 1971, 19-3-1.1, AS AMENDED	)	NUMBER: _____

P E T I T I O N

The Trustee of Anderson Township, Rush County, in the State of Indiana, respectfully petitions the Board for an order establishing a Regional Sewage District and in support thereof alleges and says as follows, to-wit:

1. That the Advisory Board of Anderson Township, Rush County, Indiana, has authorized this Trustee to file this petition, as more fully shown by a resolution of said Advisory Board attached hereto, made a part hereof, and marked "Exhibit A".

2. That the proposed name of the Regional Sewage District prayed to be established is ANDERSON TOWNSHIP REGIONAL ~~WASTE~~ SEWER DISTRICT, which shall hereinafter be referred to as Regional ~~Waste~~ SEWER District.

3. That the place in which said Regional Waste District's principal office is to be located is Milroy, Rush County, Indiana.

4. Petitioner further alleges:

A). The area proposed to be served by the Regional Waste District contains no political subdivision having legal authority or capability to provide for the collection, treatment and disposal of sewage.

B). The purpose to be accomplished by said Regional Waste District is to provide a means for the collection, treatment and disposal of sewage within the proposed area so as to

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improve public health, safety and welfare.

C). Sewage in the proposed Regional Waste District is now discharged as raw sewage onto the open surface or septic tank systems are utilized, but due to the permeability of the soil the sewage is not absorbed into the soil.

D). There is no outstanding indebtedness for the purpose proposed.

E). The area proposed to be served by the Regional Waste District is experiencing an increase in population. Soil conditions are such that percolation is very limited and almost all sewage ends up on top of ground in ditches, along roadways and in creeks. A serious health hazard does exist because of inadequate facilities and because of soil conditions.

5. The territory to be included in the Regional Waste District is all of Anderson Township, in Rush County, in the State of Indiana~~, and adjacent areas.~~

6. Your petition recommends that the Regional Waste District be governed by a Board of Trustees consisting of nine (9) members, each of whom must be a resident of and a registered voter in the territory included in the Regional Waste District and should be appointed in the manner as follows: the first Board of Trustees of the Regional Waste District should be appointed by the Township Trustee, with the advise and consent of a majority of the members of the Township Advisory Board of the aforesaid township, and with the advice and consent of a majority of the Board of Directors of the Milroy Utilities Corporation, with two members serving a term of one year each, three members serving a term of two years each, two members serving a term of three years each, and two members serving a term of four years; and upon the expiration of the term the same or a new board member shall be appointed for a four year term by the

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13. That at any time after the creation of the Regional Waste District, any political subdivision whose territory is not wholly included within the Regional Waste District may file an application with the District setting forth a general description of the territory it desires to have included with the District, the necessity for the inclusion of such territory within the District, that it will be conducive to the public health, safety, convenience or welfare, and that it will be practical and feasible for such territory to be included within the District. If said application is approved by a majority of the Board of Trustees of the District, the territory described in said application shall thereupon become part of the District.

14. a) That the Trustees of the District be authorized to borrow money for the purposes of carrying on the duties of the district from any bank and to issue notes and securities therefor;

b) That the Trustees of the District be authorized to issue revenue bonds as provided in the act for the purposes of the District;

c) That the Trustees of the District be authorized to contract with any user or governmental unit;

d) That the District and the Trustees be given the powers to do everything necessary, proper, advisable, or convenient for the accomplishment of any of the purposes, or the attainment of any of the objects or the furtherance of any powers set forth in IC 19-3-1.1-1 through IC 19-3-1.1-20 as amended by the Acts of 1972 and 1973 of the Indiana General Assembly.

WHEREFORE, this petitioner prays for a hearing upon this petition after the giving of proper notice; that the relief herein prayed for be granted; and for any and all other relief appearing proper to the Board.

John O. Worth
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Attorneys for Petitioner

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Township Trustee with the advise and consent of a majority of the members of the Township Advisory Board of the aforesaid township, and with the advice and consent of a majority of the members of the Milroy Utilities Corporation.

7. The plan for financing the cost of the operation of the district until it is in receipt of revenues and proceeds is to use donated legal and engineering services and to accept donations from prospective sewage users.

8. The purpose of the district is to provide initial sewage service in the area comprising Milroy, Indiana as more fully shown in the map attached hereto, made a part hereof, and marked "Exhibit B", and which shall hereinafter be referred to as The Milroy Project.

9. The total estimated project cost for The Milroy Project is $700,000.00, for both construction and non-constructions costs. The sources of funding of these costs are as follows:

See attached report, Page 4, under Project Financing.

10. The annual operational cost is estimated to be $26,400.00. The annual income after the third year of operation is estimated to be $27,000.00, which is sufficient for operational and maintenance costs, debt retirement, and depreciation reserve.

11. The estimate of rates and charges to be charged for sewage service is:

See attached report, Page 5.

12. The estimate of rates and charges to be charged for connection fees is as follows:

A). Each user of the sewage system shall pay a connection fee of $200.00 for each connection to the system.

B). Each user of the sewage system shall pay a connection fee of $250.00 for each connection to the system after the system is constructed.

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R E S O L U T I O N

WHEREAS on the 20th day of August, 1974, the Advisory Board of Anderson Township, Rush County, in the State of Indiana convened for a legal meeting. Upon motion duly made and seconded the following Resolution was passed, to-wit:

BE IT RESOLVED by the Advisory Board of Anderson Township, Rush County, Indiana, that the Trustee of said Township be, and he hereby is authorized and directed to petition the Stream Pollution Control Board of the State of Indiana for authority to organize the Anderson Township Regional Waste District consisting of Anderson Township, Rush County, Indiana, for the purpose of providing for the collection, treatment and disposal of sewage within said district.

ADVISORY BOARD

Russell E. Kinnett

John R. Tubbs

T. Phillip Carter

ATTEST:

William R. Ward

Anderson Township,
Rush County, Indiana

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LAWYERS
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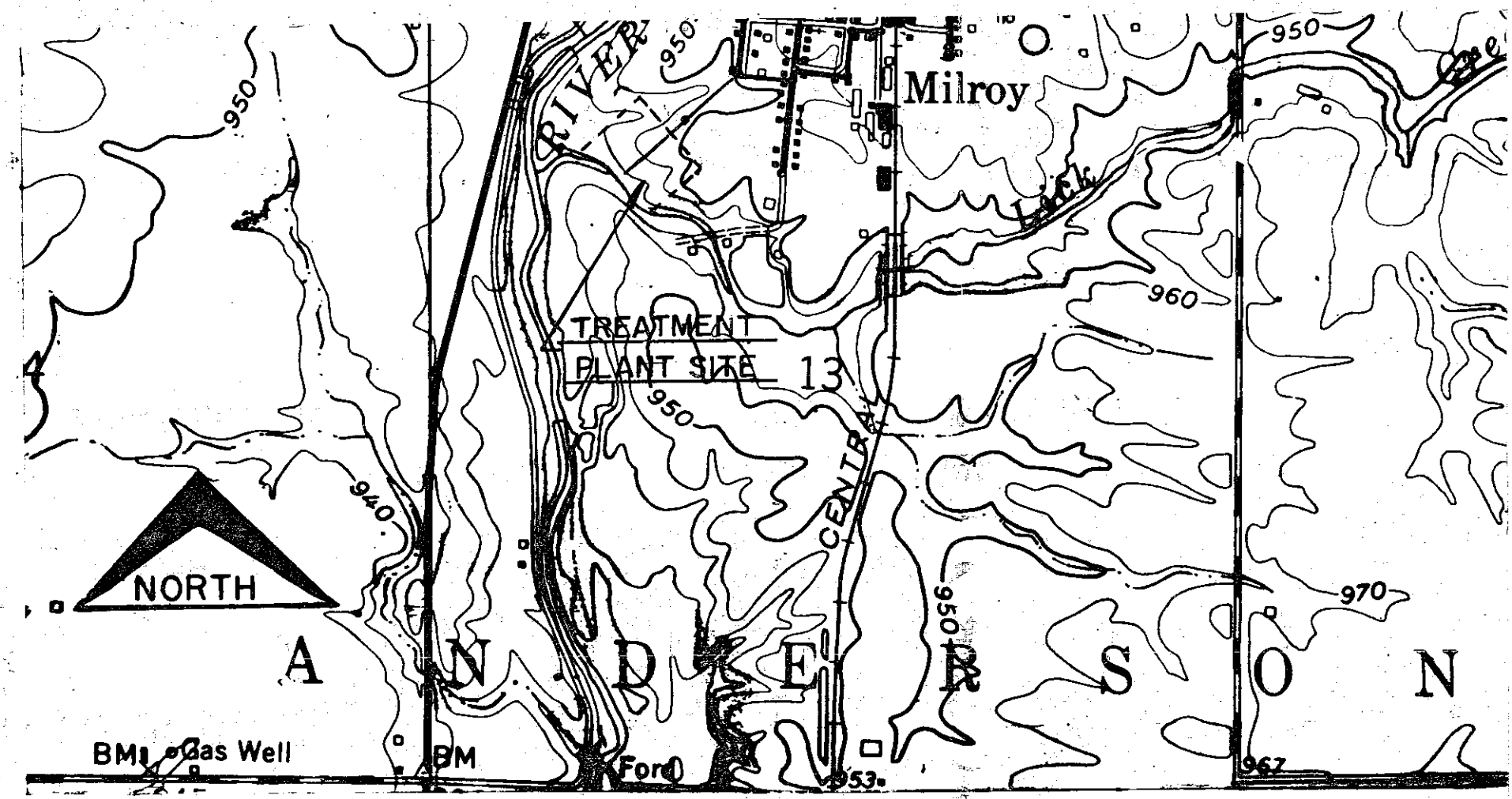
"EXHIBIT A"

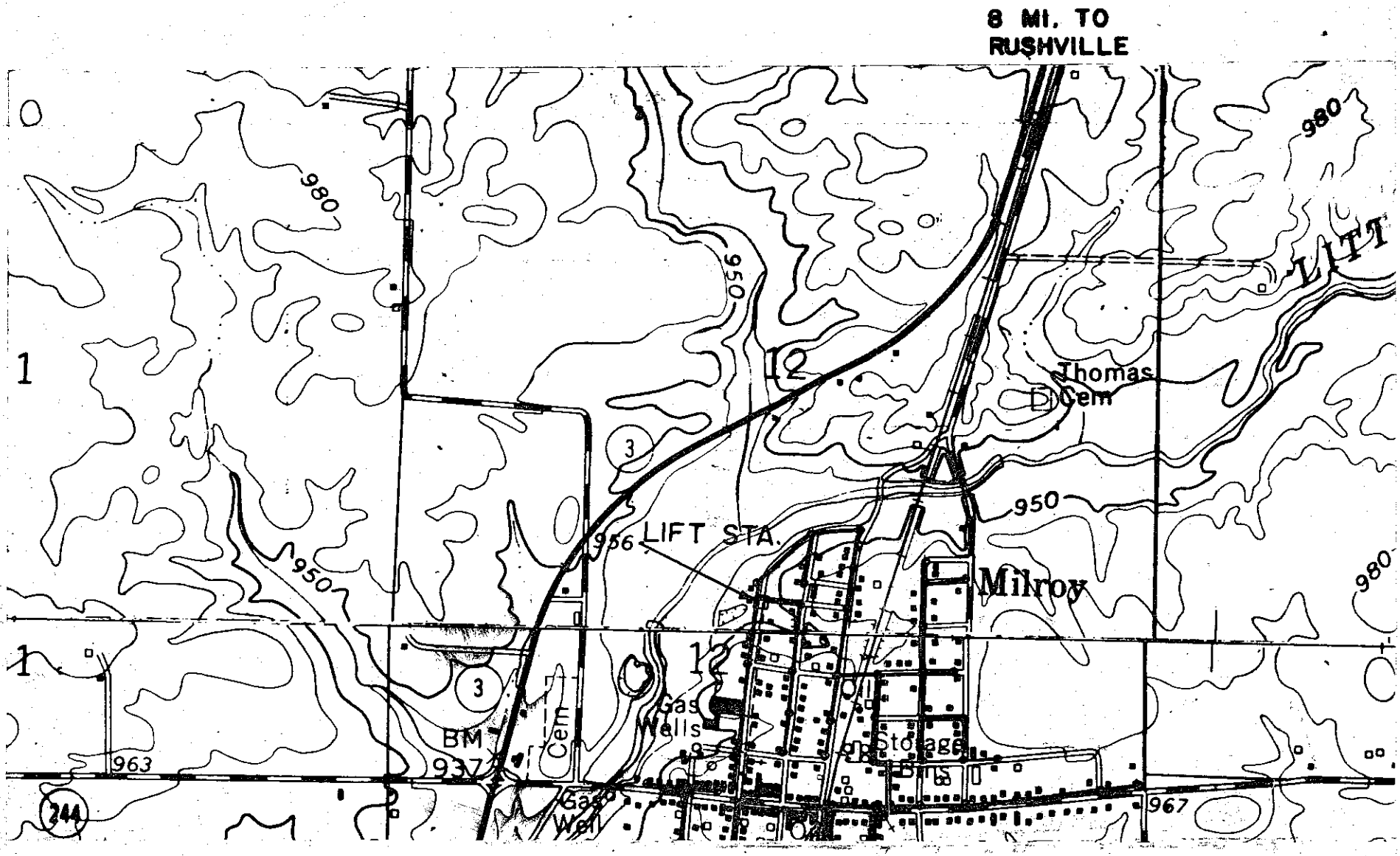


MILROY, INDIANA, SEWAGE

PRE – PRELIMINARY LAYOUT

SCALE :- 1"= 1000'

"EXHIBIT B"


8 MI. TO
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LIFT
Thomas
Cem
956 LIFT STA.
Milroy
963
BM
937
Cem
Gas
Wells
Oil
Storage
Bins
Gas
Well
967
244
11.5 MI. TO
U.S. 421

COMMUNITY OF MILROY, INDIANA

SEWAGE COLLECTION AND TREATMENT

PRE-PRELIMINARY COST ESTIMATE

AUGUST, 1973

Prepared by:

Richard L. Sanson, P.E.

Approved by:

Kenneth L. DeLap, P.E.

DISCUSSION

Following is a pre-preliminary cost study for sewers serving the Community of Milroy. It's purpose is to determine whether or not a sewer system might reasonably be economically feasible for the community. It is based upon many assumptions and, because of this, is subject to changes before the project becomes a reality.

The area information for the study has been obtained from existing maps of the area and general personal knowledge. We have made no field investigations in connection with this study.

From the available maps, a total of 245 buildings have been indicated as existing along the streets served by the sewers. For purposes of this study, it has been assumed that 200 would become sewer customers

A treatment plant site of 5 acres has been assumed southwest of town as shown and at a cost of $2,500. It is probable the site location, the site cost, or both may need changing. This study presumes treatment by an oxidation ditch and tertiary lagoons with chemical feed and chlorination. During the preliminary and/or final design phase, use of another type treatment may be recommended. Considerations of other types of treatment will be made. Use of a plant such as that proposed which has a low electrical energy requirement will be given highest priority. Whatever plant is designed will produce effluent which will meet effluent standards established by the State and Federal Agencies.

A Federal EPA grant of 70% has been assumed. The maximum grant available from the EPA is 75%. However, some items may not be eligible for grant, for simplicity of this study, 70% has been used to allow for ineligible grant items. An additional 10% grant has been included from the State of Indiana. These grants are available on the total plant and system under present policies. These are, of course, subject to change.

A connection fee of $200 has been used. A higher fee might be considered.

In addition, a loan of $98,400 is needed. Under present policies, the Farmers Home Administration will not loan for such facilities where Federal and State grants are expected. For this reason, funds from another source must be sought. This source might be a bank or revenue bonds, In computing debt repayment, an interest rate of 8% and repayment period of 15 years has been used and is believed realistic.

The minimum sewage rate evolved is $6.90 per month. This is believed to be reasonable. However, considering the assumptions necessary throughout the cost estimate and required income sections, it can readily be seen that this too is subject to change.

Consideration must be given to the organizational structure through which the project may be funded. In the case of the water system, a non-profit corporation was formed. Under present policies and regulations, sewage projects cannot be funded through non-profit corporations. At least three other alternatives are available. One, the Town could incorporate; two, you could establish a regional sewer district; three, you could establish a conservancy district.

COMMUNITY OF MILROY, INDIANA

SEWAGE COLLECTION AND TREATMENT

PRE-PRELIMINARY COST ESTIMATE

AUGUST, 1973

CONSTRUCTION COST

8-inch sewer	19,650 L.F.	@ $8.75/L.F.	$ 171,940
6-inch house service	7,000 L.F.	@ 7.00/L.F.	49,000
Service Wyes	250 ea.	15.00 ea.	3,750
Manholes	60 ea.	500.00 ea.	30,000
Bore & Jack under hwy.	2 ea.	1500.00 ea.	3,000
Cut & replace gravel drives & streets	1,250 L.F.	2.50/L.F.	3,125
Cut & replace blacktop drives	1,250 L.F.	3.50/L.F.	4,375
Street Crossings	3,500 L.F.	4.00/L.F.	14,000
Rock Excavation	5,000 L.F.	5.00/L.F.	25,000
Sand bedding	2,000 L.F.	1.00/L.F.	2,000
4-inch force main	1,500 L.F.	3.00/L.F.	4,500
Lift Station - 110 gpm			20,000
Lift Station at plant - 150 gpm			25,000
Treatment plant - 175,000 gpd			200,000
Contingency - 5%			28,310
Total Estimated Construction Cost			$ 584,000

NON-CONSTRUCTION COST

Engineering	$ 52,800
Sewage Utility & Operating Manual	2,000
Legal	9,000
Administrative	1,000
Land - 5 acres @ $500	2,500
Easements, Permits, & Surveys	2,000
Resident Inspection - 4%	23,400
Interest During Construction	5,000
Project Contingency - 1.5%	10,300
Total Estimated Non-Construction Cost	$ 88,000
TOTAL ESTIMATED PROJECT COST	$ 692,000

PROJECT FINANCING

Total Estimated Project Cost		$ 692,000
Connection Fees - 245 x 80% = 200 x $200 ea.	$ 40,000	
EPA Grant - 70%* x $692,000	484,400	
State Grant - 10% x $692,000	69,200	
Sub-total, connection fees and grants		593,600
Total Loan Required ($692,000 - $593,600)		$ 98,400

ANNUAL REQUIRED INCOME

Operation and Maintenance		
Sewage treatment plant & lift station power	1,500	
Bonds, fees, & insurance	500	
Billing Costs	600	
Labor - 1 part time	6,000	
Maintenance	700	
Chemicals	1,000	
Total Operation and Maintenance		$ 10,300
Loan Repayment - 8% interest, 15 year term		
$98,400 x 0.1168		$ 11,500
Coverage - 33%		$ 4,600
Total Annual Required Income		$ 26,400

*75% maximum is possible; 70% has been used to allow for any non-eligible costs.

PROPOSED SEWER RATE AND PREDICTED INCOME

Rate: $2.70/1000 gallons Minimum $6.90

SEWER USAGE GROUP	CHARGE PER MO.	NUMBER OF CUSTOMERS	MONTHLY INCOME	SEWAGE VOLUME 1,000's
1,000	$ 6.90	43	$ 296.70	
2,000	6.90	55	379.50	
3,000	8.28	40	331.20	
4,000	11.04	25	276.00	
5,000	13.80	10	138.00	
6,000	16.56	10	165.60	
7,000	19.32	6	115.92	
8,000	22.08	8	176.64	
10,000	27.60	1	27.60	
12,000	33.12	1	33.12	
110,000	303.60	1 = 22	303.60	
		200	$2,243.88	

Estimated Annual Income = 12 mos. x $2,243.88 = $ 26,930

Estimated Annual Required Income 26,400

Surplus $ 530

ANDERSON TOWNSHIP REGIONAL SEWER DISTRICT

I have reviewed the petition ot the Trustee of Anderson Township, Rush County, Indiana, for the Organization of a Regional Sewage District to be known as the ANDERSON TOWNSHIP REGIONAL SEWER DISTRICT, and find that it substantially complies with the provisions of the Regional Water and/or Sewer District Act. I, therefore, recommend that a hearing be scheduled.

WCVaughn III

9/17/74