

**HOWARD COUNTY UTILITIES, INC. and  
GREEN ACRES SUBDIVISION SEWER SYSTEM, INC.**

**IURC CAUSE NO. 45360**

**VERIFIED DIRECT TESTIMONY**

**OF**

**CHUCK LEWIS**

**SPONSORING ATTACHMENTS CL-1 THROUGH CL-3**

**Q1. Please state your name and business address.**

- A. My name is Chuck Lewis, and my home address is 1704 Green Acres Drive, Kokomo, Indiana.

**Q2. Please describe your educational and professional background.**

- A. I have a B.S. degree from Indiana University with a major in Mathematics and nine hours of graduate work in Mathematics. I taught high school math for four years, sold steel products for four years, and worked thirty-three years for Delco Electronics/Delphi Electronics. My work there was in multiple areas including HR, planning, Capital Management and Sales. The majority of my work was in Sales where I was responsible for the development of non-automotive sales.

**Q3. What is your current role with Green Acres Subdivision?**

- A. I am the Secretary for the Green Acres Subdivision Homeowners Association (“HOA”). The HOA has formed Green Acres Subdivision Sewer System, Inc. (“Green Acres” or “Corporation”) to purchase Howard County Utilities, Inc. (“HCU”) and to operate, manage and maintain the sewer utility (the “Utility” or “System”) upon successful acquisition of the Utility. As an officer of the HOA, I have been intimately involved in the HOA’s efforts to purchase the utility over the past several years. These efforts include securing financing for the purchase through First Farmers Bank & Trust and the United States Department of Agriculture Rural Development Program (“USDA RD”), as well as negotiating an agreement for acquisition of assets (“Agreement”) between HCU and Green Acres for the purchase of the Utility.

**Q4. Why has the HOA determined to purchase HCU?**

- A. Why purchase? The HOA manages all aspects of the Green Acres Subdivision and the homeowners are the only customers served by HCU. As the only customers, the HOA thought it made sense to control the day-to-day functions and operations of the sewer utility exclusively serving its community. The HOA has been interested in purchasing the Utility for several years, but the progress has been slow primarily due to securing financing for the acquisition.

**Q5. What is the purpose of your testimony?**

- A. The purpose of my testimony is to show that Green Acres has the necessary technical, managerial and financial capacity to own and operate HCU. I will testify to the technical and managerial aspects, and Joint Petitioner Witness Steve Brock will testify to the financial capacity of Green Acres. I will also discuss community support for the project.

**Q6. How does Green Acres intend to manage the utility?**

- A. As I testified, the HOA formed Green Acres Subdivision Sewer System, Inc. to own and operate the Utility. It is a not-for-profit Corporation formed under the laws of the State of Indiana and is comprised of the homeowners living in the Green Acres Subdivision. Every property owner living in the Green Acres Subdivision is a member of the sewer system Corporation. The affairs of the Corporation will be managed by a Board of Directors (the "Board") comprised of five (5) Directors, who are all either members of the Corporation, or officers of an entity owning property in the Green Acres Subdivision. The Board will also have the following officers: President, Secretary and Treasurer. Each of these offices are required to be held by a member of the HOA Board. The Articles of Incorporation and Bylaws for the Corporation are attached to my testimony as

Attachment CL-1 and Attachment CL-2, respectively.

**Q7. Do you believe the Corporation and the Board have the requisite expertise and experience to manage the Utility?**

A. Yes. The HOA has been managing the affairs of the Green Acres Subdivision since the neighborhood was established in the 1968. The current Directors of the HOA have a wide-variety of professional experience in both the public and private sectors in industries ranging from banking, small business ownership, business and manufacturing. The HOA has successfully managed the business and operational affairs of a neighborhood consisting of over 200 homes for the past 52 years, and these same people will be involved in the management of the Corporation. I am confident the Corporation and the Board have the requisite expertise and experience to manage the Utility.

**Q8. How does Green Acres intend to manage the day-to-day operations of the Utility?**

A. Green Acres has reached an agreement with the current System Operator to stay on and continue working after the Utility is purchased. Green Acres has also identified a person to manage billing for the Utility. The current Operator has been the operator of HCU since 2007 and has 35 years of experience in the industry. The person Green Acres has identified to manage billing service for the Utility has the requisite expertise to handle those functions, as well as the day-to-day business functions of the Utility.

**Q9. Does Green Acres have the technical capacity to manage the utility?**

A. Yes. As I testified, we intend to keep the current Operator in place after the sale. The Operator understands the System and knows how to operate it so as to

maintain the health and safety of the public. The Corporation will also have resources to hire outside consultants and engineers to address any problems that may arise with the System in the future.

**Q10. Do the homeowners support the sale of HCU to Green Acres?**

A. I believe that to be firmly yes. The HOA has had numerous meetings in which we have presented and discussed the acquisition of the Utility. In many of those meetings we had votes, by ballot, as to whether or not we should proceed with the acquisition. In every vote, the vote to proceed was greater than 90%. The Indiana Utility Regulatory Commission (“IURC”) held a public field hearing in Cause No. 45283-U, HCU’s Small Utility Rate Case, on November 6, 2019. Only four homeowners/customers chose to speak at the public hearing. Three of the speakers addressed the significance of the rate increase, but not the sale specifically, and one speaker testified that the acquisition would be the right thing for the community. Further, on March 8 of this year, we held another meeting to inform the community of the status of the acquisition. As reflected in the meeting minutes attached to my testimony as Attachment CL-3, the question was asked “is there any opposition to completing the acquisition? There was no objection. Based on my conversations with homeowners in the community, and the public meetings we have held, it is my belief the homeowners are supportive of the sale and of the HOA taking control of the Utility.

**Q11. Do you believe the sale is in the public interest?**

A. Yes. The HOA and homeowners of Green Acres Subdivision are the sole customers of HCU and have desired for a long time to control how the utility is managed and operated. After several years of negotiations, the parties have finally

reached an agreement that is satisfactory to all parties involved and which hands control of the Utility over to the customers who are actually served by it. The Corporation has secured financing that is backed by a USDA RD Guarantee and has worked hard to put the structure in place to effectively manage and operate the System. As Mr. Lods testified, this is a “win/win” for all parties involved. I believe the sale is in the public interest and should therefore be approved.

**Q12. Does this conclude your direct testimony?**

A. Yes, it does.

DMS 16937496v1

**VERIFICATION**

I hereby verify under the penalties of perjury that the foregoing representations are true to the best of my knowledge, information, and belief.

By: Chuck Lewis  
Chuck Lewis

**ARTICLES OF INCORPORATION**  
**OF**  
**GREEN ACRES SUBDIVISION SEWER SYSTEM, INC.**

The undersigned Incorporator, desiring to form a corporation pursuant to the provisions of the Indiana Non-Profit Corporation Act of 1991, as amended, executes the following Articles of Incorporation.

**ARTICLE I**  
**Name**

Section 1.01. Name. The name of the Corporation is Green Acres Subdivision Sewer System, Inc.

**ARTICLE II**  
**Purposes and Powers**

Section 2.01. Type of Corporation. This Corporation is a mutual benefit corporation.

Section 2.02. Primary Purposes. The purpose for which this Corporation is formed are to own, manage, maintain, reserve, repair and reconstruct the Green Acres Sewer System, and exercise all of the powers and privileges, and perform all of the duties and obligations, of the Corporation as set forth in the Declaration.

Section 2.03. Specific Powers. Subject to any specific written limitations or restrictions imposed by the Act, by the Code, by other law, or by the Declaration or the Articles, and solely in furtherance of but not in addition to the purposes set forth in Sections 2.02 of these Articles, the Corporation shall have the following specific powers:

(a) To manage, maintain, repair, and replace the Sewer System for the benefit and use of the members of the Corporation subject to such restraints or suspensions of use and voting rights of members as are provided herein, in the By-Laws, and in the Declaration.

(b) To fix, levy, and collect assessments and to enforce payment thereof by all lawful means.

(c) To promulgate such rules and regulations and perform such deeds as are deemed necessary to achieve the afore-said purposes.

(d) To secure from insurers licensed and approved in the State of Indiana appropriate fire, property damage, comprehensive general liability coverage and such other forms of insurance as may be deemed necessary or appropriate.



(e) To secure professional managerial services by employing a professional manager, contracting with a professional management service or entity, or otherwise, which services may include administrative, managerial, bookkeeping, legal, architectural, engineering, maintenance, repair, construction and other services.

(f) To acquire by gift, purchase or other means, to own, hold, enjoy, lease, operate, maintain, convey, sell, transfer, mortgage or otherwise encumber or dedicate for public use, real or personal property in connection with the business of the Corporation subject to the provisions of the Declaration.

(g) To borrow money and, subject to the provisions of the Declaration, to give, as security thereof, a mortgage or other security interest in any or all real and personal property owned by the Corporation, or a pledge of monies to be received pursuant to the provisions of the Declaration, and to assign and pledge its right to make assessments and its rights to claim a lien therefor.

(h) To appoint any person as its fiscal agent to collect all assessments and charges levied by the Corporation and to enforce the Corporation's liens for unpaid assessments and charges or any other lien held by the Corporation.

(i) To enter into, perform, cancel, and rescind contractual obligations, including the guarantee of the obligations and performance of others.

(j) To perform any act which the Corporation acting alone has the power and capacity to perform by acting as a partner or otherwise in association with any person or persons, whether legally constituted or informally organized.

(k) To pay all operating expenses, including all licenses, taxes or governmental charges levied or imposed against the property to the extent the same are separately assessed against the property.

(l) To participate in mergers and/or consolidations with other not-for-profit corporations organized for the same purpose.

(m) To have and to exercise any and all powers, rights and privileges which a corporation organized under the Act may now or hereafter have or exercise.

(n) No part of the net earnings of the Corporation shall inure to the benefit of any Director or Officer of the Corporation or to any private individual, except that the Corporation shall be authorized and empowered to pay reasonable compensation for services rendered by a Director, Officer or employee and to pay principal and interest at a reasonable rate not exceeding current market rates on funds loaned or advanced by a Director or Officer to the Corporation. No substantial part of the activities of the Corporation shall consist of attempting to propose, support, oppose, advocate the adoption or rejection of, or otherwise

influence legislation by propaganda or otherwise, and the Corporation shall not participate in or intervene (including the publication or distribution of statements) in any political campaign on behalf of, or in opposition to, any candidate for public office. Notwithstanding any other provision of these Articles, the Corporation shall not conduct or carry on any activities not permitted to be conducted or carried on by an organization exempt from Federal taxation under Section 528 of the Code and the applicable regulations or the corresponding provisions of any subsequent Federal tax laws if the effect thereof is to subject the gross income of the Corporation to Federal income taxation at rates established for corporations engaged in business for-profit unless the purposes of the corporation set forth in Section 2.02 of these Articles cannot otherwise be achieved.

### **ARTICLE III**

#### **Registered Office and Registered Agent**

Section 3.01. Registered Office. The street address of the registered office of the Corporation is 1300 Greenacres Drive, Third Floor, Kokomo, Indiana 46901.

Section 3.02. Registered Agent. The name of the Registered Agent of the Corporation at the registered office is Henry Weller.

### **ARTICLE IV**

#### **Membership**

Section 4.01. Classes of Membership. The Corporation shall have a single class of members. Every person who is a Sewer System User shall be a member of the Corporation. Membership shall be appurtenant to and may not be separated from the Sewer System User. There shall be no dues beyond the monthly Sewer System User Fee.

Section 4.02. Voting Rights. Sewer System Users shall have appurtenant thereto one (1) vote which may be cast by the users thereof who are present in person or by proxy pursuant to the voting procedures established in the By-Laws.

Section 4.03. Termination of Membership. Membership in the Corporation shall lapse and terminate when a Member ceases to be a Sewer System User.

Section 4.04. Suspension of Membership Rights. No Member may be expelled from membership in the Corporation for any reason. The Board of Directors shall have the right to suspend the voting rights of a Member for a period during which any assessment or charged owed by the Member remains unpaid in excess of thirty (30) days.

Section 4.05. Meetings of Members. All meetings of the Members shall be held at such place within the State of Indiana as may be designated by the Board of Directors pursuant to the provisions of the By-Laws.

Section 4.06. No Other Preferences. There shall be no other preferences, limitations, or restrictions with respect to the relative rights of the Members.

## **ARTICLE V**

### **Directors**

Section 5.01. Number of Directors. The initial Board of Directors of the Corporation shall consist of five (5) members. The number of Directors of the Corporation shall be specified from time to time in the By-Laws, but the minimum number shall be five (5) and the maximum number shall be twelve (12) and, if the By-Laws fail to specify the number, then the number shall be five (5).

Section 5.02. Initial Directors. The initial members of the Board of Directors are:

Henry Weller  
Chuck Lewis

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

## **ARTICLE VI**

### **Incorporator**

Section 6.01. Name and Address of Incorporator. The name and address of the Incorporator is as follows: Marcus L. Misinec, 319 N. Main Street, Kokomo, IN 46901

## **ARTICLE VII**

### **Provision for Regulation and Conduct of the Affairs of the Corporation**

Section 7.01. Management of Corporation. The affairs of the Corporation shall be managed by the Board of Directors.

Section 7.02. Code of By-Laws. Subject to the provisions of Section 7.04, the Board of Directors of the Corporation shall have the power, without the assent of the Members, to make, alter, amend, or repeal the By-Laws.

Section 7.03. Amendment of Articles of Incorporation. The Corporation reserves the right to amend, alter, change or repeal any provisions contained in the Articles or in any amendment thereto, in any manner now or hereafter prescribed or permitted by the Act or any amendment thereto; but, such power of amendment does not authorize any amendment that would permit any part of the net earnings of the Corporation to inure to the benefit of any private individual, that would modify the provisions of Section 2.03(d) if such modification would have the effect of disqualifying this Corporation as an organization exempt from Federal income taxation under the

provisions of Section 528 of the Code, as amended, or such equivalent provisions as may hereafter exist from time to time, or that would be in conflict with the provisions of the Declaration.

## **ARTICLE VIII**

### **Dissolution**

Section 8.01. Dissolution. In the event of dissolution of the Corporation, assets remaining after payment of all debts of the Corporation shall be transferred by the Board of Directors to the Green Acres Subdivision Homeowners Association, Inc. to be used for purposes similar to those for which this Corporation was organized. If such transfer is refused, then such assets shall be transferred by the Board of Directors to the State of Indiana, or any instrumentality or subdivision thereof, exclusively for public purposes, or to any non-profit corporation, trust, foundation, or other organization whose purposes are substantially the same as one or more of the purposes of the Corporation set forth in Section 2.02 hereof and in which, at the time of transfer, is exempt from Federal income taxation under Sections 501(c)(3), 501(c)(4), or 528 of the Code or the corresponding provisions of any subsequent Federal tax laws. Any such assets not so transferred by the Board of Directors shall be disposed of by the Circuit Court of Howard County, Indiana exclusively for such charitable purposes or to such charitable organizations as the Court shall determine. No Director or Officer of the Corporation, or any private individual, shall be entitled to share in the distribution of any of the assets of the Corporation upon dissolution of the Corporation.

## **ARTICLE IX**

### **Definitions**

Section 9.01. Terms. The following terms, as used in these Articles and in the By-Laws, unless the context clearly requires otherwise, shall mean the following:

"Act" means the Indiana Non-Profit Corporation Act of 1991, as amended from time to time.

"Applicable Date" means the date, at which time Green Acres Subdivision Sewer System, Inc. takes over operations of the Green Acres Sewer System from Howard County Utilities.

"Applicable Regulations" means the regulations issued with respect to referenced provisions of the Code by the Internal Revenue Service as the same may be amended from time to time.

"Articles" means the Articles of Incorporation of the Corporation, as amended from time to time.

"Assessment" means all sums lawfully assessed against the Members by the Corporation or as declared by the Declaration, the Articles or the By-Laws.

"Board of Directors" means the governing body of the Corporation.

"By-Laws" means the Code of By-Laws of the Corporation, as amended from time to time.

"Code" means the Internal Revenue Code of 1986, as amended.

"Corporation" means Green Acres Subdivision Sewer System, Inc.

"Declaration" means the Declaration of Covenants, Conditions and Restrictions for Green Acres Subdivision Sewer System, Inc. and any supplements thereto which have been or will be recorded in the Office of the Recorder of Howard County, Indiana, as the same may be amended from time to time.

"Member" means a Member of the Corporation.

"Operating Expenses" means expenses of administration of the Corporation and expenses for the upkeep, maintenance, repair and reconstruct of the Sewer System.

"Person" means an individual, firm, corporation, partnership, association, joint venture, trust or other legal entity, or any combination thereof.

"Property" means the Sewage Treatment Plant, pipes, cleanout, laterals, pumps, and all auxiliary equipment related to the operation of the Sewer System as well as the Real Estate thereon and appurtenant easements, improvements and other property of every kind and nature whatsoever, real, persona, or mixed, that is used or held for use in connection with the business or operation of the Corporation.

"Regulations" means the regulations issued pursuant to the Code as the same may be amended from time to time.

"User" means a Person, who is a property owner in the Green Acres Subdivision that is required to utilize the Sewer System within the Green Acres Subdivision pursuant to Covenants and Restrictions.

Section 9.02. Other Terms. any undefined term used herein or in the By-Laws shall, unless the context requires otherwise, have the meaning as set forth in the Declaration.

IN WITNESS WHEREOF, the undersigned, being the Incorporator designated in Article VI, executes these Articles of Incorporation this 6<sup>th</sup> day of March, 2020.

  
\_\_\_\_\_  
Henry Weller

STATE OF INDIANA                    )  
  ) SS  
COUNTY OF HOWARD                )

I, the undersigned, a Notary Public in and for said county and state, certify that Henry Weller personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person, and acknowledged that he signed and delivered the instrument as his free and voluntary act, for the uses and purposes therein set forth.

Given under my hand and official seal this 6<sup>th</sup> day of March, 2020.

Notary Public, State of Indiana  
SEAL  
Wendi Hill  
Commission Number 696931  
My Commission Expires March 17, 2025

Wendi Hill  
Notary Public  
Wendi Hill  
Printed

My commission expires:

\_\_\_\_\_

Residing in said county:

Howard

BYLAWS  
OF  
GREEN ACRES SUBDIVISION SEWER SYSTEM, INC.

ARTICLE I  
Name

The name of the Corporation is Green Acres Subdivision Sewer System, Inc. (hereinafter called "Corporation").

ARTICLE II  
Fiscal Year

The fiscal year of the Association shall begin on the first day of January and end on the 31st day of December of every year.

ARTICLE III  
Period of Existence

The period during which the Corporation shall continue is perpetual.

ARTICLE IV

Section 1. Resident Agent. The name and address of the resident agent is Henry Weller.

Section 2. Principal Office. The address of the principal office of the corporation is 1300 Greenacres Drive, Third Floor, Kokomo, Indiana 46901.

ARTICLE V  
Miscellaneous

A. Definitions

Section 1. "Corporation" shall mean and refer to GREEN ACRES SUBDIVISION SEWER SYSTEM, INC., an Indiana Nonprofit Corporation, its successors and assigns.

Section 2. "Member" shall mean and refer to the sewage disposal service that Green Acres property owners are required to utilize pursuant to Covenant and thereby required to pay monthly User Fees to the Corporation.

Section 3. "Sewer System" shall mean the Sewage Treatment Plant and equipment that is used and useful in the provision of sewage treatment and disposal service by the

Corporation. The Corporation's System shall include but is not necessarily limited to all valves and appurtenances, pumps, treatment plants, mains, lift stations, service lines and laterals, leases, licenses, easements, permits, and accounts receivable, and all other assets which are part of the sewage treatment and disposal system used by the Corporation to provide sewer service to customers within the Green Acres Subdivision, excluding liabilities contingent or otherwise. The Sewer System shall also include approximately three (3) acres of real estate upon which the Corporation's treatment plant is located and is operated, but shall not include the remainder of the parcel of which said three (3) acres is a part, said parcel being owned by Howard County Utilities, Inc. and/or Mr. Scott Lods. The Sewer System shall not include: (a) liabilities, contingent or otherwise, and (b) Customer Service Connections (as defined herein) which are and shall remain the property of customers. Pipes, cleanout, laterals, pumps, and all auxiliary equipment related to the operation of the Sewer System as well as the Real Estate thereon and appurtenant easements, improvements and other property of every kind and nature whatsoever, real, persona, or mixed, that is used or held for use in connection with the business or operation of the Corporation.

Section 4. "Owner" means a Person, who is a property owner in the Green Acres Subdivision that is required to utilize the Sewer System within the Green Acres Subdivision pursuant to Covenants and Restrictions thereby making he/she a member of the Corporation.

Section 5. "Owner Premises" shall mean and refer to any dwelling, building, structure, or parcel of real estate, or any part thereof, in the Green Acres subdivision that is supplied with sewage disposal service.

Section 6. "User Fees" shall mean the monthly fee required to be paid by each Owner for his sewage disposal service.

Section 7. "Owner Connection" shall mean the sewage disposal equipment and parts that the Owner shall be responsible for maintaining, repairing, and reconstructing.

#### B. Property Rights

Section 1. Corporation Easements of Use. The Corporation shall have all rights in and to the Appurtenant, Maintenance, and Common Easements, which shall be used or held for use in connection with the business or operation of the Corporation. The Corporation shall have, among other rights granted it under these bylaws, the right to:

(a) Use of the Appurtenant, Maintenance, and Common Easements, which shall be used or held for use in connection with the business or operation of the Corporation for the benefit of the Owners;

(b) Suspend the voting rights of an Owner for any period during which



any sewage bill remains unpaid; and, for a period not to exceed sixty (60) days for any infraction of the Corporation's published rules and regulations.

Section 2. Owner Premises Subject to Bylaws. The Owner Premises that shall be subject to the Bylaws are located in the Green Acres Subdivision, Howard County, State of Indiana, and are more particularly described therein and by this reference made a part hereof.

Section 3. Title to Maintenance Easements. All Appurtenant, Maintenance, and Common Easements, which shall be used or held for use in connection with the business or operation of the Corporation belong to the Corporation, subject to taxes, restrictions, conditions, limitations and easements of record.

### C. User Fees

Section 1. Creation of the Lien and Personal Obligation of User Fees. Each Owner hereby agrees to pay monthly User Fees to the Corporation for the maintenance, operation, repair, and reconstruction of the Sewer System. The initial amount of the User Fee shall have been approved by the Indiana Utility Regulatory Commission (IURC) and any User Fee adjustments must be approved by the IURC while the Corporation is still under IURC authority.

Section 2. Date of Commencement and User Fee Due Dates. The monthly User Fee shall commence on the first day of the month following the transfer of the Sewer System to the Corporation. The initial User Fee will be a prorated amount commensurate with the amount of days remaining in the transfer month. From that point on, the full amount of the User Fee shall be due on the first day of each month.

Section 3. User Fee Rates. Monthly User Fee rates shall be levied upon the following:

- (a) Each Owner shall pay a monthly User Fee.
- (b) Upon transfer of the Sewer System to the Corporation, the initial amount of the monthly User Fee shall be \_\_\_\_\_.
- (c) For the first ten (10) years post-transfer of the Sewer System to the Corporation, any User Fee rate increase must be approved by the IURC via a rate increase petition.
- (d) Once the Corporation has owned and operated the Sewer System for ten (10) years, the Corporation shall have the ability to option out of the IURC thereby providing the Corporation and its members the potential for increased approval authority for User Fee rate changes.

Section 4. Effect of Nonpayment of User Fees; Remedies of the Corporation. Any User Fee not paid within thirty (30) days after the due date shall bear interest from the due date at the rate of \_\_\_\_\_ percent (\_\_\_\_%) per diem. The Corporation may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the Owner Premises. No Owner may waive or otherwise escape liability for the User Fees provided for herein. The personal obligation of an Owner for delinquent User Fees shall pass to his, her, or its successors in title.

Section 5. Subordination of the Lien to Mortgage. The lien of the User Fees provided for in this Article shall be subordinate to the lien of any first mortgage. Sale or transfer of any Owner Premises shall not affect the User Fee lien. However, the sale or transfer of any Owner Premises pursuant to mortgage foreclosure or any proceeding in lieu thereof shall extinguish the lien of such User Fees as to payments which become due prior to such sale or transfer. No sale or transfer shall relieve such Owner Premises from liability for any User Fees thereafter becoming due or from the lien thereof.

#### D. General Provisions

Section 1. Enforcement. The covenants, conditions and restrictions set forth in the Declaration and in these Bylaws may be enforced by the Corporation or any member. Enforcement shall be by any proceeding at law or in equity against any person or persons violating or attempting to violate any covenants, condition or restriction, either to restrain or enjoin violation or to recover damages, and against the Owner or Owner Premises to enforce any lien created by these covenants; and the failure or forbearance by the Corporation or any member to enforce any covenant, condition or restriction herein contained shall not be deemed a waiver of the right to do so thereafter. There shall be, and there is, hereby created and declared to be conclusive presumption that any violation or breach of or any attempted violation or breach of any of the within the Declaration or these Bylaws cannot be adequately remedied by an action at law or by recovery of damages.

Section 2. Severability. Invalidation of any one of these covenants, conditions or restrictions by judgment or court order shall in no way affect any other provisions which shall remain in full force and effect.

Section 3. Duration. Except where permanent easements or other permanent rights or interests are herein created, the covenants and restrictions of the Declaration shall run with and bind the Owner Premises, and shall inure to the benefit of and be enforceable by the Corporation, or member subject to the Declaration or Bylaws, their respective legal representatives, heirs, successors, and assigns.

ARTICLE VI  
Membership and Voting Rights

There shall be one (1) class of member of the Corporation. Every Owner shall be a member of the Corporation. Membership shall be appurtenant to and may not be separated from the Owner provided the Owner is not in violation of any covenant, condition, or restriction of the Bylaws. There shall be no dues beyond the monthly Sewer System User Fee.

In the event more than one person, group of persons or entity is the record owner of a fee interest in any Owner Premises, then the vote for the membership appurtenant to such Owner Premises shall be exercised as they among themselves determine, but in no event shall more than one (1) vote be cast with respect to any Owner Premises.

ARTICLE VII  
Directors

Section 1. Number of Directors. The affairs of this Corporation shall be managed by a Board of Directors composed of five (5) Directors, who are all members of the Corporation, or officers of an entity owning any Owner Premises. The number of Directors may be changed by amendment of the Bylaws of the Corporation.

Section 2. Initial Board of Directors and Elections. The initial Board of Directors shall be appointed by the Green Acres Subdivision Homeowners Association, Inc. Election to the Board of Directors shall be by secret ballot at the first regular or special meeting of the members each fiscal year. At such election each of the members or their proxies may cast, in respect to each directorship to be filled, their vote as they are entitled to exercise under the provision set forth herein.

Section 3. Terms of Office Generally. Such Directors shall hold office for a two (2) year term, or until their successors are elected, or until they are removed or resign. At least one (1) and not more than two (2) Directors shall have their term of office expire in any one fiscal year.

Section 4. Duties. The Board of Directors shall cause to be kept complete records of all the acts and affairs of the Corporation, supervise and require detailed written reports and accountings, when desired, from all officers, agents and employees of the Corporation, establish User Fees with proper IURC approval if applicable, all in accordance with the terms of the Declaration and these Bylaws, send out notices of each monthly User Fee to each Owner in accordance with the Declaration and these Bylaws, pursue by legal action, if deemed appropriate, to collect and/or foreclose the Corporation's lien for unpaid User Fees against any Owner not paid within ninety (90) days after the due date, see that a certificate is issued upon demand by any person or entity requesting same stating whether or not any User Fee has been paid, procure and maintain insurance coverage required by the Declaration or these Bylaws or which the Board

of Directors in its sole discretion deems necessary or advisable, and cause all Sewer System Properties to be maintained as the Board of Directors deem advisable.

Section 5. Vacancies. Any vacancy in the Board of Directors shall be filled at a meeting of the Directors, held pursuant to at least ten (1) days advance notice, by a majority vote of the remaining Directors, even though they may constitute less than a majority of the remaining Directors. Each person so elected shall serve the unexpired portion of the term of his or her predecessor, or until the successor is elected.

Section 6. Removal of Directors. Any Director may be removed with or without cause by a majority vote of the members of the Corporation at a special meeting with notice stating the purpose thereof.

Section 7. Meetings. Meetings of the Board of Directors shall be held at such time and location as may be determined by the President of the Corporation, or if there is no person serving as President, by a majority of those serving as Directors. Such meetings shall be called by at least five (5) days advance notice to each Directors, given in person, by telephone, e-mail, or mailed notice.

Section 8. At all meetings of the Board of Directors, a majority of the Directors shall constitute a Quorum for the transaction of business, and the acts of a majority of the Directors present and voting shall constitute the act of the Board of Directors unless otherwise provided in the Declaration.

Section 9. Compensation. Directors shall receive \$300.00 per month as compensation for services her or she may render to the Corporation. Any Director shall be reimbursed for his/her actual expenses incurred in the performance of duties directly related to being a Director, as approved by the Board.

ARTICLE VIII  
Notice of Meetings, Quorum and Proxies  
for Meeting of Members of the Corporation

Section 1. Written notice of any meeting called for the purpose of taking any action authorized under this Article shall be sent to all Owners by U.S. Mail, postage prepaid, or by email to the Owners' email addresses provided to the Corporation not less than ten (10) days nor more than sixty (60) days in advance of the meeting.

Section 2. Twenty-five percent (25%) of the Owners, present in person or by proxies, provided in writing to another Owner who is present in person, shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice

requirement, and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting.

Section 3. Proxies. Votes may be cast in person or by proxy. Proxies must be filed with the Secretary of the Corporation, or if the Secretary is not present at a meeting, with the person designated to serve as Secretary of the meeting, before a motion is voted upon at a meeting. A majority of the votes of Owners present (in person or by proxy) at a meeting at which a quorum is present shall be sufficient for the transaction of all business of the Corporation except on matters where a greater vote is required by the Articles of Incorporation, these Bylaws or by statute.

## ARTICLE IX Meetings of Members of the Corporation

Meetings of the members of the Corporation shall be in accordance with the following provisions:

Section 1. Place. Meetings of the members shall be held at the Green Acres Community Building located at 1300 Greenacres Drive, Kokomo, Indiana 46901.

Section 2. Annual Meetings. An annual meeting shall be held within six (6) months after the close of the previous fiscal year of the Corporation, with the exact date selected by the President of the Corporation, or if there is no President, by the other officers of the Corporation.

Section 3. Special Meetings. Special meetings of the members shall be called by any Director or upon written petition signed by not less than sixty percent (60%) of the members of the Corporation who are entitled to vote. Notice of the special meeting shall state the time and place of the meeting and the purpose thereof. No business shall be conducted at a special meeting except as stated in the notice.

Section 4. Order of Business. The order of business at all meetings of the members shall, to the extent applicable, be roll call, proof of notice of meeting, reading of minutes of preceding meeting, reports of officers, reports of committees, unfinished business, election of directors (if applicable), new business, and adjournment.

Section 5. Suspension of Voting Rights. No member shown on the books and records of the Corporation to be more than sixty (60) days delinquent in any payment due to the Corporation shall be eligible to vote, either in person or by proxy, or to be elected to the Board of Directors.

ARTICLE X  
Officers and Their Duties

Section 1. Enumeration of Officers. The officers of the Corporation shall be a President, a Secretary and a Treasurer, all of whom shall be members of the Board of Directors, and such other officers as the Board of Directors may from time to time by resolution create.

Section 2. Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the members of the Corporation.

Section 3. Term. The officers of the Association shall be elected annually by the Board of Directors and each shall hold office for two (2) years or until his or her successor is elected and qualified unless he or she shall sooner resign, be removed or otherwise disqualified to serve. In such instance, the Board of Directors shall elect a successor to serve the remaining term of the office vacated.

Section 4. Resignation and Removal. Any officer may be removed from office with or without cause by the Board of Directors. Any officer may resign at any time by giving written notice to the President or Secretary. Such resignation shall take effect on the date of receipt of such notice.

Section 5. Duties and Authorities. The duties and authorities of the officers are as follows:

A. President. The President shall preside at all meetings of the Board of Directors. He or she shall see that all resolutions and orders of the Board are carried out. He or she shall have the power to appoint committees and to discharge all the general powers and duties usually vested in the office of president of an association under the laws of Indiana. Upon approval from the Board to enter into an agreement as evidenced by minutes recording the vote, the President shall have the authority to enter into agreements on behalf of the Corporation thereby binding the Corporation to the terms therein.

B. Secretary. The Secretary shall record the votes and keep minutes of all meetings and proceedings of the Board of Directors and of the members; keep appropriate current records showing the names, addresses, telephone numbers and email addresses of the members of the Association, prepare and send out notices of meetings of the Board of Directors and members, and perform such other duties as required by the Board of Directors.

C. Treasurer. The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors; shall sign all checks and promissory notes of the Association; and shall prepare at least annually a statement of income and expenditures to be presented to the membership at the

annual meeting.

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END OF BY-LAWS

I, the undersigned, hereby certify that these Bylaws were adopted at a meeting of the Members of the Association held after due notice with a quorum present, all in accordance with Indiana Code 32-25.5-1 et seq. and applicable Indiana Law.

GREEN ACRES SUBDIVISION SEWER SYSTEM, INC.

By:

Henry Weller  
Henry Weller  
President

State of Indiana       )  
                                  ) SS:  
County of Howard     )

Before me, a Notary Public in and for said County and State, personally appeared **Henry Weller**, President of Green Acres Subdivision Sewer System, Inc., who acknowledged the execution of the foregoing document and who, having been duly sworn, stated the representations contained therein are true.

WITNESS my hand and seal this 6<sup>th</sup> day of March, 2020.

My Commission Expires:

\_\_\_\_\_  
Notary Public, State of Indiana  
SEAL  
Wendi Hill  
Commission Number 696931  
My Commission Expires March 17, 2025  
Indiana

Wendi Hill (Signed)  
Wendi Hill (Printed)  
Notary Public, Resident of Howard County,

*This instrument prepared by Marcus L. Misinec, Attorney at Law, 319 N. Main Street, Kokomo, IN 46901.*

*I affirm under the penalties for perjury that I have taken reasonable care to redact each Social Security number in this document unless required by law. Marcus L. Misinec*

Minutes: Neighborhood Sewer Purchase Status March 8, 2020

Purpose: Update neighborhood on status of sewer purchase

Board members present: Henry Weller, President; Montrel McGee, Vice President; Chuck Lewis, Secretary; Vern Emery; Greg Johnson; Kevin McClure; Bob Marley; and Chelsea Harmon.

List of neighborhood families attending is attached.

Presentation materials are attached.

Meeting called to order by Henry Weller at 4:00 p.m.

Materials presented by Chuck Lewis.

Questions asked by neighbors were the following:

1. What rate is the loan ?
2. What is the timing to complete the sale?
3. Will Lods fix the storm line running behind the homes and behind the Community Center?

Question was posed to those attending: Is there any objection to completing the sale? No opposition was raised.

Meeting adjourned at 4: 40





Home Owners Association

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# Welcome

**Purchase Agreement**  
**Loan Status**  
**IURC Filing**

## **Purchase Agreement**

\$1,950,000 Purchase Price Utility

CC and Golf Course \$1

GA HOA to reimburse for Pump and Lease

GA HOA to Pay Loan and Legal Costs

## Loan \$2.2 M

\$ 1.950 M Purchase

\$ 89 K Pump and Lease

\$ 100 K Loan and Legal

\$ 22 K USDA Points

\$ 39 K Start Up

## **IURC Filing**

Filing March 11

Decision 60-90 Days

## Rate Construct

Debt Service & Reserve	\$ 188 K
Operate and Maintain	\$ 155 K
E&R	\$ 55 K
Total Annual \$ Req'm'ts	\$ 398 K
Rate per Household	\$ 151

## **Golf Course Update**

Preparing to Open  
Equipment Serviced  
Carts by April 1

Thank you for attending

Adjourn



**People Attending Sewer Update Meeting March 8, 2020**

Weller

Lewis

Emery

McGee

Marley

Harmon

Johnson

McClure

Lachenmeier

Wilson (proxy Lewis)

Cameron (proxy Weller)

Taylor

Johnston

Zimpleman

Prifogle

Billiard

Chew

Brock

Padfield

Brock

Montgomery

Stoldt

Arnold

Grimme

Bour

Hayden

Groome