



FILED

July 12, 2017

INDIANA UTILITY
REGULATORY COMMISSION

PROPOSAL LETTER

July 8, 2017

Lawrenceburg, Manchester and Sparta Townships Conservancy District
Hershell Gossett
P.O. Box 308
1406 Sunnyside Ave
Aurora IN 47001

Cause NO. 44900 U

Dear Hershell,

Thank you for considering United Community Bank (UCB or Bank) for your lending needs. A brief summary of possible, rates, terms and conditions are listed below.

The following term sheet is intended to be a proposal and not a commitment to lend. Upon the Borrower's acceptance of this proposal, we will proceed with finalizing our underwriting and due diligence.

PROPOSED LOAN:

BORROWER:	Lawrenceburg, Manchester and Sparta Townships Conservancy District
PURPOSE:	Construction of pyramid fill area with a new building to house well field electric controls, starters, breakers, and telemetry; Rehabilitation and Painting of 3 Water Towers; and Purchase of a 2 Ton Dump truck and ¾ Ton utility service truck
LOAN AMOUNT:	\$937,707.00 Not to exceed the final project costs
LOAN IN PROCESS (LIP):	All funds to be held and disbursed as work is completed and/or trucks purchased.
RATE:	4.50% Fixed This rate is valid only if the loan closes on or before August 31, 2017.
LOAN TERM:	10 Years
AMORTIZATION:	10 Years



PAYMENTS: Interest Only on Funds Disbursed for the first 6 months, then Estimated Principal and Interest Payments of \$10,125.30/month

ESTIMATED FEES: \$2,000 Origination Fee Plus all out of pocket expense

COLLATERAL: Unsecured

PREPAYMENT: The loan may be prepaid in whole or in part at any time, however, the Borrower must pay a prepayment fee if the Loan is repaid as a result of the Borrower refinancing the Loan with another lender. The fee will be 1% of the original Loan Amount if prepaid during the first 5 years of the Loan Term. Thereafter, the Borrower may prepay the Loan at any time without penalty or fee.

THESE CONDITIONS APPLY TO PROPOSED LOAN:

REPORTING COVENANTS: (a) Annual Financial Statements for Lawrenceburg, Manchester and Sparta Townships Conservancy District to be provided within 30 days of completion, but no later than May 31 of each year that the Loan remains outstanding.

(b) State Board of Accounts Annual Financial Report to be provided within 30 days of completion, but no later than May 31 of each year that the Loan remains outstanding.

FINANCIAL COVENANTS: None

AUTOMATIC PAYMENT: Not required, but available

ADDITIONAL REQUIRED DOCUMENTS: All other financial information that may be necessary as determined by bank

OTHER CONDITIONS: The Borrower will maintain the operating depository accounts of Lawrenceburg, Manchester and Sparta Townships Conservancy District with United Community Bank for the duration of the Loan.


Lawrenceburg, Manchester and Sparta Townships Conservancy District will not incur additional debt without prior written consent from United Community Bank.

Subject to the Bank's formal underwriting and approval process.

If the terms and conditions of the proposal are acceptable, please sign below and return this letter to my attention. This proposal is null and void if not received within fifteen days.

If you have any questions in regard to this transaction, please feel free to phone me at (812) 537-4822 x113 or email at debbie.huffman@bankucbl.com.

UNITED COMMUNITY BANK

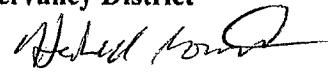
By: 
Debbie Huffman, Vice President Commercial Lending

ACCEPTANCE OF PROPOSAL LETTER

The undersigned hereby acknowledges receipt of the foregoing Proposal Letter this 10th day of July, 2017 and does hereby accept all the terms, conditions and time limitations set forth on the Proposal Letter by the execution of same. Borrower acknowledges and agrees that once Borrower accepts this proposal, Bank is authorized to commence due diligence and the preparation of legal documents and will, therefore, incur expenses, including but not limited to attorney's fees in the preparation of the documents referenced above, and that Borrower is responsible for the payment of all such fees on demand by Bank whether or not Borrower actually executes the Loan Documents.

BORROWER:

**Lawrenceburg, Manchester and Sparta Townships
Conservancy District**

By: 
Hershell Gossett, Superintendent

STATE of INDIANA

INDIANA UTILITY REGULATORY COMMISSION
101 WEST WASHINGTON STREET, SUITE 1500 EAST
INDIANAPOLIS, INDIANA 46204-3419



www.in.gov/iurc
Office: (317) 232-2701
Facsimile: (317) 232-6758

PETITION OF LAWRENCEBERG,)
MANCHESTER, SPARTA TOWNSHIPS)
CONSERVANCY DISTRICT FOR A NEW)
SCHEDULE OF RATES AND CHARGES FOR)
WATER SERVICE.)

CAUSE NO. 44900-0

FILED
JUN 28 2017
INDIANA UTILITY
REGULATORY COMMISSION

You are hereby notified that on this date the Indiana Utility Regulatory Commission ("Commission") has caused the following entry to be made:

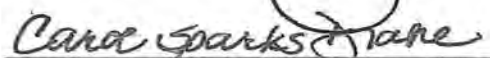
On January 19, 2017, Lawrenceburg, Manchester, Sparta Townships Conservancy District ("LMS") filed an application for a rate change in the above-captioned Cause. On May 3, 2017, the Indiana Office of Utility Consumer Counselor filed its report. LMS subsequently notified the Commission that it was not filing rebuttal.

In the course of discussing LMS's filing with the Water and Wastewater Division of the Commission, LMS's Superintendent advised that LMS plans to close on a loan to fund the extensions and replacements proposed in this Cause. In light of this additional information, the Presiding Officers request LMS respond to the following question on or before Tuesday, July 11, 2017:

1. Please confirm whether LMS intends to obtain a loan to fund its proposed extensions and replacements revenue requirement in this Cause of \$957,099. If yes, please provide the anticipated terms of the loan, including the lender, principal amount, loan term, interest rate, payment frequency, and projected loan closing date. Please also provide any term sheet or other documentation LMS has from the lender confirming these matters.

IT IS SO ORDERED.


David E. Ziegner, Commissioner


Carol Sparks Drake, Administrative Law Judge

Date: JUNE 28, 2017