STATE OF INDIANA	)	BEFORE THE INDIANA DEPARTMENT
	) SS:	OF ENVIRONMENTAL MANAGEMENT
COUNTY OF MARION	)	

IN THE MATTER OF:	)
THE FORMATION OF THE	)
FREELANDVILLE	)
REGIONAL SEWER DISTRICT	)

FINDINGS OF FACT AND RECOMMENDED ORDER

OF THE HEARING OFFICER

FINDINGS OF FACT

1. On or about July 6, 2010, the Knox County Council and the Knox County Commissioners petitioned the Indiana Department of Environmental Management (IDEM) for an Order to establish a regional sewer district in Knox County.

2. An amended petition was submitted to the IDEM on August 24, 2010.

3. The submitted petition complies with the provisions of IC 13-26-2.

4. The proposed name of the regional sewer district is the Freelandville Regional Sewer District (Freelandville RSD).

5. A public hearing was held on November 9, 2010, at the Freelandville Community Center, 7 Highway 159 South, Freelandville, Indiana.

6. Notice of the hearing was given by publication in "The Vincennes Sun Commercial", "The Sullivan Daily" and "The Independent".

7. The principle office of the Freelandville RSD shall be located at the office of the Widner Township Trustee's office, Freelandville Community Center, 7 Highway 159 South, Freelandville; the mailing address is P.O. Box 247, Freelandville, Indiana 47535. The Freelandville RSD Board of Trustees (Freelandville RSD Board), upon formation, may relocate the office upon written notice to IDEM.

8. The sanitary sewage needs of those residents now residing within the proposed territory of the Freelandville RSD are currently being met with septic systems, some of which are failing.

9. The residents located within the boundaries of the proposed Freelandville RSD currently obtain their water for drinking and other purposes from cisterns, individual wells and the Freelandville Water Association. Contamination from failing septic

systems may detrimentally affect the water quality and public health within the Freelandville RSD boundaries.

10. The current method of collection and disposal of the sanitary sewage of some of the residents of the Freelandville RSD detrimentally affects the water quality and public health within the proposed district.

11. The Freelandville RSD is being formed to provide for the collection, treatment, and disposal of sewage within the district pursuant to IC 13-26-1-1. Upon formation, the Freelandville RSD may construct and operate a system that will collect and treat the sanitary sewage of the residents of the Freelandville RSD. The Freelandville RSD may contract with a district or municipality to meet the sewage treatment needs of the residents of the RSD. The RSD may implement a septic maintenance/management program as needed.

12. Options for the treatment and collection of wastewater have been preliminarily studied and further studies will be prepared after the formation of the district.

13. The territory to be served by the proposed district includes all of the unincorporated area of Widner Township, Knox County, Indiana.

14. The proposed district has no outstanding indebtedness.

15. The estimated monthly sewage rate is projected to be approximately $54.21 to $94.95, provided the Freelandville RSD pursues and receives public funding as needed.

16. The Freelandville RSD shall apply for available public funding as needed.

17. The operation and maintenance costs of the Freelandville RSD will be derived from monthly user fees.

18. The Freelandville RSD appears capable of accomplishing the purposes for which it was formed in an economically feasible manner, provided it maximizes all practicable public funding options and receives anticipated grants.

19. The plan for financing the cost of operations of the Freelandville RSD until it is in receipt of revenue from its operation or proceeds from the sale of bonds may include a forty (40) year loan from the United States Department of Agriculture (USDA) Rural Utility Services or the Indiana State Revolving Fund (SRF) and private contributions.

20. The Freelandville RSD shall be governed by five (5) board members.

    A. The Widner Township Trustee of Knox County shall appoint one (1) member. The term shall expire December 31, 2011.

B. The Knox County Commissioners shall appoint one (1) member. The term shall expire December 31, 2012.

C. The Knox County Council shall appoint one (1) member. The term shall expire December 31, 2012.

D. The Knox County Commissioners shall appoint one (1) member. The term shall expire December 31, 2013.

E. The Knox County Council shall appoint one (1) member. The term shall expire December 31, 2013.

F. All appointment terms, subsequent to expiration of the initial terms described above, shall be for a period of four (4) years.

G. In the event a vacancy occurs on the Freelandville RSD Board, the appointing authority for that trustee shall appoint a new board member within forty-five (45) days of the vacancy to complete the term of the vacant board member position(s).

21. The Freelandville RSD Board shall provide sufficient bond for all officers and Trustees, or employees who have any power to disburse funds of the Freelandville RSD.

22. The District must promote public health, safety, convenience and welfare of the residents of the District.

23. On or before October 10, 2011, the Freelandville RSD shall file with the Commissioner of IDEM, a detailed plan (the "District Plan") for the construction and operation of Freelandville RSD's facilities.

RECOMMENDED ORDER

The Hearing Officer recommends the following:

1. That a Regional Sewer District, to be known as the Freelandville Regional Sewer District (Freelandville RSD), be organized as an independent political entity of the State of Indiana as a body corporate and politic.

2. The purposes to be accomplished by the formation of the Freelandville RSD are to provide for the collection, treatment, and disposal of sewage within the district pursuant to IC 13-26-1-1.

3. The territory to be served by the district includes all of the unincorporated area of Widner Township in Knox County, Indiana.

4. The Freelandville RSD shall be governed by five (5) board members.

   A. The Widner Township Trustee of Knox County shall appoint one (1) member. The term shall expire December 31, 2011.

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   F. All appointment terms, subsequent to expiration of the initial terms described above, shall be for a period of four (4) years.

   G. In the event a vacancy occurs on the Freelandville RSD Board, the appointing authority for that trustee shall appoint a new board member within forty-five (45) days of the vacancy to complete the term of the vacant board member position(s).

5. The Freelandville RSD Board shall provide sufficient bond for all officers, trustees or employees who have any power to disburse funds of the Freelandville RSD.

6. The Freelandville RSD shall apply for all available public funding as needed.

7. The District must promote public health, safety, convenience and welfare of the residents of the District.

8. Upon formation, the District may construct or contract for treatment, pumping, transmission, and storage and distribution systems for the municipal and rural supply needs.

9. On or before October 10, 2011, the Freelandville RSD shall file with the Commissioner of IDEM, a detailed plan (the "District Plan) for the construction and operation of Freelandville RSD's facilities.

Dated: January 10, 2011 Hearing Officer Lynne Newlon