

2011 SMALL UTILITY TOOLKIT

Table of Contents

Resources

Resource Directory.....	2
U.S. EPA Free Resources.....	3

IURC Regulatory Information

1 Guidelines for 30-Day Filings.....	6
2 Main Extension Rules.....	24
3 Small Utility Rate Application.....	29
4 Annual Report Checklist.....	37

Infrastructure Funding

5 System Development Charges.....	39
6 Indiana Finance Authority & State Revolving Fund.....	40
7 USDA Rural Development Loans & Grants.....	43
8 Community Development Block Grants.....	45
9 U.S. EPA Financing Alternatives Comparison Tool.....	48

Asset Management

10 Check-Up Program for Small Systems.....	49
11 Water System Self-Evaluation Toolkit.....	52
12 U.S. EPA Asset Management.....	54
13 AWWA Water Audit Software Version 4.2.....	56
14 AWWA's "Only Tap Water Delivers".....	57

Free Technical Operational Assistance

15 Alliance of Indiana Rural Water.....	59
16 Environmental Infrastructure Working Group.....	62
17 Indiana Rural Community Assistance Program.....	63

RESOURCE DIRECTORY

Indiana Utility Regulatory Commission

Curt Gassert, Director
Water/Sewer Division
(317) 232-2749
www.in.gov/iurc

State Revolving Fund Loan Programs

Sarah Hudson, Water SRF Program Administrator
(317) 232-8663
<http://www.in.gov/ifa/srf/>

Indiana Office of Community and Rural Affairs

Kathleen Weissenberger, Director
Community Affairs Division
(317) 232-1703 or (800) 824-2476
www.in.gov/ocra

IN Dept. of Environmental Management

Mary Hoover, Senior Environmental Mgr.
Drinking Water Branch - Capacity Development
(317) 234-7433
mhoover@idem.in.gov

Indiana Rural Water Association

Odetta Cadwell, Executive Director
(317) 402-7349
<http://www.indianaruralwater.org/>

Indiana Rural Community Assistance Program

Vicki Perry, Program Director
(800) 382-9895 or (317) 638-4232
<http://www.incap.org/>

Environmental Infrastructure Working Group

Jamie Lynn Palmer, Facilitator
jlpalmer@iupui.edu

U.S. Dept. of Agriculture, Rural Development

Rochelle Owen, Director of Community Programs
(317) 290-3109
www.usda.gov

Indiana Office of Utility Consumer Counselor

Scott Bell, Director
Water/Sewer Division
(317) 233-1084
www.in.gov/oucc

State Revolving Fund Loan Programs

Shelley Love, Wastewater SRF Program Administrator
(317) 232-4396
<http://www.in.gov/ifa/srf/>

Indiana State Board of Accounts

Charlie Pride, Director
Cities, Towns and Libraries
(317) 232-2521
www.in.gov/sboa

IN Dept. of Environmental Management

Bridget Murphy, Environmental Mgr.
Total Coliform Rule Compliance
(317) 234-7445
bsmurphy@idem.in.gov

Alliance of Indiana Rural Water

Jim Soper, Executive Director
(317) 789-4200
alliance@inh2o.org

Indiana State Department of Health, Septic Systems

Alan Dunn, Senior Environment Manager
(317) 233-7179
adunn@ishd.in.gov

U.S. EPA CUPSS

Mindy Eisenberg, Office of Ground & Drinking Water
(202) 564-1290
<http://www.epa.gov/cupss/index.html>

Indiana Association of Cities and Towns

Matthew C. Greller, Executive Director
(317) 237-6200
<http://www.citiesandtowns.org/>

U.S. EPA Free Resources for Utility Management

Free resources are available on the U.S. Environmental Protection Agency's (U.S. EPA) website at: <http://www.epa.gov/ogwdw/smallsystems/managementhelp.html>. The following resources are examples of those found on the website.

Asset Management and Preventive Maintenance

- [Check-Up Program for Small Systems \(CUPSS\)](#)
This user-friendly asset management software is designed especially for small drinking water and wastewater systems.
- [Asset Management: A Best Practices Guide \(PDF\)](#) (4 pg, 247K)
This guide will help you understand what asset management means, the benefits of asset management, best practices in asset management and how to implement an asset management plan. It is intended for owners, managers, and operators of public water systems; local officials; technical assistance providers; and state personnel.
- [Asset Management for Local Officials \(PDF\)](#) (2 pg, 86K)
This guide will help you understand the basics of asset management for local officials and their vital role in successfully implementing an asset management program. It is intended for local officials who are directly or indirectly involved in decisions affecting public water systems.
- [Building an Asset Management Team \(PDF\)](#) (2 pg, 78K)
This guide will help you understand how forming and having a team can help your system successfully implement asset management and the components of a successful asset management team. It is intended for local officials; owners and operators of public water systems; technical assistance providers; and state personnel.
- [Asset Management: A Handbook for Small Water Systems – STEP Guide Series \(PDF\)](#) (50 pg, 976K) (EPA 816-R-03-016, September 2003)
Learn how to inventory system assets and develop a long-term maintenance plan to save money and avoid unexpected problems.
- [Taking Stock of Your Water System: A Simple Asset Inventory for Very Small Drinking Water Systems \(PDF\)](#) (45 pg, 941K) (EPA 816-D-03-002, October 2004)
Additional information about asset management and easy-to-use planning and inventory worksheets.

- [Drinking Water Security for Small Systems Serving 3,300 or Fewer Persons – STEP Guide Series \(PDF\)](#) (47 pg, 4.2MB) (EPA 817-R-05-001, September 2005)
Instructions for evaluating vulnerability, reducing risks, developing an Emergency Response Plan (ERP), and communicating with customers.
- [Cross-Connection Control: A Best Practices Guide \(PDF\)](#) (4 pg, 177K) (EPA 816-F-06-035, September 2006)
Tips for detecting and responding effectively to a backflow event and information about helpful technology.
- [Distribution Systems: A Best Practices Guide \(PDF\)](#) (2 pg, 167K) (EPA 816-F-06-038, September 2006)
Information about the benefits of routine distribution system maintenance and monitoring.
- [Improving Security through Capacity Development: Capacity Self-Assessments \(PDF\)](#) (12pg, 3MB) (EPA 816-F-05-008, November 2007)
The U.S. EPA has developed a brochure that provides ideas on how states may revise their capacity development program self assessments to integrate security practices.
- [Using Technical, Managerial, and Financial Capacity to Improve System Security — Suggestions for States \(PDF\)](#) (2 pg, 211K) (EPA 816-F-07-010, November 2007)
The U.S. EPA has developed this guide to provide information about monitoring protocols as well as products available to enhance physical and cyber security.

Long-Term Planning and Record Keeping

- [Strategic Planning: A Handbook for Small Water Systems – STEP Guide Series \(PDF\)](#) (30 pg, 1.5MB) (EPA 816-R-03-015, September 2003)
An overview of the planning process and how it will help you build capacity and respond to unexpected problems. Also included are worksheets to use in developing your strategic plan.
- [Setting Small Drinking Water System Rates for a Sustainable Future – STEP Guide Series \(PDF\)](#) (62 pg, 341K) (EPA 816-R-05-006, January 2006)
The importance of recovering costs through user fees and developing a budget and financial plan are outlined in this publication.

- [System Partnership Solutions to Improve Public Health Protection Volume I \(PDF\)](#) (12 pg, 784K) and [Volume II \(PDF\)](#) (10 pg, 204K) (VI: EPA 816-R-02-022, September 2002; VII: EPA 816-R-06-005, October 2006)

Case studies of water systems that partnered to implement cost-effective, long-term solutions to public health and capacity challenges.

- [Record Keeping Rules: A Quick Reference Guide \(PDF\)](#) (4 pg, 93K) (EPA 816-F-06-033, September 2006)

A rule-by-rule summary of requirements for keeping public notice and other records, as well as helpful tips on record maintenance and security.

Communicating with Customers and Decision Makers

- [Talking to Your Decision Makers: A Best Practices Guide \(PDF\)](#) (2 pg, 106K) (EPA 816-F-06-034, September 2006)

Tips for working successfully with decision makers in your community to meet your water system's needs.

- [Talking to Your Customers About Chronic Contaminants in Drinking Water: A Best Practices Guide \(PDF\)](#) (2 pg, 356K) (EPA 816-F-07-022, October 2007)

Guidelines for effectively communicating with customers about the dangers of chronic contaminants and how water systems protect against contamination.

- [Water System Owner Roles and Responsibilities: A Best Practices Guide \(PDF\)](#) (2 pg, 167K) (EPA 816-F-06-036, September 2006)

A summary of system owners' key duties in protecting public health, overseeing system operation, and working with local officials.

1 – Guidelines for 30-Day Filings

The Commission developed the 30-Day Filing Process so that utilities can change their non-recurring charges (e.g., tap fees, bad check fees, reconnection fees, etc.) and pass through increases in wholesale water and sewer service to customers without the need for a formal hearing (See 170 IAC 1-6). The process is also commonly used to approve fire protection surcharges that occur as a result of local government entities electing to pass the cost of public fire protection onto their customers, pursuant to I.C. 8-1-2-103.

The process is not a substitute for a rate case, and although 30 days is specified, this is the minimum time required to process a utility's proposal. Complex filings may take longer.

Typical 30-Day Filings

- Changes to non-recurring charges.
 - Tap fee/connection fee
 - Bad check charge
 - Reconnection fee
- Pass through wholesale rate increase to customers.
 - Water tracker (170 IAC 6-5)
 - Sewer tracker (170 IAC 8.6)
 - Wholesale customers can apply for simultaneous rate relief with the issuance of a Commission Final Order for the utility's wholesale supplier. I.C. 8-1-2-61.6 sets forth guidelines that may be viewed online at:
<http://www.in.gov/legislative/ic/code/title8/ar1/ch2.html>
- Fire protection surcharges.
- New rules and regulations or changes to existing utility rules and regulations.
Note: This does not apply to municipal utilities.
- Rates and charges for new services.

The Commission will not process a 30-Day Filing if any of the following occurs:

- Lack of cost support for the proposed change(s);
- Current rates shown on the proposed tariff do not match the format and/or the amounts in the official tariff file of the utility;
- Failure to include a proposed tariff sheet(s);

- The utility’s proposal is an attempt to penalize customers;
- Rounding errors (e.g., \$425 becomes \$500); or
- Failure to indicate that the utility wants its proposal processed as a 30-Day Filing.

30-Day Filing Checklist

The following document may be provided in electronic format via email or compact disk. For a paper filing, three copies should be submitted to the Secretary of the Commission and one copy submitted with the Office of the Utility Consumer Counselor (OUCC). The following items should appear in the filing:

- Cover letter clearly stating that the request is to be processed through the Commission’s 30-Day Filing Process. The cover letter should also clearly state the purpose of and need for the request. Indicate at the bottom of the cover letter that a copy of the filing has been sent to the OUCC. Information regarding who to contact for this filing should also be included.
- Proposed tariff sheet(s).
- Workpapers as well as revenue and cost projections. All projections should be clearly explained. This should include all assumptions used; actual or estimated data used (and source of data); and models or methodologies employed.
- Ordinance for fire protection charges.
- Verified statement, including copies of any written means of notification, affirming that the affected customers have been notified as required by the Commission’s rule.
 - Customer notices should be posted in a public place at the utility’s local customer service office.
 - Customer notice should also be made in at least one (1) newspaper of general circulation that has a circulation encompassing the highest number of the utility’s customers affected by the filing.
 - Customer notices should include the following:
 - A brief and accurate description of the nature of the utility’s filing;

- Which customers may be affected and how those customers may be affected;
 - The expected date of the filing;
 - The expected date by which approval of the filing will occur; and
 - Contact information so that a customer can submit an objection to the Commission and the OUCC.
- Proof of publication for water and sewer trackers only (170 IAC 6-5 and 170 IAC 8.6, respectively).
 - Additional copy of the utility's filing should be sent to the OUCC.

An example of an approved filing that requested changes in certain non-recurring charges is provided on pages 4-13. Please note: customer notices and a verified statement that notices have been made, as required by the Commission's rules, are not included in this example.

More information about the 30-Day Filing guidelines is available at: <http://www.in.gov/iurc/2398.htm>. If you have any questions about 30-Day Filings or need additional examples, call the Commission's Water/Sewer Division at (317) 232-0037.

Example: Cover Letter



H.J. Umbaugh & Associates
925 Dora Lane • Suite 1
P.O. Box 697
Plymouth, IN 46563-0697
Phone: 574-935-5178
Fax: 574-935-5928
Website: www.hju.com

August 18, 2009

RECEIVED
AUG 25 2009
INDIANA UTILITY
REGULATORY COMMISSION

Mr. E. Curtis Gassert
Indiana Utility Regulatory Commission
Director Water/Sewer Division
101 West Washington Street, Suite 1500 E
Indianapolis, Indiana 46204

RE: Kingsford Heights (Indiana) Municipal Water Utility
30-Day Filing – Non-Recurring Charges

Dear Curt:

Attached is a copy of a Verified Statement in Support of Change in Non-Recurring charges, together with supporting schedules for filing on behalf of Kingsford Heights Water Utility. Also enclosed is a copy of a proposed tariff, Exhibit B. A copy of the legal notice which has been submitted to the local newspaper and posted at the Town Hall has also been included. We will forward the publisher's affidavit to you upon receipt.

The Utility is requesting approval to increase its Non-Recurring Charges as required by Cause No. 43502-U through the 30-day filing procedure. *This request is an allowable request under 170 IAC 1-6-3 because _____.*

If you or members of your staff have any questions or comments, please do not hesitate to call.

Very truly yours,

UMBAUGH

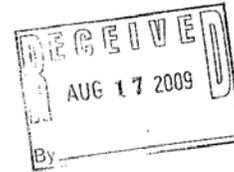
Jeffrey P. Rowe

JPR/jf

Enclosures

cc: Office of the Utility Consumer Counselor
Ms. Rosalie Jacobs, Clerk-Treasurer

Example: Verified Statement



VERIFICATION

STATE OF INDIANA)
)
COUNTY OF LAPORTE) SS:

The undersigned, Rosalie Jacobs, under penalties of perjury and being first duly sworn on her oath, says that the representations set forth below are true and correct to the best of her knowledge, information, and belief.

1. I am the Clerk-Treasurer of the Town of Kingsford Heights, Indiana (the "Town"). I currently have, and have had since assuming the position of Clerk-Treasurer of the Town, responsibility for the finances of the Town and the Water Utility.

2. I am familiar with the Town's intention to file with the Indiana Utility Regulatory Commission pursuant to 170 IAC 1-6 a request to modify the non-recurring charges applicable to the operation of its water utility (the "30-Day Filing").

3. Customers of the Town have been notified of the Town's intention to make the 30-Day Filing by posting notice of the same in a public place at the Town Hall in Kingsford Heights, Indiana. The Town currently does not maintain a website. The Town also has published notice of its intention to make the 30-Day Filing in at least one (1) newspaper of general circulation in LaPorte County, Indiana. Attached are copies of the written notices provided by the Town related to the 30-Day Filing.

Rosalie Jacobs
Rosalie Jacobs, Clerk/Treasurer

Subscribed and sworn to before me, a Notary Public, this 13 day of AUGUST, 2009.

Maria C. Posey
Signature

MARIA C. POSEY
Printed Name

My Commission Expires: 7-11-2016

My County of Residence: LA PORTE

Example: Contact Information

KINGSFORD HEIGHTS (INDIANA) MUNICIPAL WATER UTILITY

CONTACT INFORMATION

30-Day Filing Preparer

H. J. Umbaugh & Associates
Mr. Jeffrey P. Rowe
925 Dora Lane, Suite 1
Plymouth, Indiana 46563
Phone: 574-935-5178
Fax: 574-935-5928
Email: rowe@umbaugh.com

Utility

Kingsford Heights Water Utility
Ms. Rosalie Jacobs
504 Grayton Road
Post Office Box 330
Kingsford Heights, Indiana 46346-0330
Phone: 219-393-3309
Fax: 219-393-3309
Email: khtown1@csinet.net

Example: Workpapers

KINGSFORD HEIGHTS (INDIANA) MUNICIPAL WATER UTILITY

COMPUTATION OF CHANGE IN COST OF NON-RECURRING CHARGES

Tap Fees:

Item	Qty.	Cost/Unit	Total Cost
Labor (man hours) (1)	2 laborers	\$ -	\$ 154.33
Backhoe rental	3 hrs.	25.00	75.00
Water meter (2)	1	108.64	108.64
Copper tubing (2)	12 ft.	2.42	29.04
Saddle meter valve (2)	1	53.61	53.61
Corporation stop (2)	1	29.29	29.29
Curb valve (2)	1	46.57	46.57
Curb box (2)	1	26.14	26.14
Meter cover (2)	1	65.76	65.76
Meter pit (2)	1	61.23	61.23
Yoke (2)	1	44.43	44.43
Meter wire (2)	40 ft.	0.22	8.80
Totals			\$ 702.84
Estimated tap fee (rounded)			\$ 703.00

Note: The estimated costs associated with this schedule are based on an average tap assuming a 5/8"-3/4" meter.

(1)	Plant Operator	Laborer	Total
Current hourly rate (per attached rate ord.)	\$ 17.86	\$ 10.50	
Times: estimated 4 hours (per the Town)	4	4	
Estimated wages per tap	71.44	42.00	\$ 113.44
Add: FICA @ 7.65%	5.47	3.21	8.68
PERF @ 5.0%	3.57	2.10	5.67
Add: employee benefits (group insurance) (\$575/mo. / 12 months / 2080 hrs. x 4 hrs.)	13.27	13.27	26.54
Total labor per tap	\$ 93.75	\$ 60.58	\$ 154.33

(2) See attached work papers.

All Other Non-Recurring Charges:

All other Non-Recurring charges pursuant to IURC Order in Cause No. 39457 dated November 25, 1992 were analyzed and appear to be adequate.

6/23/09

Estimated 4 hrs Labor
x 2 men

Tim L
(Plant Operator)

Glen S
(Laborer)

17.86

Current
Hourly Rate

10.50

1.11

FICA

.66

.26

Medicare

.16

.90

PERF

.53

3.35

Group Insur
Benefit
Approx Hourly
Value

3.35

Group Insur Cap

\$ 575 per month

÷ 4.3 wks per month ÷ 40 hrs =
3.35

ORDINANCE NO. 2008-07

AN ORDINANCE AMENDING THE
2008/2009 SALARY ORDINANCE OF THE
TOWN OF KINGSFORD HEIGHTS, INDIANA

WHEREAS, the Town Council of the Town of Kingsford Heights, LaPorte County, Indiana, has amended the salaries for its employees for 2009; and

WHEREAS, it is necessary to establish the salaries in the form of a amended salary ordinance;

NOW, THEREFORE, be it ordained by the Town Council of the Town of Kingsford Heights, LaPorte County, State of Indiana, as follows:

Section 1: That Chapter 2-16 of the Kingsford Heights Municipal Code is hereby amended to read as follows:

Chapter 2-16

SALARY ORDINANCE

Sections:

- 2-16-010 Salaries.
- 2-16-020 Fringe Benefits.
- 2-16-010 Salaries:

That from and after the first day of January 2009, the salary and pay schedule for elected officials and appointed officers and employees of the Town of Kingsford Heights, Indiana, be fixed as follows:

Town Council Member.....	\$ 500.00/year
Clerk-Treasurer (Town Council Secretary)	\$ 1,860.00/year

Building Inspector\$ 600.00-1,200/year

Plan Commission Member

Plan Commission Secretary.....*

(* The Plan Commission members and secretary will be paid \$30.00 per month only in the months where a meeting or meetings are held and the person is in attendance for at least one meeting in that month.)

Board of Public Works, Member.....\$ 1,500.00/year

Town Council/Board of Public Works
Member serving as President
Additional Compensation.....\$ 200.00/year

Town Marshal.....\$ 650.00 - 810.00/week

First Deputy Marshal.....\$ 600.00 - 775.00/week

Second Deputy Marshal.....\$ 525.00 - 630.00/week

Part-Time Deputy Marshal.....\$ 16.00 - 20.00/hour

Clerk-Treasurer
(Office Manager & Bookkeeper).....\$ 7.50-14.25/hour

Deputy Clerk-Treasurer
(Assistant Office Manager & Bookkeeper)\$ 6.00-12.50/hour
(Permanent Part-Time position based on 25 hours per week)

Glen →

Field Employee.....\$ 7.00-15.00/hour

NOTE: Field employees are not in supervisory/superintendent positions; this is a general category.

Sewage Dept. Supervisor
(with a Class II Sewer License).....\$ 10.00-18.50/hour

Tim →

Water Dept. Supervisor
(with a DS/PF Water License).....\$ 10.00-18.50/hour

Electric Dept. Supervisor
(with electrical schooling and/or
advanced electric schooling as evaluated
by Town Council\$ 10.00-18.50/hour

Certified Water and/or Sewage Plant
 Operator in Temporary responsible charge
 with a minimum of DS/PF Water License
 and/or Class II Sewer License – Commensurate
 with experience.....\$ 10.00-18.50/hour

Temporary Employee and/or Summer Employee
 Utilities and/or Street Dept.....\$ 7.50 – 9.00/hour

2-16-020 Fringe Benefits.

Insurance Coverage: All full-time personnel shall receive contributions for social security and retirement as well as coverage for workmen's and unemployment compensation.

Under the group insurance program, all full-time personnel are entitled to a base life insurance policy as available through group insurance provider. All full-time personnel shall be entitled to have the town contribute up to \$575.00 per month toward the cost of premiums for medical hospital benefits for themselves and their dependents, including the life insurance available for the employee only. Effective Nov. 1, 2009, this monthly allowance will increase up to \$600.00 per month.

Vacation Time: All full-time personnel are eligible for paid vacation time according to the following schedule:

One full year of continuous service	Five (5) Days
Three full years of continuous service	Ten (10) Days
Ten full years of continuous service	Fifteen (15) Days

The hiring date is used for determining eligibility. All vacations must be taken within the applicable calendar year and cannot be accrued.

If a full-time employee does not have one complete year of service completed as of January 1st of any given year, (s) he will be eligible for one paid vacation day for each ten (10) weeks of employment completed. These vacations days can be used after his/her anniversary date and must be used before the end of the applicable calendar year and cannot be accrued.

The Deputy Clerk-Treasurer (Assistant Office Manager & Bookkeeper) is a permanent part-time position based on twenty-five (25) hours per week. At the beginning of the calendar year following one full year of continuous employment, this position will be entitled to one week paid vacation, based on a twenty-five (25) hour pay period for that week.

Paid Holidays: All full-time personnel are entitled to twelve (12) paid holidays, which include:

President's Day
Good Friday
Memorial Day
The Fourth of July
Labor Day
Thanksgiving Day
Friday after Thanksgiving Day
Christmas Eve
Christmas Day
New Year's Eve
New Year's Day

The remaining holiday shall be a "Floating Holiday," to be used at the employee's convenience and at the convenience of the employee's supervisor. These "Floating Holidays" are to be scheduled on an individual basis for each full-time employee.

The Deputy Clerk-Treasurer (Assistant Office Manager & Bookkeeper) is a permanent part-time position based on five (5) hours per day. The Deputy Clerk-Treasurer shall be entitled to five (5) hours pay for the above-listed holidays.

Personal Absence (PA) Days: All full-time hourly personnel shall be entitled to a maximum of six (6) Personal Absence Days per year. Personal Absence Days are earned for each two (2) months of employment worked during the calendar year. Personal Absence Days can be accrued, however accrual of Personal Absence Days shall not exceed six (6) days. Personal Absence Days shall be credited to all full-time hourly personnel on March 1st, May 1st, June 1st, August 1, October 1, and December 1. If the Personal Absence Days are not taken during the course of the year, each full-time hourly employee shall receive compensation during the month of December for the balance of the days not used. All full-time salaried employees shall not be entitled to Personal Absence Days.

If the employee is employed during the course of the year (i.e. after January 1st), then the employee shall be entitled to one (1) personal Absence Day for each two month period employed and worked after the award dates noted above, which shall be used or compensated for by December 31st.

In addition, all full-time hourly personnel shall be entitled to three (3) days of bereavement pay upon the death of his/her mother, father, spouse, sister, brother, grandparent, mother-in-law, father-in-law, sister or brother-in-law, or child if the employee is absent for this reason.

Upon termination, whether voluntary or involuntary, an employee may be eligible to receive monetary compensation for unused PA days as of the date of termination, unused Floating Holiday for the current year, unused vacation pay for the current year, pro-rated vacation pay being earned in the current year, and/or unused comp time.

Hours/Overtime: All full-time personnel will work a forty (40) hour week. Those employees in the office will work the hours of 8:00 a.m. to 4:30 p.m. Those employees in the field will work the hours of 7:00 a.m. to 3:30 p.m. Those employees in the Marshal's Department will have hours to be set by the Marshal and/or Town Council. Salaried employees are expected to work approximately forty (40) hours per week.

Pay Period: The pay period will be from Friday through Thursday. All full-time hourly personnel will be allowed overtime if they exceed the hours established by applicable Federal Law. Overtime will be paid or compensatory time will be allowed at the rate established by applicable Federal Law. A supervisor, superintendent or Town Council member must authorize all overtime. Each full-time field employee and/or supervisor who performs week-end duty or holiday duty will be allowed overtime or compensatory time pursuant to applicable Federal Law.

Section 2. All ordinances or parts of ordinances or parts of the Kingsford Heights Municipal Code in conflict herewith are hereby repealed. The invalidity of any section, clause, sentence, or provision of this Ordinance shall not affect the validity of any other part of the Ordinance, which can be given effect without such invalid part or parts.

Section 3. This Ordinance shall be in full force and effect from and after its passage, approval, recording, and publication as provided by law.

SUBMITTED FOR CONSIDERATION of the Town Council of the Town of
Kingsford Heights, LaPorte County, Indiana, on this _____ day of
_____, 2008.

Rosalie A. Jacobs, Clerk-Treasurer

PASSED by the Town Council of the Town of Kingsford Heights, Indiana, this
_____ day of _____, 2008.

Evelyn Ballinger, President
Town of Kingsford Heights Town Council

ATTEST:

Rosalie A. Jacobs
Clerk-Treasurer

I, Rosalie A. Jacobs, Clerk-Treasurer of the Civil Town of Kingsford Heights,
LaPorte County, State of Indiana, hereby certify that the above and foregoing
Ordinance (Ord. #2008-06) was duly posted in each of the five (5) wards of the Town
of Kingsford Heights, State of Indiana, this _____ day of _____, 2008.

Rosalie A. Jacobs
Clerk-Treasurer

ISS# 23780023702
 TOWN OF KINGSFORD HEIGHTS
 ROSALIE GERHART
 PO BOX 330
 KINGSFORD HEIGHTS IN 46346

Invoice No: 0017577083
 Invoice Date: Jun 17, 2009
 Customer No: 188090
 Bill Group: 1
 Coverage Pd: 07/01-07/31/2009
 Due Date: Jul 01, 2009

Invoice Detail

Policy No.	Name Plan	ID	Coverage	Volume(000's)	Charge Amount
172942	ALDIA, VICTOR M ADSD Dental Life CHCYC+	XXXXX2057-00	E E E E	50	\$2.00 \$30.08 \$16.00 \$278.37
172942	COX, JASON D ADSD Life Dental CHCYC+	XXXXX1516-00	E E EC EC	50	\$2.00 \$16.00 \$60.16 \$444.24
172942	FINE, CHRISTOPHER L ADSD Life CHCYC+	XXXXX4819-00	E E E	50	\$2.00 \$16.00 \$767.62
172942	FRANCIS, DENNIS J ADSD Life CHCYC+	XXXXX8759-00	E E E	50	\$2.00 \$16.00 \$441.32
172942	JACOBS, ROSALIE A ADSD Life CHCYC+	XXXXX7165-00	E E E	50	\$2.00 \$16.00 \$693.86
172942	LINDEWALD, TIMOTHY C ADSD Life CHCYC+	XXXXX6850-00	E E EC	50	\$2.00 \$16.00 \$572.17
172942	Packaged Savings Credit Packaged Savings Credit	XXXXX0000-00			\$-32.00
172942	RUIZ, HENRY ADSD Life CHCYC+	XXXXX8995-00	E E E	50	\$2.00 \$16.00 \$605.09
172942	SCHODF, GLEN A ADSD Life CHCYC+	XXXXX0947-00	E E EC	50	\$2.00 \$16.00 \$671.36
TOTAL					\$4,896.27

590.17

689.36

PLEASE VISIT EMPLOYER SERVICES AT WWW.EMPLOYERESERVICES.COM TO perform real-time eligibility transactions, view and pay your invoices, request ID cards and more!
 Employee and dependent information contained in this report is based on the most current information provided by the Employer, acting as Plan Sponsor and/or Plan Administrator (the organization which established the employee welfare plan for its employees) to the Company (a division of UnitedHealth Group contractually administering claims on behalf



Utility Supply Company

532 South Park Avenue
 Peru, Indiana 46970
 (765) 472-4398 • Fax: (765) 472-4597 • Toll Free: 1-800-293-9917

www.utilitysupplyco.com

DATE	NUMBER
04/02/09	121

S
G
L
O
T
C

KIN400
 KINGSFORD HEIGHTS WATER DEPT
 P.O. BOX 320
 KINGSFORD HEIGHTS, IN 46346

S
H
P
T
O
ATTN TIM
 KINGSFORD HEIGHTS
 WATER DEPARTMENT
 50+ GRAYTON ROAD
 KINGSFORD HEIGHT, IN 46346

** QUOTE **

ITEM	QUANTITY	UNIT PRICE	AMOUNT
5/8X3/4 GW EA.	1.00	108.64	108.64
3/4K60 FT.	60.00	2.42	145.20
B2425B-250 EA.	1.00	40.28	40.28
H14206-250 EA.	1.00	30.90	30.90
H15000-250 EA.	1.00	29.29	29.29
B25209F-250 EA.	1.00	60.01	60.01
2H6CB EA.	1.00	25.14	25.14
20X48H EA.	1.00	61.23	61.23
20TS EA.	1.00	65.76	65.76

12 ft. per top per the town

SALES AMOUNT	SALES TAX	SHIPPING CHG.	CODE	DEPOSIT	CASH	CODE	567.45
THIS QUOTATION MUST BE ACCEPTED ON OR BEFORE 04/12/09							PLEASE PAY THIS AMOUNT

A FINANCE CHARGE computed at a periodic rate of 1.5% per month (18% ANNUAL PERCENTAGE RATE) is applied to PAST DUE ACCOUNTS OVER 30 DAYS.

(TOR) JUN 23 2009 13:39/ST. 13:39/NO. 762725210 P 4

FROM KINGSFORD HEIGHTS TOWN OF

Example: Tariff Sheet

KINGSFORD HEIGHTS (INDIANA) MUNICIPAL WATER UTILITY

SCHEDULE OF RATES AND CHARGES

(Issued Pursuant to the IURC Conference Minutes Dated _____)

APPENDIX "B"

Non-Recurring Charges

Reconnect Charge:

During business hours \$ 15.00
Outside of business hours \$ 25.00

Bad Check Charge \$ 10.00

Tap Fees:

5/8" - 3/4" \$703.00
1" and larger tap Cost but not less than \$703.00

Meter Hook-Up Fee \$ 41.00

Special Meter Reading Charge:

If original reading was correct \$ 5.00

Service Call - normal \$ 25.00 plus materials

Service Call - after hours, weekends \$ 50.00 plus materials

Meter Tampering Charge Cost of repair

Deferred Payment Charges

After 17 days Ten percent (10%) on first \$3.00 and three percent (3%) on excess over \$3.00

Example: Customer Notice

**LEGAL NOTICE OF FILING FOR A CHANGE IN WATER UTILITY
NON-RECURRING CHARGES BY THE TOWN OF KINGSFORD HEIGHTS**
LaPorte County, Indiana

Notice is hereby given that Kingsford Heights Municipal Water Utility, LaPorte, Indiana, has filed with the Indiana Utility Regulatory Commission an increase in the schedule of non-recurring rates and charges as required by the Order in IURC Cause No. 43502-U. The filing is being made using the Commission's 30-Day Filing process pursuant to 170 IAC 1-6. The change in non-recurring charges includes an increase in tap fees from the current fee of \$225.00 per 5/8" - 3/4" tap to \$703.00. Tap fees for meter sizes greater than 5/8" - 3/4" will be at cost, but not less than \$703.00. All other non-recurring charges will remain at current levels.

The reason for this is due to increases in material and labor costs for the installation of new taps. The Town expects to file the change in non-recurring charges with the Commission on or about August 17, 2009, and expects approval of the filing on or about October 3, 2009. Anyone wishing to object may do so by submitting an objection to the Secretary of the Commission, Indiana Utility Regulatory Commission, 101 West Washington Street, Suite 1500 E, Indianapolis, IN, 46204, and the Office of Utility Consumer Counselor, 115 West Washington Street, Suite 1500 S, Indianapolis, IN, 46204.

TOWN OF KINGSFORD HEIGHTS
LaPorte County, Indiana

By: _____
Clerk-Treasurer

*Note: The customer classes and how they will be affected should also be included.

2 - Main Extension Rules

The main extension rules apply to not-for-profit and investor-owned utilities. The water utility rules are outlined in 170 IAC 6-1.5, while the sewer utility rules are listed under 170 IAC 8.5-4. Under the rules for main extensions, the applicant (“original depositor”) requesting a main extension pays the cost or total required deposit for the requested extension less an immediate revenue allowance, which is defined as three times the estimated annual revenue.

Different Scenarios

1. If the immediate revenue allowance is greater than the cost of the main extension, the main extension is provided by the utility at no cost to the applicant.
2. If the utility’s future extension plans require a larger main than necessary to serve the applicant, the incremental cost for the larger main size and increased material and installation costs is paid by the utility and not included in the original depositor’s total required deposit.
3. If a utility charges separate fees to connect a customer, such as a tap fee or system development charge, these charges are not to be included in the main extension cost.

The original depositor may receive a refund from the total deposit if a prospective customer¹ approaches the utility for service along the main extension within ten years from the date the main extension was completed. The prospective customer is required to pay a subsequent connector fee to the utility based on a per unit cost of the main extension less a revenue allowance. This is called a subsequent connector revenue allowance.

These fees should be determined and included in the original depositor’s main extension agreement. To calculate the subsequent connector fee, the utility must determine the number of lots for which service could be requested on the original depositor’s main extension and the cost per lot. If the property along the main extension is platted, the number of lots platted along the main shall be used. For unplatted property, the number of lots is determined by dividing the total land frontage along the main extension by 100 feet.

¹ A prospective customer means a person who is not an original depositor but whose lot as platted or frontage directly abuts the main extension between its original beginning and its original end point.

The main extension rules provide two methods to determine the cost per lot. Under the first method, the cost of the main extension is divided by the total number of lots calculated pursuant to this rule. Under the second method, the cost of the main extension is divided proportionately on the basis of land frontage for all lots along the main extension.

The following examples illustrate how a utility would implement this rule using the two different cost per lot methods as described above. The first example uses the first method to determine the cost per lot and assumes the property along both sides of the main is unplatted. The second example includes a mix of platted and unplatted property along both sides of the main and calculates the cost per lot based on a proportionate allocation of cost (the second method). Both examples assume an immediate revenue allowance of \$900 (\$25 average monthly residential customer bill x 12 months x 3 years).

Example #1

The original depositor/applicant requests service, which requires a 6" main extension of 200'. The estimated cost for this main extension is \$10,000. The total required deposit paid by the original depositor is \$9,100 and is calculated as follows:

Proposed cost to extend 6" main 200'	\$ 10,000
Less: Immediate revenue allowance:	
Average monthly bill for residential class: \$ 25	
Multiplied by: 36 months	<u>36</u>
Immediate revenue allowance	900
Cost to original depositor	<u><u>\$ 9,100</u></u>

Calculation of Subsequent Connector Fee

The cost per lot would be calculated as follows:

Main extension cost - 6" main at 200'	\$10,000
Divided by: 4 - 100' lots	<u>4*</u>
Cost per lot:	<u><u>\$ 2,500</u></u>

*Both sides of the road are considered.
The original depositor owns 1-100' lot.

A subsequent connector also benefits from a revenue allowance, which is called a subsequent connector revenue allowance. Thus, each subsequent connector would be required to pay a \$1,600 (\$2,500 cost per lot - \$900 subsequent connector revenue allowance) subsequent connector fee to the utility. The utility will then forward the payment to the original depositor. In this illustration, the utility will forward three subsequent connector fees to the original depositor, if connected within a ten-year period, for a total of \$4,800 (\$1,600 x 3). The utility

also pays the original depositor the revenue allowances for each of the three subsequent connectors or \$2,700. Note that the original depositor pays the same amount of \$1,600 if all three lots are subsequently connected ($\$9,100 - \$4,800 - \$2,700 = \$1,600$). The first method is used in this example because the four lots along both sides of the main are of equal size.

Example #2

The customer/original depositor requests service, which requires a 6" main extension of 500'. The cost estimate for this main extension is \$23,500. The total required deposit paid by the original depositor is \$22,600 and is calculated as follows:

Proposed cost to extend 6" main 500'	\$ 23,500
Less: Immediate revenue allowance:	
Average monthly bill for residential class: \$ 25	
Multiplied by: 36 months	<u>36</u>
Immediate revenue allowance	900
Cost to original depositor	<u><u>\$ 22,600</u></u>

As part of the main extension agreement with the original depositor, a subsequent connector fee is determined. First, the number of lots available for subsequent connection must be determined. In this example, it is assumed there are seven (7) 100' sections of land in unplatted areas, which includes the original depositor's 100' lot and four (4) 75' platted lots within a 25 lot subdivision that will connect directly to the 6" main. Next, the cost per lot is calculated as follows:

Proposed cost for 6" main 500'	\$ 23,500
Divided by: Total lot frontage along main in feet	<u>1,000</u>
Cost per foot:	<u><u>\$ 23.50</u></u>
Cost per 75' platted lot:	
75' @ \$23.50/foot	<u><u>\$ 1,762.50</u></u>
Cost per 100' unplatted lot:	
100' @ \$23.50	<u><u>\$ 2,350.00</u></u>

Because each subsequent connector benefits from a subsequent connector revenue allowance, each prospective customer's subsequent connector fee is calculated as follows:

Cost per 75' platted lot:	
75' @ \$23.50/foot	\$1,762.50
Less: Subsequent connector revenue allowance	<u>900.00</u>
Subsequent connector fee	<u><u>\$ 862.50</u></u>
Cost per 100' unplatted lot:	
100' @ \$23.50	\$2,350.00
Less: Subsequent connector revenue allowance	<u>900.00</u>
Subsequent connector fee	<u><u>\$1,450.00</u></u>

In this example, the utility pays the original depositor, ten subsequent connector fees or \$12,150 ((\$862.50 x 4 prospective customers on 75' platted lots) + (\$1,450 x 6 prospective customers on 100' unplatted lots)) based on all of the properties along the main extension that connect within ten years of installation. The utility will also pay the revenue allowances to the original depositor for each of the ten subsequent connectors or \$9,000. The second method is used in this example to divide proportionately the cost of the water main extension to both the original depositor and the subsequent connectors due to the different lot sizes along the main.

Divided by: Frontage of main per foot for subsequent connectors	<u>900</u>
Main extension cost per subsequent connector per foot	<u><u>\$ 23.50</u></u>
Total cost of main extension:	\$ 23,500
Less: Cost reimbursed by the utility:	<u>21,150</u>
Main extension cost to original depositor	\$ 2,350
Divided by: Frontage of main for original depositor	100
Main extension cost to original depositor per foot	<u><u>\$ 23.50</u></u>

If the unplatted area develops in a manner different from the six 100' lots contemplated in the original depositor's main extension agreement such that some or all of the lots will not require service directly from that main extension, the customer is considered to have requested a lateral extension from the main extension to serve his or her land. In that case, the utility shall collect a subsequent connector's fee for each equivalent lot of the frontage land used to determine the main extension cost per lot. Thus, if a subsequent connector purchases land with 200' of

frontage along the main, the property owner would pay two subsequent connector fees or \$2,900. However, the utility is required to pay two revenue allowances to that subsequent connector. It is also worth noting that the 21 platted lots in the subdivision that are not directly connected to the main are not considered in these calculations.

For more information regarding the water main extension rules at 170 IAC 6-1.5, please visit: <http://www.in.gov/legislative/iac/T01700/A00060.PDF>.

For more information regarding the sewer main extension rules at 170 IAC 8.5-4, please visit: <http://www.in.gov/legislative/iac/T01700/A00085.PDF> or call the Commission's Water/Sewer Division at (317) 232-0037.

3 - Small Utility Rate Application Checklist

The Small Utility Rate Application was established to provide small utilities with an opportunity to increase rates and charges through a less costly regulatory procedure. The utility completes standard forms and files them with the Commission, without the need for an attorney or accountant. Qualifying utilities include those that primarily provide retail service to fewer than 5,000 customers and do not extensively serve another utility.

If utility personnel have questions when completing the forms, the utility can contact the Indiana Office of Utility Consumer Counselor (OUCC) or the Commission.

A list of the items needed to file the Small Utility Rate Application is provided below:

- *Application Form*
 - A completed rate change application form. Forms can be obtained by calling the Commission at (317) 232-0037.
 - Be sure to include a complete proposed tariff.
- *Authorization* (See example: resolution, page 34)
 - A copy of the authorization from the utility's governing body for the requested rate change. (i.e., rate ordinance or board resolution)
- *Proposed Public Legal Notice* (See example: legal notice, page 31)
 - A copy of the utility's proposed written notice for publication.
- *Proof of Publication* (See example: publisher's affidavit, page 32)
 - Proof of publication (i.e., publisher's affidavit) of the actual notice must be filed within fifteen (15) days after the utility's filing of its application with the Commission.
- *Copy of Notice Sent to Customers* (See example: customer notice, page 33)
 - An actual copy of the customer notice sent to each customer must be filed within fifteen (15) days after the filing of the utility's application with the Commission.
- *Verified Statement of Federal Indebtedness, not-for-profit utility only*
(See examples on pages 35 and 36)
 - A verified statement as to whether or not the small utility has outstanding indebtedness to the federal government. If the utility has

federal indebtedness, it must supply written consent to apply for a rate change from the federal agencies that are creditors.

Public Hearings

If a request for a formal public hearing is made, it shall be filed with the Commission within forty (40) calendar days of the initial filing of the utility's application. The Commission may conduct a formal public hearing or field hearing upon request from the public, which includes: ten (10) individuals, firms, corporations or the OUCC. The Commission may also require a formal hearing on its own motion. In the event of a formal hearing, the utility may elect to designate its application to serve as its pre-filed evidence. However, the utility is not precluded from filing additional evidence.

For more information regarding the Small Utility Rate Application filing or to have a rate application sent to you, call the Commission's Water/Sewer Division at (317) 232-2733. For a complete set of the Commission's rules regarding Small Utility Rate Application filings, go the following web address: <http://www.in.gov/legislative/iac/T01700/A00140.PDF>.

Example: Legal Notice 170 IAC 14-1-2(b)(1)

**NOTICE OF PROPOSED INCREASE IN WATER RATES
FOR CUSTOMERS OF THE
MEGAGREAT WATER COMPANY**

Notice is hereby given that the Megagreat Town Council/Utility Board/etc. did on xxxx, x 199x, file an Application with the Indiana Utility Regulatory Commission to increase the water rates charged to customers of the Megagreat Water Company.

This application was filed pursuant to Ind. Code. 8-1-2-61.5 without the necessary cost of a Utility Regulatory Commission hearing; however a public hearing by the Utility Regulator Commission may be held if any public or municipal corporation, ten (10) individuals, firms corporations or associations or ten (10) complainants of all or any of these classes affected by the proposed rate change requests a formal public hearing by filing a written, signed request with the Secretary, Utility Regulatory Commission, 100 W. Washington Street, Suite 1000 Indianapolis, Indiana 46204. Said request must be received by the Utility Regulator Commission within forty (40) days after the date the application was filed with the Utility Regulatory Commission and declared complete. In addition, a public hearing may be held if the same is requested by the Utility Consumer Counselor.

The proposed increase in the water rate requested by the application is approximately xxxx% and is proposed to be an "Across the Board" increase.

In the absence of a written request as provided herein, there likely will be no hearing conducted by the Utility Regulatory Commission on this application.

**MEGAGREAT TOWN COUNCIL/UTILITY
BOARD**

XXXXXXX, PRESIDENT

SECRETARY

Example: Proof of Publication 170 IAC 14-1-2(b)(1)

PUBLISHER'S CLAIM

LINE COUNT

Display Matter (Must not exceed two actual lines, neither of which shall total more than four solid lines of type in which the body of the advertisement is set) -- number of equivalent lines _____

Head -- number of lines _____

Body -- number of lines _____ 43

Tail -- number of lines _____

Total number of lines in notice _____ 43

COMPUTATION OF CHARGES

43 lines, _____ columns wide equals _____ equivalent lines at .339

cents per line _____ \$ 14.58

Additional charge for notices containing rule or tabular work (50 percent of above amount) _____

Charge for extra proofs of publication (\$1.00 for each proof in excess of two) _____

TOTAL AMOUNT OF CLAIM _____ \$ 14.58

DATA FOR COMPUTING COST

Width of single column _____ 10.5 _____ ems

Number of insertions _____ 1 _____

Size of type _____ 6 _____ point

Pursuant to the provisions and penalties of Chapter 155, Acts 1953,
I hereby certify that the foregoing account is just and correct, that the amount claimed is legally due, after allowing credits, and that no part of the same has been paid.

RECEIVED

Date: July 8, 1999

Title: _____ President

Nancy G. Hale

JUL 27 1999

INDIANA OFFICE OF UTILITY
CONSUMER COUNSELOR

NOTICE OF PROPOSED INCREASE IN WATER RATES FOR CUSTOMERS OF THE PALMYRA WATER COMPANY
Notice is hereby given that the Palmyra Town Council did on March 15, 1999, file an Application with the Indiana Utility Regulatory Commission to increase the water rates charged to customers of the Palmyra Water Company.
This application was filed pursuant to Ind. Code 8-1-2-21.5 without the necessary cost of a Utility Regulatory Commission hearing; however a public hearing by the Utility Regulatory Commission will be held if any public or municipal corporation, ten (10) individuals, firms, corporations or associations or ten (10) complainants of all or any of those classes affected by the proposed rate change requests a formal public hearing by filing a written, signed request with the Secretary, Utility Regulatory Commission, 919 State Office Building, Indianapolis, Indiana 46204. Said request must be received by the Utility Regulatory Commission within forty (40) days after the date the application was filed with the Utility Regulatory Commission. In addition, a public hearing will be held if the same is requested by the Utility Consumer Counselor.
The proposed increase in the water rate requested by the application is approximately 22% per cent and is proposed to be an "across the board" increase.
In the absence of a written request as provided herein, there shall be no hearing conducted by the Utility Regulatory Commission on this application.

RECEIVED

JUL 19 1999

INDIANA OFFICE OF UTILITY
CONSUMER COUNSELOR

PALMYRA TOWN COUNCIL
Larry Entley, Pres.
Holman T. Jones
Paul Eveslage
D27c1

PUBLISHER'S AFFIDAVIT

State of Indiana)
Washington County) ss:

Personally appeared before me, a notary public in and for said county and state, to signed _____ Nancy G. Hale _____ being duly sworn, says that _____ President _____ of the _____ newspaper of general circulation printed and published in the English language in _____ in state and county aforesaid, and that the printed matter hereto _____, which was duly published in said paper for _____ 1 _____, the dates of publication being as follows: _____ July 8 _____

Nancy G. Hale

Subscribed and sworn to before me this 8 day of July

John M. Paulay
Notary Public

My commission expires: 1-23-00

Example: Customer Notice 170 IAC 14-1-2(b)(2)

**WATER CUSTOMERS OF
MEGAGREAT WATER COMPANY**

In Re: Proposed Water Rate Increase

Dear Water Customer:

The purpose of this letter is to notify you that the Megagreat Town Council/Utility Board did on xxxx xx, 199x, file an application with the Indiana Utility Regulatory Commission to increase the water rate charged to customers of the Megagreat Water Company.

This application was filed pursuant to Ind. Code. 8-1-2-61.5 without the necessary cost of a Utility Regulatory Commission hearing; however a public hearing by the Utility Regulatory Commission may be held if any public or municipal corporation, ten (10) individuals, firms, corporations or associations or ten (10) complainants of all or any of these classes affected by the proposed rate change requests a formal public hearing by filing a written, signed request with the Secretary, Utility Regulatory Commission, W. Washington Street, Suite , Indianapolis, Indiana 46204. Said request must be received by the Utility Regulatory Commission within forty (40) days after the date the application was filed with the Utility Regulatory Commission and declared complete. In addition, a public hearing may be held if the same is requested by the Utility Consumer Counselor.

The proposed increase in the water rate requested by the application is approximately xxxx% and is proposed to be an "Across the Board" increase.

In the absence of a written request as provided herein, there likely will be no hearing conducted by the Utility Regulatory Commission on this application.

**MEGAGREAT TOWN COUNCIL/TOWN
BOARD**

LARRY EMBRY, PRESIDENT

SECRETARY

Example: Resolution 170 IAC 14-1-2(b)(4)

MEGAGREAT WATER, CORPORATION

RESOLUTION 99-1

WHEAREAS, the Megagreat Water Corporation was heretofore established by Order of the Indiana Utility Regulatory Commission, in Cause No. XXXXX; and

WHEREAS, the Corporation was organized for the purpose of providing water service including treatment and distribution for domestic use through mains, pipes and conduits within the Megagreat Water area, located in South County, Indiana;

NOW THEREFORE, be it resolved that the Megagreat Water Corporation is hereby authorized to apply to the Indiana Utility Regulatory Commission for an increase in the District's rates to cover the cost of said sewer operation and maintenance. Be it further resolved that this increase shall be across the board.

Dated: This _____ day of _____, 199x.

ATTEST:

Secretary

Example: Verified Statement of Federal Indebtedness
Required for not-for-profit utilities only, 170 IAC 14-1-2-(c)(1)

AFFIDAVIT OF UTILITY OFFICER/MANAGER

Comes now Utility Officer/Director/Manager and being first duly sworn upon his oath, states as follow:

1. That I am an officer/manager/director of the Megagreat Water Corporation located at xxxx, Wander, IN xxxxx.
2. That the Megagreat Water Corporation is a not-for-profit water utility.
3. That I am familiar with the financial affairs and condition of the Megagreat Water Corporation.
4. That the Megagreat Water Corporation currently has/does not have outstanding indebtedness to the United States Government.

Further, the affiant sayeth naught.

UTILITY OFFICER/MANAGER

The undersigned, being first and duly sworn upon oath says;

I am the affiant in the above entitled cause. I have read the foregoing Affidavit and the facts stated therein are true.

UTILITY OFFICER/MANAGER

STATE OF INDIANA, COUNTY OF SOUTH, ss:

Before me, a Notary Public in and for said County and State, personally appeared XXXXXX, and executed the above and foregoing Affidavit.

Commission expires: _____
Resident of _____ County, Indiana

Example: Written Consent of Federal Government to Change Rates
Required for not-for-profit utilities only, 170 IAC 14-1-2-(c)(2)



**Rural
Development**

30 W. Indiana Avenue
P.O. Box 191
Bloomfield, Indiana
47424

Phone 812/384-3517
Fax 812/384-8131
TDD 317/290-3343

June 23, 1999

Ms. Rita Baldwin
Indiana Office of Utility Consumer Counselor
Indiana Government Center North
100 North Senate, Room N501
Indianapolis, Indiana 46204

RE: Palmyra Water Utility

Dear Ms. Baldwin:

This office has reviewed information contained in the State Board of Accounts Audit Report filed 12-3-98 for the above reference utility. Based on this information it appears that a rate increase is necessary. The utility, based on the audit, appears to be exhibiting a net loss during the period from 1995-1997. Although data for 1998 has not been reviewed, a water supplier to the town has passed on a rate increase that logically calls for a general rate increase for the users of the Palmyra utility.

Please consider this letter to be Rural Development's written consent for the Palmyra Water Utility to request approval by the IURC of a general rate increase in user fees and charges without a public hearing.

If you need additional information, please let me know.

Sincerely,

DANIEL E. DEVAULT
Rural Development Specialist

DED/st

CC: Town Council
Town of Palmyra

4 - Annual Report Checklist

The following checklist is used by the IURC's analysts when reviewing the utility's annual report filing. If this information is not complete, a letter will be sent to the utility requesting that this information be completed or reconciled.

GENERAL REVIEW

- All applicable information completed. No section or question should be blank. Insert "None" or "N/A" if a section or question does not apply.

EXECUTIVE SECTION

- "General Information" form (page E-1) is completed and emergency contact information provided.
- "Utility Profile" section (page E-2) is up-to-date.
- "Officer and Director Information" is up-to-date (pages E-2 and E-3).
- "Personnel Data" is complete (page E-4).
- "Contractual Services" form is completed (page E-5).
- "Certification" page is signed and notarized (page E-7).

FINANCIAL SECTION

- "Comparative Balance Sheet" balances ("Total Assets and Other Debits" (page F-1(b) = "Total Equity Capital and Liabilities" (page F-2)).
- On all reference pages, the account balances agree to each account balance shown on the balance sheet (pages F-1 and F-2). For example, for Account 101 – 106 "Utility Plant" on page F-1 of the balance sheet has a reference page of F-5. Thus, the "Total Utility Plant" amount shown on page F-5 should agree with the "Utility Plant" amount shown on page F-1. Note: Complete pages F-5 through F-21 before completing pages F-1 through F-4.
- "Statement of Retained Earnings" form (page F-14 or F-15) – "Balance Transferred From Income" agrees with "Net Income" shown on the "Comparative Operating Statement" (page F-3).
- Additions to Contributions in Aid of Construction (CIAC) are described on pages F-19 and F-20 or F-21.

For water utilities, the “Itemized Unit Costs” form (page F-21) is completed. Make sure “Total number gallons of water pumped during year” agrees with the “Total Pumped from Sources. . .” shown on page W-6.

OPERATION SECTION(S)

- The beginning and ending year number of customers are provided for each customer class (page W-1 or S-1, depending on utility type).
- Operating revenues for each customer class are provided and the “Total Water or Wastewater Operating Revenues” (page W-1 or S-1, depending on utility type) agree with Account 400, “Operating Revenues” shown on the “Comparative Operating Statement” (page F-3).
- The total for the current year, shown on the “Comparative Detail of Operation and Maintenance Expenses” (page W-2(a) or S-2(a)) agrees with Account 401, “Operating Expenses” shown on the “Comparative Operating Statement” (page F-3).
- The total in the “Current Year” column for “Total Utility Plant in Service” shown on page W-3(b) or S-3(b) agrees with the total in Account 101, “Utility Plant in Service” shown on page F-5). NOTE: If prior fixed asset records have not been maintained, it doesn’t preclude you from beginning to maintain these records.
- Plant additions and retirements by sub-account are provided on pages W-3(a) or S-3(a). Also, additional information regarding any asset addition or retirement exceeding \$10,000 in a single purchase should be provided on page W-3(c) or S-3(c).
- Correct composite depreciation rate or if not using a composite depreciation rate, a depreciation study must be approved by the Commission (page W-4).
- Accumulated depreciation is broken out by sub-account (page W-5 or S-5).
- For water utilities, the “Pumping and Purchased Water Statistics” (page W-6) information is completed by month and all questions are answered.
- “Other System Information” (page W-8 or S-8) questions are answered completely.

5 - System Development Charges

System Development Charges (SDCs) are utility fees paid by property owners who connect their properties to the utility's system for the first time. These fees are primarily intended to recover a utility's cost to provide new customers with source of supply, treatment and storage facilities. SDCs can be more than \$1,400 for water connections and \$3,000 for wastewater connections. The use of SDCs supports the notion that growth should pay for growth and reduces the likelihood that existing customers will pay for the construction of new facilities.

Basically, there are two methods for calculating an SDC: 1) the equity method and 2) the incremental cost method. Depending on the utility's financial goals and objectives, either method may be appropriate. These objectives may include:

- To have new development pay its own way;
- To fund major system expansion;
- To generate sufficient cash to fund a portion of capital improvements;
- To minimize debt; or
- To equitably recover capital costs from current and future customers.

More information about SDCs can be found in Chapter 28 of the AWWA's M1 Manual, or you may contact the OUCC or IURC. Utilities regulated by the Commission need to have SDCs approved and listed on their tariff. The Commission's 30-Day Filing Process is not available to implement an SDC. However, the Commission supports the use as a means to finance certain capital projects resulting from customer growth.

6 - Indiana Finance Authority & State Revolving Fund

The State Revolving Fund Loan Program's (SRF Loan Programs) mission is to provide eligible entities with the lowest interest rates possible for the financing of projects while protecting public health and the environment. The SRF Loan Programs provide low-interest loans to Indiana communities for projects that improve wastewater and drinking water infrastructure and are administered by the Indiana Finance Authority (IFA). The SRF Loan Programs also implemented a program to fund non-point source projects that are tied to a wastewater loan.

Eligibility

- Cities, towns, counties, regional sewer/water districts, conservancy districts and water authorities are eligible for wastewater, drinking water and non-point source SRF Loan Program financing.
- Private and non-profit facilities are also eligible, but only for Drinking Water SRF Loan Program financing.

Source of Funds

- The state of Indiana applies to the U.S. EPA annually for capitalization grants to fund its SRF Loan Programs. To increase the availability of funds, the state leverages its U.S. EPA capitalization grant funds in the municipal bond market. These funds are combined with the U.S. EPA required state match and are then made available to Indiana communities in the form of low-interest rate loans. For more information about the U.S. EPA's involvement in the SRF Loan Programs, please visit the U.S. EPA's website at: http://www.epa.gov/ogd/tc/State_Revolving_Funds.pdf.

Types of Projects Eligible for Funding

- Wastewater projects include:
 - Treatment plant improvements and upgrades;
 - Sewer line extensions to existing properties without access to service;
 - Combined sewer overflow corrections; and
 - Infiltration/inflow projects.

- Drinking water projects include:
 - Source intake structures and wells;
 - Treatment plant facilities;
 - Water storage facilities; and
 - Transmission/distribution mains, including water line extensions to existing unserved properties with water quality issues.

- Non-point source projects include:
 - Wetland protection and restoration measures;
 - On-site sewage disposal systems;
 - Best management practices for agriculture and storm water runoff;
 - Riparian buffers and conservation easements; and
 - Wellhead and source water protection measures.

Projects Not Eligible for Funding

- Projects solely intended for economic development;
- Projects primarily for fire suppression; and
- Storm water projects with no water quality benefits.

Loan Terms

- The SRF loan is a fixed rate, 20-year loan.
- Interest rates are reset quarterly and are at or below 90% of the average 20-year AAA-rated, general obligation bond Municipal Market Data. Rates are further discounted based on an applicant's median household income (from current census data) and local user rates.

Does SRF offer grants?

- Arsenic Remediation Grants are offered to small systems that must come into compliance with the U.S. EPA's new, more stringent arsenic standards.

More Information

For more information about SRF program administration and the SRF Loan Programs, contact the IFA at (317) 232-8655 or visit the following website:

<http://www.in.gov/ifa/srf/index.htm>.

Shelley Love

Wastewater SRF Program Administrator
317-232-4396; slove@ifa.in.gov

Sarah Hudson

Drinking Water SRF Program
Administrator
317-232-8663; sahudson@ifa.in.gov

7 - USDA Rural Development Loans & Grants

The USDA's Rural Development Water and Environmental Programs (WEP) provide loans, grants, and loan guarantees for drinking water, sanitary sewer, solid waste, and storm drainage facilities in rural areas and cities and towns of 10,000 or less. In 2007, the USDA approved \$24,391,000 in loans and \$6,190,000 in grants to eligible entities in Indiana. Public bodies, non-profit organizations, and recognized Indian tribes may qualify for assistance. WEP also makes grants to non-profit organizations to provide technical assistance and training to assist rural communities with their water, wastewater, and solid waste problems.

Water and Waste Disposal Loans

The purpose of the loans is to develop water and waste disposal (including solid waste disposal and storm drainage) systems in rural areas and towns with a population not in excess of 10,000. The funds are available to public entities such as municipalities, counties, special-purpose districts, Indian tribes, and corporations not operated for profit. The U.S. Department of Agriculture's Rural Utilities Service also guarantees water and waste disposal loans made by banks and other eligible lenders.

Water and Waste Disposal Grants

The purpose of the grants is to reduce water and waste disposal costs to a reasonable level for rural users. In some cases, grants may be made for up to 75 percent of eligible project costs. The same types of applicants are eligible for grants as are for loans.

Grants for utilities are available in three general forms:

1. Technical Assistance and Training Grant (<http://www.usda.gov/rus/water/tatg.htm>)
2. Solid Waste Management Grant (<http://www.usda.gov/rus/water/SWMMG.htm>)
3. Revolving Fund Program (<http://www.usda.gov/rus/water/revolving-fund.htm>)

The Technical Assistance and Training Grant Program is designed to:

- Identify and evaluate solutions to water and waste disposal problems in rural areas.
- Assist applicants in preparing applications for water and waste grants made at the State level offices.

- Improve operation and maintenance of existing water and waste disposal facilities in rural areas.

The Solid Waste Management Grant Program is designed to:

- Reduce or eliminate pollution of water resources in rural areas and improve planning and management of solid waste sites in rural areas.

The Revolving Fund Program (RFP) is authorized under the 2002 Farm Bill (the Farm Security and Rural Investment Act of 2002), Public Law 107-171 and is designed to:

- Provide qualified private non-profit organizations RFP grant funds to establish a lending program for eligible entities. Eligible entities will be the same entities eligible to obtain a loan, loan guarantee, or grant from the Rural Development Utilities Program's loan and grant programs for Water and Waste Disposal.

Forms for the USDA Rural Development Loans and Grants are available on the USDA's website at: <http://www.usda.gov/rus/>.

8 - Community Development Block Grants

Through the Indiana Office of Community and Rural Affairs (OCRA), Indiana requests federal funds, called Community Development Block Grants (CDBG), to help rural communities with a variety of projects such as sewer and water systems, community centers, health and safety programs, and many others. There are a number of funding options for water/wastewater utilities under this program, four of which are listed below.

1. Community Focus Funds (CFF)

CFF grants are funded with federal CDBG dollars from the U.S. Department of Housing and Urban Development (HUD). The goal of the CFF program is to encourage communities with eligible populations to focus on long-term community development. Eligibility for CFF dollars is based on the following criteria:

- The area to be served has a substantial low and moderate income population (51% or greater) or is designated a slum or blighted area by local resolution.
- The project addresses the long-term planning and development efforts for the community.
- The funds granted will have a significant impact on the proposed project.
- The project is ready to proceed and will be completed within 18 months after funding is awarded.

Eligible CFF projects include, but are not limited to, the following: water projects, sewer projects, or storm drainage projects. The maximum grant award is \$600,000. Non-profit utilities can be a sub-recipient through an application filing from an incorporated county (excluding Lake Co. and most of Hamilton Co.) or a small (non-entitlement) city or incorporated town. Approximately \$20 million is available annually in grant funds.

2. Planning Grant

Planning grants are funded with CDBG dollars from the HUD. The goal of the program is to encourage communities to plan for long-term community development. Community leaders can apply for projects relating to issues such as utility infrastructure, downtown revitalization, and community facilities. To be competitive, projects must demonstrate:

- How they meet a goal of the Federal Act;
- The particular planning initiative addresses established long-term community priorities;

- The funds granted will have a significant impact on the overall project;
- The community has a strong commitment to the project; and
- The project is ready to proceed upon the grant being awarded and will be completed within 12 months.

The maximum award for planning grants is \$30,000 for utility infrastructure studies. An additional \$10,000 for a subsequent utility can also be awarded. Types of plans that can be funded include: asset management plans, feasibility studies, preliminary engineering and master utility plans.

3. Community Economic Development Fund (CEDF)

CEDF grants are funded with federal CDBG dollars from the HUD. These funds are used to spur economic development activities for the purpose of job creation or retention. Most job creation or retention activities are classified as eligible under one of several economic development-oriented categories. For example, if a business is looking to locate in Indiana but requires water service that would otherwise not be available, the community could apply for this funding to bring water service to the area the business proposes to locate.

4. Urgent Need

Urgent need grants are funded with CDBG dollars from the HUD. An activity must be designed to alleviate existing conditions, certified by the local government and determined by the state to pose a serious and immediate threat to the health or welfare of the community. Urgent need grants will be considered if the threat is of recent origin, the state grant recipient is unable to finance the activity on its own, or if other sources of funding are not available to carry out the activity.

Program Application

All of the programs listed above have applications that need to be completed. If you have any questions about the CDBG programs or would like an application, please contact your Community Liaison (a link of a district map is shown below):

http://www.in.gov/ocra/files/Community_Liaison_Map_3.11.08.pdf

Districts

Northwest District

Gerry White
317-694-8372 (cell)
317-233-3762 (office)
gewhite@ocra.in.gov

Southwest District

Ellen Harper
317-439-8905 (cell)
317-233-3762 (office)
eharper@ocra.in.gov

Southeast District

Erica Speer
317-690-9736 (cell)
317-232-5296 (office)
espeer@ocra.in.gov

Northeast District

Ryan Daniel
317-650-1609 (cell)
317-233-3762 (office)
rdaniel@ocra.in.gov

West Central District

Jill Curry
317-450-5078 (cell)
317-232-8786 (office)
jcurry@ocra.in.gov

South Central District

Matthew Crouch
317-750-7670 (cell)
317-232-4949 (office)
mcrouch@ocra.in.gov

Central District

Michael Thissen
317-509-0657 (cell)
317-234-3418 (office)
mthissen@ocra.in.gov

North Central District

Steven Ray
317-460-4234 (cell)
317-232-8904 (office)
sray@ocra.in.gov

9 – U.S. EPA Financing Alternatives Comparison Tool

The Financing Alternatives Comparison Tool (FACT) is a free financial analysis tool, available to municipalities, utilities, and environmental organizations that helps identify the most cost-effective method to fund a wastewater or drinking water management project. This tool produces a comprehensive analysis that compares various financing options for these projects by incorporating financing, regulatory, and other significant costs. The FACT creates a variety of useful reports to effectively communicate the results, including:

- *A Summary Report* – A side-by-side comparison of the various financing options using key financial figures (e.g., total cost, average annual cost, net present value).
- *A Detailed Cost Schedule* – A schedule that tracks disbursements, debt service payments, and other relevant costs throughout the life of a financing option.
- *Annual Cost Graph* – A line graph that tracks and compares annual costs of various financing options over time.
- *Cumulative Cost Graph* – A line graph that tracks and compares total costs of various financing options over time.

The key features of the FACT include:

- Compares multiple financing options for a specific water infrastructure project.
- Sets up financing options using multiple funding sources (e.g., a project that is partially funded by a grant with the remaining amount financed by a SRF loan).
- Uses “typical values” for unknown financing and annual costs. This allows users to incorporate these important costs when the data may not be readily available.
- Provides line items labeled “other.” This allows users to include customized costs that may occur with specific analyses.
- Contains a detailed help file that includes a glossary that defines all assumptions and costs entered by the user.

The FACT can greatly assist potential borrowers in identifying the most cost-effective method to fund a water or sewer infrastructure project. Installing and using the FACT requires Microsoft Access 2000 or higher. To obtain a copy of this free financing tool, contact Mark Mylin at (202) 564-0607 or mylin.mark@epa.gov. You may also visit:

<http://www.epa.gov/owm/cwfinance/cwsrf/fact.htm>

10 - Check-Up Program for Small Systems (CUPSS)

The Check-Up Program for Small Systems (CUPSS) is a free, easy-to-use, asset management tool for small drinking water and wastewater utilities. CUPSS provides a simple, comprehensive approach based on the U.S. EPA's highly successful Simple Tools for Effective Performance (STEP) Guide series. Use CUPSS to develop:

- A record of your assets;
- A schedule of required tasks;
- An understanding of your financial situation; or
- A tailored asset management plan.

CUPSS was developed in response to a clear need from communities and trainers to consolidate asset management materials in an easy-to-use, clear and update-to-date fashion. The U.S. EPA's Office of Groundwater and Drinking Water (OGWDW) developed CUPSS with the help of a workgroup that included: representatives from state agencies, technical assistance organizations, U.S. EPA regional offices, and small wastewater and drinking water utilities. With this collaborative approach, the U.S. EPA was able to develop a comprehensive computer software application that provides all the tools required to implement an asset management program and develop effective asset management plans.

How is CUPSS structured?

CUPSS leads users through a series of modules to collect information about a utility's assets, operation and maintenance activities, and financial status to produce a prioritized asset inventory, a set of financial reports, and an asset management plan. These modules include the following:

- **Project Team** - The first step in the CUPSS setup process is to identify a project team. CUPSS contains a team assembly wizard that allows users to create team members, define roles and enter contact information. Users have the ability to establish or modify their team at any time but are encouraged to set up a team the first time they run CUPSS. CUPSS allows users to export the team roster and associated data into a Microsoft Excel file.
- **CUPSS Training** - This module has been developed to help the user understand CUPSS and the asset management process through clear, concise instructional materials. In this

section, the user finds a real-life introductory training video. The help section includes a keyword search and a glossary section in addition to example forms and reports.

- My Inventory - This module allows users to identify and characterize their water system's assets. Users can modify a pre-populated set of assets (based on the user's system schematic, another feature of the CUPSS application) or add new assets, which helps prioritize maintenance activities and better manage revenue for repair and replacement of assets.
- My O&M (Operations and Maintenance) - This module allows users to create and track current, future and past operation and maintenance activities. The user is able to add tasks to the schedule and mark scheduled items as "completed." This module then records the status and history of each task; alerts users if the task status is past due or critically past due; or alerts the user on when to reassess the asset condition if maintenance is not performed as scheduled.
 - The U.S. EPA recommends certain tasks as part of a good preventive maintenance program. These tasks can be found in the "Preventive Maintenance Card File for Small Public Water Systems Using Ground Water" document at:
http://water.epa.gov/type/drink/pws/smallsystems/technical_help.cfm.
- My Finances - This module helps users determine the full cost of doing business and to calculate how much is needed for full recovery. The user can provide the current year's budget (at a minimum), what was actually spent (financial statement) from the previous year, and then calculate the annual costs of asset rehabilitation and replacement. This knowledge gives users the ability to discuss their needs within the context of a community budget.
- My Check Up - CUPSS generates two customizable reports: "My Asset Check Up" and "My Financial Check Up." The user can enter information to create targeted reports that help them manage assets and plan for the future.
- MY CUPSS Plan - This module assembles, using a predefined template, an asset management plan that has been pre-populated with the information and calculations entered by the user. CUPSS allows the user to export the developed plan as a Word document for modification and review.

CUPSS is:

Free: You can download CUPSS from the website shown below or you can request a copy of the application on CD.

A desktop application: CUPSS does not require an Internet connection to function. This allows for greater flexibility in how the program is used and helps keep your records secure.

Fully supported: The U.S. EPA has developed a full suite of supporting documentation that is located at: <http://www.epa.gov/cupss/resources.html>. It includes the following resources:

- “Getting Started with CUPSS” workbook
- CUPSS user's guide
- Training materials
- Promotional materials

CUPSS helps you:

- Make informed decisions
- Save time by planning ahead
- Back up budget talks with solid facts
- Improve customer service
- Prepare an asset management plan in seven steps

For more information, contact Mary Hoover, Senior Environmental Manager/Capacity Development, at IDEM’s Office of Water Quality at (317) 234-4733. You may also visit the following website: <http://www.epa.gov/cupss/index.html>.

11 - Water System Self Evaluation Toolkit

This toolkit, called “Staying Ahead of the Curve,” is very similar to the U.S. EPA’s CUPSS toolkit. It was developed for utilities that maintain their books and records manually. The toolkit contains four parts and was developed by the Maryland Center for Environmental Training, with funding from the U.S. EPA to help managers and operators of local water utilities accomplish three major objectives:

1. Obtain an accurate measurement of the technical, managerial, and financial strength of the drinking water system;
2. Develop capital and operation and maintenance planning strategies, and parallel budget making expertise; and
3. Incorporate a proactive approach into a daily routine to comply with existing and future regulatory requirements imposed by the Safe Drinking Water Act and other state laws and regulations.

Part I - General System Information

Utilities must complete worksheets describing their general system, such as current population, projected population, number, and type of customers, and production broken down by customer class. Part I also requests information about compliance history.

Part II - Operation and Maintenance

Utilities must complete worksheets on the details of their groundwater and surface water sources, including capacity of wells, water quality, water quantity, treatment systems, pumps and pumping equipment, and corrective and emergency maintenance. Utilities must also complete worksheets on storage facilities and the distribution system, including piping, valves, pumps and pumping equipment, and meters.

Part III - Management and Administration

Utilities must complete worksheets on system sampling and testing; preventative maintenance management; safety; emergency planning; cross-connection control program; conservation programs; organization and staffing; long-term planning; public relations; and recordkeeping.

Part IV - Financial Management

Utilities must complete worksheets on their basic finances, budget analysis, rate setting, and money management. Along with the paper worksheets, the booklet includes a videotape and diskette. The toolkit also provides “The Drinking Water and Wastewater Handbook for Local Officials” (Handbook), which has been designed to help elected, administrative, and managerial officials understand the various legal and technical requirements for the treatment, storage, and discharge of water and wastewater.

The Handbook contains eight chapters covering the regulatory setting; legal responsibilities; operations; maintenance; personnel management; procurement of professional services; public relations; and financial management and business planning. The Handbook also contains an extensive bibliography, contacts and resources (U.S. EPA and state resources), a sample monthly reporting form, and a glossary.

For a free copy of the toolkit or for more information, contact the Maryland Center for Environmental Training at 301-934-7500 or go to:
<http://www.mcet.org/Resources/publications.html>.

12 – U.S. EPA Asset Mgmt: A Handbook for Small Water Systems

The “U.S. EPA Asset Management: A Handbook for Small Water Systems” is a free resource that helps a utility by providing information about:

- How asset management can help improve a system’s financial health and ability to provide safe drinking water.
- How asset management fits into the development of an overall plan for a system’s future (i.e., strategic planning).
- How to complete a five-step asset management process, including:
 - Conducting a thorough asset inventory;
 - Prioritizing the rehabilitation and replacement of assets;
 - Developing an annual estimate of needed reserves and an annual budget;
 - Implementing the asset management plan; and
 - Reviewing and revising the asset management plan.

Asset management is a planning process that ensures a utility gets the most value from each of its assets and has the financial resources to repair and replace them when necessary. Asset management also includes developing a plan to reduce costs while increasing the efficiency and the reliability of a system’s assets. Successful asset management depends on the utility’s knowledge of its system’s assets and regular communication with management and customers about a system’s future needs.

Applying the practices recommended in the U.S. EPA Asset Management Handbook will help a utility improve the management of its system by increasing knowledge of its system, which will allow a utility to make better financial decisions. This is useful information when considering options to address various system challenges such as:

- Meeting regulatory requirements or upgrading system security.
- Reducing system “down-time” and the number of emergency repairs.
- Prioritizing rehabilitation and replacement needs and providing time to research cost-effective alternatives.
- Showing investors and the public that a utility is using its money effectively and efficiently, which may make it more likely to increase investment or tolerate rate increases.

- Giving a utility greater access to financial assistance. Some funding sources give applicants extra credit (higher priority ratings) for having an asset management plan or a capital improvement plan.

The U.S. EPA Asset Management Handbook provides numerous worksheets to help utilities understand their assets. Copies of this guide can be downloaded for free at: <http://www.epa.gov/ogwdw/smallsystems/managementhelp.html> or by calling the Safe Drinking Water Hotline at 1-800-426-4791 and requesting document number EPA 816-R-03-16.

13 - AWWA Water Audit Software Version 4.2

Earlier this year, the American Water Works Association (AWWA) Water Loss Control Committee released Version 4.2 of its own Water Audit Software, which is available for free to all users. The Water Audit Software package includes five worksheets in a spreadsheet file. The first worksheet provides instructions on how to use the software. The majority of data is entered on a reporting worksheet and prompts the user to enter standard water supply information such as the volume of water supplied, customer consumption, and quantities of losses.

Knowing that many water utilities do not typically tabulate all of this data, the software allows the user to enter either known (measured) or estimated (quantities that must be approximated) values. The software then calculates a variety of performance indicators that are useful in making performance comparisons among water utilities.

Before you begin, you should know:

- Microsoft Excel is needed to download the files.
- The “Terms of Use Agreement” must be accepted to download program.
- A spreadsheet of definitions is provided.
- The “Reporting Worksheet” provides a help function at each data input location.
- Information needed to complete the spreadsheets is as follows:
 - Volume of water supplied (pumped and/or purchased)
 - Customer consumption (water sold)
 - Known or estimated quantities of losses
 - Length of main on system
 - Average pressure on system
 - Total annual cost of operating water system (revenue requirement)
 - Per unit retail cost
 - Annual variable production cost
- The software calculates a variety of performance indicators, including an Infrastructure Leakage Index, which is a performance indicator for benchmarking the performance of utilities in operational management of real losses.
- The software computes annual costs of apparent and real losses.

To download this free software, email WLC@awwa.org or visit:
<http://www.awwa.org/Resources/waterlosscontrol.cfm?Itemnumber=48158>.

14 – AWWA’s “Only Tap Water Delivers”

This service is free, but only available to AWWA utility members. “Only Tap Water Delivers” is a media campaign to assist utilities and public officials with communicating the value of tap water service and more importantly, the need to reinvest in water infrastructure to consumers and other stakeholders.

This campaign is designed to:

- Encourage community investment in water service and resources;
- Help utilities communicate with consumers and decision-makers about the value of water service;
- Encourage public officials to speak about the importance of investing in water service and resources; and
- Elevate the value of water service in the minds of consumers.

Campaign materials include the following:

- Six consumer handouts
- Three print ads for placement in local publications (in English and Spanish)
- Three radio public service announcements (in English and Spanish)
- Campaign speech outline
- Two PowerPoint presentations (one for consumer audiences and another to explain the campaign)
- A five-minute video
- Editorial board briefing guide
- Campaign talking points
- Campaign logos for web or additional print items
- Executive summaries from the AWWA and AWWA Research Foundation reports that formed the foundation for the campaign

Many water utility customers believe that their water should be free, but don’t realize the actual cost to serve because it was the utility’s customers before them that paid for the infrastructure that customers enjoy today. Thus, raising customer awareness of the need to reinvest in what is essentially a huge public trust is important.

If you are not a member of the AWWA and would like to join to have access to these materials, or if you are an AWWA utility member who did not receive the materials, contact Greg Kail at gkail@awwa.org or 303-734-3410 or Deirdre Mueller at dmueller@awwa.org or 303-347-6140.

For more information regarding this program, go to:

<http://www.awwa.org/Government/Content.cfm?ItemNumber=3846&navItemNumber=3847>.

15 - Alliance of Indiana Rural Water's Training & Technical Assistance

The Alliance of Indiana Rural Water (Alliance) is a non-profit association with hundreds of systems as members and hires only experienced water and wastewater professionals, averaging more than 20 years in the industry. Member systems have convenient access to these industry experts. Training and on-site work is supported by federal contracts and grants that promote safe water for Indiana communities.

The Alliance staff provides training and on-site technical assistance on Safe Drinking Water Act compliance issues; public health protection (as it relates to drinking water); and managerial, financial and operational issues related to water and wastewater systems in Indiana that are less than 10,000 in population. Assistance is available thanks to grants from the U.S. EPA and USDA Rural Development. These grants allow the Alliance to provide water and wastewater utilities with four different assistance programs:

1. U.S. EPA Training and Technical Assistance

This assistance program provides water operators, managers, and board members with formal classroom instruction on compliance, operational, financial and managerial issues. It also includes follow-up, on-site technical assistance. The Alliance conducts more than 40 one-day water training sessions a year in various locations throughout Indiana. These sessions are all approved for continuing education units (CEUs) through the Indiana Department of Environmental Management (IDEM) for license renewal needs. Board training sessions are also available.

2. RD Water Circuit Rider

This program provides free on-site technical assistance to water systems through the Circuit Rider Program funded by the U.S. Department of Agriculture's Rural Utilities Service. The Circuit Rider Program provides hands-on assistance to water systems through leak detection assistance; pipe and valve location; and operational matters such as water treatment, testing, and emergency management. Assistance with various reports and information regarding water rates, loan and grant applications, and other managerial issues is also available through this program.

3. RUS Wastewater Technical Assistance

This program provides free on-site technical assistance and training for small, rural, and municipal wastewater systems across Indiana. Funded by the U.S. Department of Agriculture's Rural

Utilities Service, the Alliance's goals are to: promote proper wastewater treatment; increase the operational knowledge of system personnel; increase the management skills and knowledge of board members and system personnel; increase the professionalism of wastewater and system personnel; and to promote environmental stewardship across the state of Indiana. The Alliance conducts more than 30 wastewater training sessions a year in various locations throughout Indiana that are IDEM approved for CEUs and a wastewater license exam review class twice a year.

4. FSA Source Water Program

This joint project by the USDA's Farm Service Agency (FSA) and the Alliance is designed to help prevent source water pollution through grassroots practices at the local level. The goal of program is to create local teams to collaborate in the development of "Rural Source Water Protection" plans that promote clean ground water.

The Alliance offers the following training and technical assistance free to its members:

- Leak locates / water audits
- Line locates
- Lab assistance / plant troubleshooting
- Emergency response plans & vulnerability assessments
- Consumer confidence reports
- Source water protection plans
- Board training
- Industry news
- Legislative support
- Scholarship program
- Fleet vehicle discount purchase plan

Services also offered for an additional fee include the following:

- Short-term operator or managerial contracts
- Safety program / training
- GPS locating
- Standard operating procedures
- Preventative maintenance programs
- On-site Continuing Education Training

For more information about this association, please visit <http://www.inh2o.org> or call Jim Soper, Executive Director at (317) 789-4200.

16 – Environmental Infrastructure Working Group (EIWG)

The EIWG Task Force is comprised of representatives from various state and federal agencies that meet with communities to discuss various options available for water and wastewater infrastructure projects. The group also reviews storm water and economic development project funding options. Current participants include the Indiana Office of Community and Rural Affairs, the Indiana Finance Authority, the U.S. Department of Commerce, the U.S. Department of Agriculture, the U.S. Army Corps of Engineers, the Alliance of Indiana Rural Water and the Indiana Rural Water Association.

How to meet with EIWG

Communities served by municipalities and small not-for-profit utilities can request a meeting with the EIWG by submitting a two-page “In-Take” document found on the IRDC’s website. A meeting will then be scheduled between the EIWG and the community. Project meetings allow communities to collectively meet with agency representatives to evaluate the community’s situation and to identify funding and technical assistance options. The project meeting and in-take document process provides communities with the opportunity to explore all assistance options at one time. It also provides for early coordination of multiple funding sources.

For more information, please contact Jamie Lynn Palmer at (317) 261-3046 or jlpalmer@iupui.edu.

17 - Indiana Rural Community Assistance Program

Since 1981, the Indiana Rural Community Assistance Program (IN-RCAP) has provided technical assistance on water, wastewater, and solid waste issues for rural communities across the state. Although the IN-RCAP is restricted to working with communities with a population less than 10,000, a typical IN-RCAP community has a population less than 1,000. Because the organization is funded entirely with grant money, the IN-RCAP is able to provide its services at no cost to communities.

Nationwide funding for the Indiana program comes from the U.S. Department of Agriculture Rural Utility Service, the U.S. Department of Health and Human Services Office of Community Services, and the U.S. EPA's Safe Drinking Water program. In addition, the IN-RCAP is funded by the Indiana Department of Environmental Management through the 104 (b)(3) and drinking water programs. IN-RCAP Technical Assistance Providers (TAPs) work with residents and local leaders in each community to identify a scope of services that will meet the community's needs.

In keeping with the mission of its national organization, IN-RCAP has three major objectives in its communities:

1. To ensure rural residents have access to clean, safe drinking water;
2. To increase access to safe, cost effective sewage treatment for rural residents; and
3. To insure rural residents are able to dispose of their solid waste in a sanitary and affordable manner.

Program services

The IN-RCAP's goal is to facilitate the lengthy and often complicated process involved in implementing community water, wastewater, and solid waste-related improvements. All services are provided at no cost to the community. Listed below are examples of services IN-RCAP can provide:

Planning

- Identify community problems by speaking with community leaders, state agencies, and local organizations.
- Organize community meetings to gather information and assess resident interested in finding solutions.
- Educate residents about technology, financing options, and other relevant topics.

- Create community surveys to provide information to decision makers.
- Analyze results and report findings to community organizations and residents.
- Conduct and/or coordinate income surveys.
- Assess available funding resources and help prepare application materials.
- Assist in procuring engineering and professional services.
- Work with the selected consultants to complete studies, grant applications, and other materials.
- Work with the community to assess the work of engineers, grant administrators, rate consultants, and other professionals to assure it meets community needs.
- Recruit volunteer committees to oversee and assist with projects.
- Assist with environmental reviews and other requirements.

Implementation and Construction

- Arrange for all necessary funding for the project. Assure that all requirements are being met throughout design and construction.
- Assist in the formation of entities necessary to oversee and operate new systems, including sewer districts and water corporations.
- Coordinate with funding agencies, regulators, consultants, and other involved organizations.
- Facilitate public involvement and education.
- Assist existing utilities with management and finances.
- Arrange for technical assistance with operations where necessary.
- Assist with rate studies and other evaluations.

Operation and Maintenance

- Work with staff to evaluate newly built or existing systems for proper management.
- Evaluate budgets, rate structures and other information to determine the financial condition of the utility.
- Assist existing utilities with management and finances; arrange for technical assistance with operations where necessary.
- Assist utilities in complying with regulatory requirements and solving system problems.
- Work with utilities to complete and implement long-term plans.

For more information about the IN-RCAP, please call 1-800-382-9895 or go to the following web address: <http://www.incap.org>.