| | | |
|---|---|---|
| STATE OF INDIANA | ) | BEFORE THE INDIANA DEPARTMENT |
| | ) SS: | OF ENVIRONMENTAL MANAGEMENT |
| COUNTY OF MARION | ) | |
| IN THE MATTER OF: | ) | |
| | ) | |
| THE FORMATION OF THE | ) | |
| | ) | |
| FULDA REGIONAL | ) | |
| | ) | |
| SEWER DISTRICT | ) | |

# FINDINGS OF FACT AND RECOMMENDED ORDER OF THE HEARING OFFICER

## FINDINGS OF FACT

1. On or about May 21, 2001, the Spencer County Council, the Harrison Township Trustee and the Township Board of Harrison Township petitioned the Indiana Department of Environmental Management (IDEM) for an Order to establish a Regional Sewer District (RSD).

2. The proposed name of the RSD is the Fulda Regional Sewer District (Fulda RSD).

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

4. A public hearing was held on September 17, 2001 in the Fulda Parish Center located in Fulda, Indiana.

5. Notice of said hearing was given by publication in newspapers of general circulation in Spencer County. Specifically, notice was published in the Spencer County Leader two (2) times, each week, for two (2) consecutive weeks prior to the September 17, 2001 public hearing. Also, notice was published in The Spencer County Journal Democrat one (1) time, each week, for four (4) consecutive weeks prior to the September 17, 2001 public hearing. Notice was also given by mail to each eligible entity involved.

# Fulda Regional Sewer District Wastewater Project
## Preliminary Rate Estimates Based on Possible Funding Scenarios
March 19, 2002

| Item | Funding Scenarios | | | | |
|---|---|---|---|---|---|
| | Option A-1 | Option A-2 | Option B | Option C | Option D |
| Initial Project Funding | | | | | |
| Total Project Costs ($): | $1,584,000.00 | $1,584,000.00 | $1,584,000.00 | $1,584,000.00 | $1,584,000.00 |
| Hook-on Fee Revenue @ $1000/tap ($): | $80,000.00 | $0.00 | $80,000.00 | $80,000.00 | $80,000.00 |
| Grant ($): | $1,000,000.00 | $1,000,000.00 | $800,000.00 | $800,000.00 | $0.00 |
| SRF Loan Amount($): | $504,000.00 | $584,000.00 | $704,000.00 | $704,000.00 | $1,504,000.00 |
| Annual Costs | | | | | |
| Principal & Interest (P&I) Cost for SRF Loan ($): | $37,414.33 | $43,353.11 | $52,261.29 | $52,261.29 | $111,649.11 |
| Reserve P&I Costs ($) | $9,353.58 | $10,838.28 | $13,065.32 | $13,065.32 | $27,912.28 |
| Operation, Maintenance & Depreciation ($): | $28,472.00 | $28,472.00 | $28,472.00 | $28,472.00 | $28,472.00 |
| Annual Treatment Cost (Fees paid to St. Meinrad Archabbey) ($): | $7,555.50 | $7,555.50 | $7,555.50 | $7,555.50 | $7,555.50 |
| Total Annual Cost ($): | $82,795.41 | $90,218.89 | $101,354.11 | $101,354.11 | $175,588.89 |
| Annual COIT Assistance ($): | $20,000.00 | $27,500.00 | $39,000.00 | $0.00 | $0.00 |
| Net Annual Cost ($): | $62,795.41 | $62,718.89 | $62,354.11 | $101,354.11 | $175,588.89 |
| Total Number of Users: | $80.00 | $80.00 | $80.00 | $80.00 | $80.00 |
| **Average Monthly User Charge ($):** | **$65.00** | **$65.00** | **$65.00** | **$106.00** | **$183.00** |

Notes: The rates shown are preliminary based on preliminary project cost estimates from the Fulda PER. The rates assume varying amounts of grant funding for the project as well as varying COIT contributions.

6. The principal office of the proposed RSD shall be located at 15707 N. State Road 545, P.O. Box 46, Fulda, Indiana 47536. The Fulda RSD Board of Trustees (Board), upon formation, may relocate the principle office upon written notice to IDEM.

7. The sanitary sewage needs of those residents now residing within such proposed RSD are currently being met with septic systems, many of which are failing.

8. Upon formation, Fulda RSD will either construct and operate a system that will collect and treat the sanitary sewage of the residents of the RSD or it will contract with a municipality or a not for profit corporation to meet the sewage treatment needs of the residents of the RSD.

9. The majority of residents of the proposed RSD currently obtain their water for drinking and other purposes from a utility and a few obtain their water from private wells.

10. The proposed RSD has no outstanding debt for the purpose of collecting and treating wastewater.

11. The proposed RSD shall be governed by a Board of five (5) voting members to be appointed, as follows:

    A. The Harrison Township Board shall appoint two (2) trustees to serve an initial term of three (3) years.

    B. The Harrison Township Board shall also appoint two (2) trustees to serve an initial term of two (2) years.

    C. The Harrison Township Board shall also appoint one (1) trustee to serve an initial term of one (1) year.

    D. All appointment terms, subsequent to the expiration of the initial terms described above, shall be for a period of three (3) years.

    E. In the event a vacancy occurs on the Board, the appointing authority for that trustee shall appoint a new trustee within sixty (60) days to complete the term of the vacant trustee position(s).

12. The estimated monthly sewage rate is projected to be between $65.00 - $183.00; however, if Fulda RSD pursues and receives all public funding the project rate will be significantly less than $179.00.

13. The Fulda RSD shall apply for available public funding as needed.

14. The source of funds to provide for the operating and maintenance costs of the proposed RSD will be derived from monthly sewer user fees.

15. The proposed 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.

16. The land description for the Fulda RSD is as follows:

## Map

Territory included in the Fulda Regional Sewer District boundary

Harrison Township - Spencer County, Indiana

TOWNSHIP 5 SOUTH, RANGE 4 WEST

Section 3 - East ½
SE ¼ of NW ¼

TOWNSHIP 4 SOUTH, RANGE 4 WEST

Section 34 - East ½ of SE ¼
East ½ of NE ¼
SW ¼ of SE ¼
E ½ of NW ¼ of SE ¼
E ½ of SW ¼ of NE ¼

Section 26 - SW ¼
SE ¼ of NW ¼

## RECOMMENDED ORDER

The Hearing Officer recommends the following:

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

2. The purpose to be accomplished by the RSD is to provide for the collection, treatment, and disposal of sewage inside the Fulda RSD.

3. The land description for the Fulda RSD is as follows:

## Map

Territory included in the Fulda Regional Sewer District boundary

Harrison Township - Spencer County, Indiana

TOWNSHIP 5 SOUTH, RANGE 4 WEST

Section 3 - East ½
SE ¼ of NW ¼

TOWNSHIP 4 SOUTH, RANGE 4 WEST

Section 34 - East ½ of SE ¼
East ½ of NE ¼
SW ¼ of SE ¼
E ½ of NW ¼ of SE ¼
E ½ of SW ¼ of NE ¼

Section 26 - SW ¼
SE ¼ of NW ¼

4. The proposed RSD shall be governed by a Board of five (5) voting members to be appointed, as follows:

A. The Harrison Township Board shall appoint two (2) trustees to serve an initial term of three (3) years.

B. The Harrison Township Board shall also appoint two (2) trustees to serve an initial term of two (2) years.

C. The Harrison Township Board shall also appoint one (1) trustee to serve an initial term of one (1) year.

D. All appointment terms, subsequent to the expiration of the initial terms described above, shall be for a period of three (3) years.

E. In the event a vacancy occurs on the Board, the appointing authority for that trustee shall appoint a new trustee within sixty (60) days to complete the term of the vacant trustee

position(s).

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

6. That within nine (9) months from the date this order, Fulda RSD shall file with the Commissioner of the Indiana Department of Environmental Management, a detailed plan that complies with IC 13-26-6 for the construction and operation of Fulda RSD's facilities.

7. The Fulda RSD shall apply for all available public funding as needed.

Dated: 5/10/02 Hearing Officer: Lynne L. Newlon