

STATE OF INDIANA

INDIANA UTILITY REGULATORY COMMISSION

PETITION OF THE TOWN OF CEDAR LAKE,)
LAKE COUNTY, INDIANA, FOR APPROVAL)
TO ADJUST ITS RATES AND CHARGES AND) CAUSE NO. 45367
ISSUE BONDS)

PUBLIC’S EXHIBIT NO. 1


TESTIMONY OF THOMAS W. MALAN

ON BEHALF OF

THE INDIANA OFFICE OF UTILITY CONSUMER COUNSELOR

AUGUST 28, 2020

Respectfully Submitted,



Daniel M. Le Vay, Atty. No. 22184-49
Deputy Consumer Counselor
T. Jason Haas, Atty. No. 34983-29
Deputy Consumer Counselor
115 W. Washington St., Ste 1500 South
Indianapolis, IN 45204

CERTIFICATE OF SERVICE

This is to certify that a copy of the foregoing *Office of Utility Consumer Counselor's Testimony of Thomas W. Malan* has been served upon the following counsel of record in the captioned proceeding by electronic service on August 28, 2020.

Christopher Janak
Jeffery A. Earl
BOSE MCKINNEY & EVANS LLP
111 Monument Circle, Suite 2700
Indianapolis, IN 47204
Email: jjanak@boselaw.com
jearl@boselaw.com

David M. Austgen
AUSTGEN KUIPER & JASAITIS P.C
130 North Main Street
Crown Point, IN 46307
Email: akapc@austgenlaw.com



Daniel M. Le Vay
Deputy Consumer Counselor
T. Jason Haas
Deputy Consumer Counselor

INDIANA OFFICE OF UTILITY CONSUMER COUNSELOR
115 West Washington Street
Suite 1500 South
Indianapolis, IN 46204
infomgt@oucc.in.gov
317/232-2494 – Phone
317/232-5923 – Facsimile

OUCW WITNESS TESTIMONY OF THOMAS W. MALAN
CAUSE NO. 45367
TOWN OF CEDAR LAKE

I. INTRODUCTION

1 **Q: Please State your name and business address.**

2 A: My name is Thomas W. Malan, and my business address is 115 W. Washington
3 St., Suite 1500 South, Indianapolis, IN 46204.

4 **Q: By whom are you employed and in what capacity?**

5 A: I am employed by the Indiana Office of Utility Consumer Counselor ("OUCC") as
6 a Utility Analyst with the Water-Wastewater Division. My qualifications and
7 experience are set forth in Appendix A.

8 **Q: What is the purpose of your testimony?**

9 A: The Town of Cedar Lake, Indiana ("Cedar Lake" or "Petitioner") requests a 19.07%
10 rate increase based on issuing debt through the State Revolving Fund ("SRF").
11 Cedar Lake based its requested rate increase on a historical test period ending
12 December 31, 2019, adjusted for changes that are fixed, known, and measurable. I
13 present the OUCC's recommendation for rate increase as reflected in the OUCC's
14 schedules. The OUCC recommends an overall rate increase of 4.2% to be
15 implemented in two phases with a 4.4% *rate decrease* in the first phase (Phase 1)
16 followed by a 9.0% *increase* to Phase 1 rates in the second phase (Phase 2). My
17 testimony and schedules present the OUCC's operating expense adjustments,
18 including adjustments to salaries and wages, employee benefits, payroll taxes,
19 system delivery expense, and periodic maintenance. My schedules also show the

1 OUCC's reclassification of some expenses to capital costs and elimination of non-
2 allowed and out-of-period expenses. My testimony supports the OUCC's
3 recommended revenue requirement for payments in lieu of property taxes
4 ("PILT"). I recommend Cedar Lake be required to establish restricted accounts for
5 its periodic maintenance expense and its extensions and replacements ("E&R"). I
6 recommend Cedar Lake maintain separate restricted accounts for each of its two
7 authorized system development charges ("SDC").

8 **Q: Describe the review and analysis you performed.**

9 A: I reviewed Cedar Lake's petition dated April 15, 2020 as well as all the testimony,
10 schedules, and workpapers filed by Cedar Lake's rate consultant, Pamela Sue
11 Sargent Haase. I reviewed the testimonies of Randell C. Niemeyer and Neil J.
12 Simstad. I reviewed Petitioner's 2016, 2017, 2018, and 2019 IURC annual reports.
13 I prepared discovery questions and reviewed Petitioner's responses. Because of the
14 pandemic the OUCC did not conduct an on-site audit, but I participated in several
15 telephonic conference calls and a video conference with Ms. Haase to discuss
16 various accounting matters.

17 **Q: Do you sponsor any schedules?**

18 A: Yes. I sponsor the following schedules:

19 Schedule 1 – Comparison of Overall Revenue Requirements (pages 1 and 2)
20 Comparison of Phased-in Revenue Requirements (pages 3 and 4)
21 Comparison of Income Statement Adjustments (page 5)
22 Schedule 2 – Comparative Balance Sheet as of December 31, 2017, 2018 and 2019
23 Schedule 3 – Comparative Income Statement for the Twelve Months Ended
24 December 31, 2017, 2018, and 2019
25 Schedule 4 – *Pro Forma* Net Operating Income Statement

1 Schedule 5 – OUCC Expense Adjustments

2 Schedule 6 – Extensions and Replacements

3 Schedule 7 – Payments in Lieu of Property Taxes

4 Schedule 8 – Debt Service – Phase 2

5 Schedule 9 – Debt Service Reserve and Debt Coverage Ratio Calculation

6 Schedule 10 - Proposed Tariff

7 **Q: Please identify the attachments to your testimony.**

8 A: Attachment TWM 1 – Job Descriptions

9 Attachment TWM 2 – Engineering invoices to be capitalized

10 Attachment TWM 3 – Out-of-Period Invoices

11 Attachment TWM 4 – Petitioner's response to OUCC Data Request, DR 12-1.e.

12 Attachment TWM 5 - Petitioner response to OUCC DR 4-11

II. OVERALL REVENUE REQUIREMENT

A. Overview of Cedar Lake's Case

13 **Q: What revenue increase does Cedar Lake propose?**

14 A: Initially, Cedar Lake requested a 13.81% increase to generate \$187,684 of
15 additional operating revenue per year. But on July 31, 2020, Cedar Lake filed
16 supplemental testimony adjusting its initial request and proposing two separate
17 revenue increase calculations based on the type of debt to be issued. The first option
18 is based on securing open market debt and would result in a 21.93% increase and
19 additional water revenues of \$278,961. The second option is based on securing

1 SRF debt and would result in a 19.07% increase and additional water revenues of
2 \$242,482.

3 **Q: Is Cedar Lake requesting authority to issue debt in this Cause?**

4 A: Yes. In its original filing, Cedar Lake sought authority to issue open market debt.
5 In its supplemental filing, Cedar Lake proposed two alternative financing scenarios.
6 If Cedar Lake secures SRF funding, it requests authority to borrow \$3,915,000. If
7 Cedar Lake secures open market funding, it requests authority to borrow
8 \$3,900,000.

9 **Q: Did Cedar Lake make any additional proposals?**

10 A: Yes. Cedar Lake also requests authority to implement single tariff pricing to
11 consolidate its three current tariffs into one tariff that will apply to all customers.
12 Cedar Lake proposes that all customers be billed under its Westside/Eastside tariff.

13 **Q: Is Cedar Lake proposing any rate design changes in this Cause?**

14 A: Yes. Currently, the minimum charge for Robins Nest and Westside/Eastside
15 customers is based on 4,000 gallons. The minimum charge for Krystal Oaks is
16 based on 3,000 gallons. Cedar Lake proposes reducing the minimum charge to
17 2,000 gallons per month.

18 **Q: Will all Cedar Lake customers experience the same overall rate increase?**

19 A: No. Because of Cedar Lake's single tariff pricing proposal and rate design changes,
20 its proposed revenue increase is not an across-the-board increase. Cedar Lake's
21 Krystal Oaks and Robins Nest customers will experience much larger rate increases

1 than its Westside/Eastside customers. Table 1 shows the rate increase percentages
 2 Cedar Lake customers will experience under each of Petitioner's proposals.¹

Table 1: Summary of Proposed Rate Increases

	<u>SRF</u>	<u>Open Market</u>
<u>Average Consumption</u>		
Westside	19.07%	21.93%
Robins Nest	96.96%	101.67%
Krystal Oaks	46.95%	50.46%
<u>Minimum Consumption</u>		
Westside	-40.46%	-39.03%
Robins Nest	-4.50%	0.51%
Krystal Oaks	-0.19%	2.19%

3 **Q: What are the principal drivers of Petitioner's proposed rate increase?**

4 A: This is the first rate case Cedar Lake has filed with the Commission since acquiring
 5 its water utility, so there is no way to know precisely what revenue requirements its
 6 *current* rates are based on for purposes of comparison. However, the principal
 7 driver of Cedar Lake's proposed rate increase is the new borrowing of \$3.915
 8 million to fund capital improvements.

B. Overview of OUCC's Case

9 **Q: What revenue increase does the OUCC recommend?**

10 A: The OUCC recommends an overall revenue increase of 4.2% to produce additional
 11 water revenues of \$53,834 per year. The OUCC's recommendation is based on
 12 Petitioner securing the SRF debt financing.

¹ Petitioner's Exhibit 19, Exhibits B and B-1.

1 **Q: How does the OUCC recommend this rate increase be implemented?**

2 A: The OUCC recommends rates be implemented in two phases. The 4.4% decrease
3 (Phase 1) would become effective upon the issuance of an order from the
4 Commission. The 9.0% increase (Phase 2) would become effective when Cedar
5 Lake secures the debt financing for which it seeks authorization in this Cause.

6 **Q: Why does the OUCC recommend phasing-in the approved rate increase?**

7 A: There is a significant time gap between when an order will be issued by the
8 Commission and when Cedar Lake will reasonably be able to secure financing.
9 Cedar Lake will not receive its proposed financing until July 2021 or later, as
10 reflected in Petitioner's Exhibit 19, Schedules D-5 and D-7. Phasing-in rates is a
11 reasonable method to protect Petitioner's ratepayers from unnecessarily paying
12 higher rates during the time Petitioner will have no additional debt service expense.

13 **Q: Please explain why Phase 1 of your proposal is a rate decrease.**

14 A: Based on its review, before debt will be issued Petitioner has a pro forma net
15 revenue requirement of \$1,227,537, but pro forma operating revenues are
16 \$1,283,271 yielding a decrease in operating revenues of \$55,733 (after applying the
17 gross revenue conversion factor). The Phase 1 net revenue requirement includes
18 increased operating expenses, PILT and E&R but no additional debt service costs.
19 Increased operating expenses are primarily due to additional salaries and wages,
20 periodic maintenance, and rate case expense amortization partially offset by the
21 elimination of non-recurring and capital costs. Phase 1 pro forma operating
22 revenues were increased to reflect assumptions regarding customer growth as well
23 as additional revenues from Robins Nest and Krystal Oaks customers due to single
24 tariff pricing. The additional revenues from Robins Nest and Krystal Oaks

1 customers will be partially offset by decreased Westside/Eastside minimum
 2 charges due to reduction of the minimum charge to 2,000 gallons.

3 **Q: Please explain the need for a Phase 2 rate increase?**

4 A: The Phase 2 increase is entirely due to the addition of debt service costs for Cedar
 5 Lake's proposed debt financing. Because all Cedar Lake customers will be on the
 6 same tariff, the Phase 2 increase is an across-the-board increase with the same
 7 increase applied to all customers. Therefore, Phase 1 will bring each customer to
 8 the same tariff rate eliminating any confusion among Cedar Lake customers. Phase
 9 2 will provide the revenue necessary to service the debt Cedar Lake will issue.

Table 2: Overall Revenue Requirement Comparison

	Per Petitioner		Per OUCC	Sch Ref	OUCC More (Less) Than SRF
	Original	Updated (SRF)			
Operating Expenses	\$ 935,537	\$ 843,447	\$ 698,574	4	\$ (144,873)
Taxes other than Income	50,600	49,379	44,241	4	(5,138)
Extensions and Replacements	210,571	210,571	170,389	6	(40,182)
Payment in Lieu of Taxes	3,340	4,495	4,607	7	112
Debt Service					
Current Debt	324,612	324,612	324,612	PET	-
Proposed Debt	126,176	68,574	92,536	PET	23,962
Debt Service Reserve	36,200	19,753	14,641	8	(5,112)
Total Revenue Requirements	1,687,036	1,520,831	1,349,600		(171,231)
Revenue Requirement Offsets:					
Interest Income	-	-	(3,029)	3	(3,029)
Other Income	(142,952)	(9,982)	(10,220)	3	(238)
<i>Pro forma</i> Net Revenue Requirements	1,544,084	1,510,849	1,336,351		(174,498)
Less: Revenues at current rates subject to increase	(1,359,028)	(1,271,762)	(1,283,271)	4	(11,509)
Revenues Not Subject to Increase	-	-	-	4	-
Net Revenue Increase Required	185,056	239,087	53,080		(186,007)
Divide by Revenue Conversion Factor (100% - 1.4%)	0.986	0.986	0.986		0.986
Recommended Increase	187,684	242,481	53,834		(188,647)
Recommended Percentage Increase	13.81%	19.07%	4.20%		-14.87%

III. OPERATING REVENUES

1 **Q: What level of present rate operating revenues does Cedar Lake propose?**

2 A: Cedar Lake proposes present rate *pro forma* operating revenues of \$1,281,744.

3 This is an increase of \$98,171 to Cedar Lake's test year operating revenues of
4 \$1,183,573.

5 **Q: What operating revenue adjustments did Cedar Lake propose?**

6 A: Cedar Lake proposed the following operating revenue adjustments: (1) a \$45,265
7 increase to reflect test year customer growth (residential and commercial); (2) a
8 \$90,833 increase to reflect post-test year customer growth (residential only); (3) a
9 \$49,339 net increase to reflect the transition of Robins Nest and Krystal Oaks rates
10 to the Westside/Eastside tariff (single tariff pricing);² and (4) an \$87,266 decrease
11 to reflect the reduction in the minimum charge from 4,000 gallons to 2,000 gallons
12 for Westside/Eastside customers.

13 **Q: Do you accept Cedar Lake's proposed operating revenue adjustments?**

14 A: Yes.

15 **Q: Does Cedar Lake propose any other operating revenue adjustments?**

16 A: Yes. Cedar Lake's Comparative Income Statement, Exhibit A of Cedar Lake's
17 Exhibit 19 "Amended Rate and Financing Sufficiency Report," reflects total test
18 year operating revenues of \$1,316,543. This is \$132,970 greater than what is
19 reflected in Cedar Lake's *Pro forma* Income Statement (SRF Debt), Exhibit C-1 of
20 Exhibit 19. The amount in Exhibit A includes tap fees, which Cedar Lake did not
21 include in the calculation of total operating receipts on Schedule C-1.

² This adjustment is net of the reduction in the minimum charge.

1 **Q: Do you accept Cedar Lake's elimination of tap fee revenues from the**
2 **calculation of rates in this Cause?**

3 A: Yes. Tap fees are contributions in aid of construction ("CIAC"). These fees are not
4 operating revenues and, like the associated costs, should be recorded to the balance
5 sheet, not the income statement. Therefore, I agree with Cedar Lake's adjustment.

6 **Q: If the OUCC accepts all of Cedar Lake's adjustments, why do the OUCC's**
7 **total operating revenues differ from Cedar Lake's?**

8 A: The starting point for the OUCC's *pro forma* operating revenues (\$1,328,290) is
9 different than Cedar Lake's starting point (\$1,316,543). The OUCC used the
10 financial information reported in Cedar Lake's 2019 IURC annual report as the
11 basis for its test year income statement and balance sheet data. The 2019 IURC
12 annual report reflects test year operating revenues of \$1,328,290, which is \$11,747
13 more than the operating revenues reflected in Cedar Lake's Income Statement
14 (Exhibit A of Exhibit 19).

15 **Q: Why is there a difference between the amounts reflected in Cedar Lake's filing**
16 **in this Cause and its 2019 IURC annual report?**

17 A: It is unclear why a difference exists. In response to the OUCC's request for an
18 explanation, Cedar Lake objected and stated, "the difference in amounts is
19 immaterial." (See Attachment TWM 5 Petitioner response to OUCC DR 4-11)

IV. OPERATING EXPENSES AND TAXES

20 **Q: What level of operating expenses and taxes does Cedar Lake propose?**

21 A: Cedar Lake proposes *pro forma* operating expenses and taxes of \$892,826 an
22 increase of \$218,547 over test year expense of \$674,278.

1 **Q: What operating expense adjustments does Petitioner propose?**

2 **A:** Cedar Lake proposes several adjustments to operating expenses, including
3 adjustments for system delivery costs (expense normalization), State Board of
4 Accounts audit, salaries and wages, employee benefits, group insurance, rate case
5 expense, non-recurring expenses, out of period expenses, capital expenses, tap
6 costs, Utilities Receipt Tax, and periodic maintenance.

7 **Q: Does the OUCC accept any of Cedar Lake's proposed operating expense**
8 **adjustments?**

9 **A:** Yes. The OUCC accepts Cedar Lake's expense adjustments to State Board of
10 Accounts audit cost, non-recurring contractual services, removal of Tap costs, and
11 rate case expense amortization.

12 **Q: Do you propose any additional operating expense adjustments?**

13 **A:** Yes. I propose additional operating expense adjustments to remove non-water
14 utility legal costs, engineering costs that should be considered capital, and out-of-
15 period expenses.

16 **Q: What level of operating expenses does the OUCC propose?**

17 **A:** The OUCC purposes *pro forma* operating expense and taxes of \$742,815. This is
18 an increase of \$68,536 over test year operating expenses of \$674,279.³ Table 3
19 presents a comparison of the operating expense adjustments proposed by Cedar
20 Lake to those proposed by the OUCC.

³ Different from Petitioner due to rounding.

Table 3: Comparison of Proposed Operating Expense Adjustments

	Per Petitioner		Per OUCC	OUCC More (less) Than SRF
	Original	Updated SRF Funding		
O&M Expense				
Salaries and Wages	\$ 175,669	\$ 175,669	\$ 108,510	\$ (67,159)
Employee Benefits	58,276	58,276	48,027	(10,249)
PERF	17,191	17,191	13,742	(3,449)
System Delivery (Normalization)	8,421	11,221	7,763	(3,458)
SBOA Audit	1,450	1,450	1,450	-
Non-recurring Contract Services	(115,692)	(115,692)	(115,692)	-
Costs that are Capital in Nature	-	-	(10,325)	(10,325)
Out of Period Expenses	-	-	(7,757)	(7,757)
Non-Water Utility Legal Costs	-	-	(2,478)	(2,478)
Periodic Maintenance	111,044	111,044	71,046	(39,998)
Remove Tap-on Costs	-	(94,890)	(94,890)	-
Rate Case Expense Amortization	40,000	40,000	40,000	-
Taxes Other than Income				-
Payroll Taxes	14,108	14,108	8,970	(5,138)
Utilities Receipt Tax	1,392	170	170	-
Total Operating Expenses	\$ 311,859	\$ 218,547	\$ 68,539	\$ (150,011)

A. Salaries and Wages

1 **Q: What *pro forma* salaries and wages expense does Cedar Lake propose?**

2 A: Cedar Lake proposes *pro forma* salaries and wages expense of \$412,909, which is
3 a \$175,669 increase over test year salaries and wages expense of \$237,239.

4 **Q: Do you accept Cedar Lake's adjustment to salaries and wages expense?**

5 A: No. Petitioner's adjustment includes several positions allocated from the Town of
6 Cedar Lake that are unrelated to providing water utility service.

7 **Q: What *pro forma* salaries and wages expense do you recommend?**

8 A: I recommend *pro forma* salaries and wages expense of \$345,749, a \$108,510
9 increase over test year salaries and wages expense of \$237,239. This is a \$67,159
10 reduction from the *pro forma* salaries and wages expense proposed by Cedar Lake
11 (OUCC Operating Expense Schedule 5, Adjustment No. 1).

1 **Q: Which Town positions have you excluded from your *pro forma* salaries and**
 2 **wage expense?**

3 A: I removed Council, Chief Deputy CPS, Mechanic, Building Administrator,
 4 Building Coordinator, On Call Building Inspector, and PT Inspector. These
 5 positions do not appear to have a sufficient relationship to providing water utility
 6 service. Therefore, I excluded the associated salary allocations for these positions
 7 from my calculation of *pro forma* salaries and wages. (See Table 4.)

8 **Q: How did you verify these positions were not necessary to provide water utility**
 9 **service?**

10 A: In response to discovery, Cedar Lake provided many, but not all, of the job
 11 descriptions for positions it included in its *pro forma* salary and wage expense.
 12 Based on my review of these job descriptions, I determined that five of the positions
 13 have no responsibilities that related to the water utility operations. Additionally,
 14 there were two positions for which no job description was provided, and I propose
 15 the elimination of the allocated amount for these positions due to lack of support
 16 (Attachment TWM 1 –Job descriptions provided in response to discovery).

Table 4: Disallowed Salaries and Wages

Position	Annual Salary	Allocation %	Allocation Amount	Reason for Exclusion
Council	\$ 84,000	25%	\$ 21,000	No Job Description
Chief Deputy CPS	43,981	18%	7,917	No Job Description
Mechanic	40,947	25%	10,238	Not water related
Building Administrator	48,257	20%	9,652	Not water related
Building Coordinator	37,440	20%	7,488	Not water related
On Call Building Inspector	28,101	19%	5,339	Not water related
PT Inspector	22,100	25%	5,525	Not water related
Total			\$ 67,159	

B. Group Insurance Benefits

1 **Q: What *pro forma* group insurance benefits expense does Cedar Lake propose?**

2 A: Cedar Lake proposes *pro forma* group insurance benefits expense of \$128,228, a
3 \$58,276 increase over test year group insurance benefits expense of \$69,951.

4 **Q: Do you accept Cedar Lake's adjustment to group insurance benefits expense?**

5 A: No. I excluded the allocated group insurance expense for the seven employees I
6 excluded from salaries and wages expense because their duties were not water
7 service related.

8 **Q: What *pro forma* group insurance benefits expense do you propose?**

9 A: I propose *pro forma* group insurance benefits expense of \$117,978, which is a
10 \$48,027 increase over test year expense of \$69,951. Similar to my salary and wage
11 expense adjustment, I excluded the associated group insurance benefits allocation
12 for these positions from my calculation of *pro forma* group insurance expense
13 (OUCC Operating Expenses, Schedule 5, Adjustment No. 2.)

C. PERF

14 **Q: What *pro forma* PERF expense does Cedar Lake propose?**

15 A: Cedar Lake proposes *pro forma* PERF expense of \$42,173, which is a \$17,191
16 increase over test year PERF expense of \$24,982.

17 **Q: Do you accept Cedar Lake's adjustment to PERF expense?**

18 A: No. While I accept the 11.2% PERF rate used by Cedar Lake to calculate its *pro*
19 *forma* expense, it is necessary to apply that rate to the OUCC's proposed salaries
20 and wages expense. I applied the 11.2% PERF rate to *pro forma* salaries and wages
21 expense of \$313,535. I propose *pro forma* PERF expense of \$38,724, which is a

1 \$13,742 increase over test year PERF expense of \$24,982. (See OUCC Operating
2 Expense, Schedule 5, Adjustment No. 4.)

D. Payroll Taxes

3 **Q: What *pro forma* payroll tax expense does Cedar Lake propose?**

4 A: Cedar Lake proposes *pro forma* payroll tax expense of \$31,588, which is a \$14,108
5 increase to test year payroll tax expense of \$17,480.

6 **Q: Do you accept Cedar Lake's adjustment to payroll tax expense?**

7 A: No. While I accept the 7.65% payroll tax rate used by Cedar Lake to calculate its
8 *pro forma* expense, it is necessary to apply that rate to the OUCC's proposed
9 salaries and wages expense. I applied the 7.65% payroll tax rate to *pro forma*
10 salaries and wages expense of \$345,749. I propose *pro forma* payroll tax expense
11 of \$26,450, which is a \$8,970 increase over test year payroll tax expense of
12 \$17,480. (OUCC Operating Expense, Schedule 5, Adjustment No. 3)

E. System Delivery – Expense Normalization

13 **Q: Why is a system delivery (expense normalization) adjustment necessary?**

14 A: Like the normalization of operating revenues to recognize customer growth,
15 operating expenses also need to be normalized. Additional purchased power and
16 chemical costs will be incurred to produce the additional water to be sold due to
17 customer growth.

18 **Q: What system delivery expense adjustment does Cedar Lake propose?**

19 A: Cedar Lake proposes an increase to test year operating expenses of \$11,221 to
20 account for increased purchased power and chemical costs due to the increased
21 system deliveries that will result from its proposed customer growth. Cedar Lake

1 calculated a cost of \$0.54 per thousand gallons to produce an additional 20,623,746
2 gallons of water. This represents an increase of \$9,144 to test year purchased power
3 expense of \$63,034 and a \$2,077 increase to test year chemical expense of \$14,322
4 (\$9,144 + \$2,077 = \$11,221).

5 **Q: Do you accept Cedar Lake's adjustment to reflect additional system delivery**
6 **expense?**

7 A: No. I disagree with aspects of Cedar Lake's calculation, including the amount of
8 test year purchased power expense as well as the increased system deliveries used
9 in Cedar Lake's calculation.

10 **Q: Why do you disagree with the amount of test year purchased power expense**
11 **included in Cedar Lake's adjustment?**

12 A: Test year purchased power expense is overstated due to the inclusion of an out-of-
13 period invoice included in the test year.⁴ This error overstated the test year cost to
14 produce water. When this adjustment is reflected, I calculate the cost to produce
15 1,000 gallons of water as \$0.50 compared to Cedar Lake's cost of \$0.54.

16 **Q: Why do you disagree with Cedar Lake's calculation of additional system**
17 **deliveries?**

18 A: Cedar Lake overstated the amount of increased volumes due to test year
19 commercial customer growth. A commercial customer was added five (5) months
20 into the test year. Therefore, the test year included seven (7) months of billings for
21 this customer. Cedar Lake calculated a full year of additional sales volumes for
22 this customer rather than the additional five (5) months that will occur. This

⁴ See section H of my testimony below discussing my proposed out-of-period expense adjustment and Attachment TWM-3.

1 overstated the calculation of additional system deliveries by 70,000 gallons. I
2 included an additional 50,000 gallons in my calculation.
3 Further, Cedar Lake incorrectly calculated the additional system deliveries
4 that will occur as a result of its proposed test year residential customer growth
5 adjustment. Cedar Lake calculated an additional 10,301,040 gallons of water will
6 be sold due to test year residential customer growth. However, the actual increase
7 in system deliveries is only 5,117,137 gallons. This amount is calculated by taking
8 the total additional billings of 1,073 and multiplying by 4,769, the average volume
9 per bill.

Table 5: Additional Sales Volumes Due to Customer Growth

	Additional Billings	Average Volume Per Bill	OUCC Additional Volumes	Petitioner	OUCC More (Less)
Test Year Residential	1,073	4,769	5,117,137	10,301,040	(5,183,903)
Test Year Commercial	5	10,000	50,000	120,000	(70,000)
Post-test year Residential	2,172	4,769	10,358,268	10,358,268	-
			15,525,405	20,779,308	(5,253,903)

Q: What system delivery expense adjustment do you propose?

10
11 A: I propose an increase to system delivery expense of \$7,763 based on my calculation
12 of a \$0.50 *pro forma* cost per thousand gallons multiplied by an additional
13 15,525,405 gallons of water sold based on the assumptions included in Cedar
14 Lake's customer growth adjustment. (See OUCC Operating Expense Schedule 5,
15 Adjustment No. 5.)

F. Contractual Services - Legal

1 **Q: Do you propose an additional adjustment to contractual services – legal**
2 **expense?**

3 A: Yes. I propose a reduction to test year professional services - legal expense of
4 \$2,478 to remove legal expense allocated to Cedar Lake Municipal Water from the
5 Town of Cedar Lake (OUCC Operating Expense Schedule 5, Adjustment No. 6).

6 **Q: Why do you propose the removal of these legal expenses?**

7 A: I removed these allocated legal fees because they pertain to general town matters
8 and not water utility matters. These expenses are not necessary to provide safe,
9 reliable drinking water service and should not be included in the water utility's
10 revenue requirement. Furthermore, the water utility is directly billed for its legal
11 expenses and these expenses are included in test year operating expenses. In
12 response to discovery, Cedar Lake produced invoices that billed legal services
13 directly to the water department for water related matters.

G. Costs that should be considered Capital

14 **Q: Do you propose an adjustment to remove capital costs from test year operating**
15 **expenses?**

16 A: Yes. I propose a reduction to test year professional services - engineering expense
17 of \$10,325 to remove eight invoices (Attachment TWM-2) that should be
18 capitalized rather than expensed (OUCC Operating Expense Schedule 5,
19 Adjustment No. 7). These engineering costs are related to various capital projects
20 and should be capitalized as part of the cost of these projects.

H. Out-of-Period Expenses

1 **Q: Do you propose any additional adjustment to remove out-of-period expenses?**

2 A: Yes. Out-of-period expenses are those expenses that were incurred outside of the
3 test year and are not properly includable in *pro forma* operating expenses. Based
4 on my review of the test year general ledger, I identified four transactions totaling
5 \$7,757 that occurred outside of the test year. These invoices (Attachment TWM-
6 3) include engineering services performed in November and December of 2018,
7 purchased power expense for December 2018, excavating services performed in
8 December 2018, and materials received in November 2018. Therefore, I
9 recommend \$7,757 be removed from test year operating expenses (OUCC
10 Operating Expense Schedule 5, Adjustment No. 8).

I. Periodic Maintenance Expense

11 **Q: What do you mean by the term “periodic maintenance expense”?**

12 A: Periodic maintenance expenses are those recurring costs incurred to maintain utility
13 plant, but which are incurred at intervals greater than one year. An example of a
14 periodic maintenance expense is tank painting expense. Tanks are not painted
15 every year but only once every 15 to 20 years. However, a utility needs to recover
16 the cost for painting its tanks in its annual revenue requirement in order to have the
17 funds on hand when the maintenance work must be completed.

1 **Q: What adjustment does Cedar Lake propose for periodic maintenance**
2 **expense?**

3 A: Cedar Lake proposes a \$111,044 increase to test year operating expense for *pro*
4 *forma* periodic maintenance expense. Cedar Lake assumed no test year periodic
5 maintenance expenses were incurred.

6 **Q: Does the OUCC accept Petitioner's adjustment to periodic maintenance**
7 **expense?**

8 A: No. OUCC Witness Kristen Willoughby presents the OUCC's analysis and review
9 of Cedar Lake's proposed periodic maintenance expense. Ms. Willoughby
10 recommends annual *pro forma* periodic maintenance expense of \$102,725, a
11 reduction of \$8,319 from Petitioner's proposal.

12 **Q: What periodic maintenance expense adjustment does the OUCC propose?**

13 A: We propose a \$71,046 increase to test year operating expense of \$31,679 to yield
14 for *pro forma* periodic maintenance expense of \$102,725 (OUCC Operating
15 Expense Schedule 5, Adjustment No. 9).

16 **Q: What transactions comprise your \$31,679 of test year periodic maintenance**
17 **expense?**

18 A: My review of Cedar Lake's test year general ledger revealed two wells were tested
19 and cleaned during the test year at a cost of \$31,420. My review also revealed test
20 year well alarm monitoring costs of \$259 were incurred. In response to OUCC DR
21 12-1.e. (Attachment TWM-4), Petitioner agreed it incurred \$259 for well alarm
22 monitoring and warranty plant service and \$31,420 for well capacity testing and
23 cleaning during the test year (\$259 + \$31,420 = \$31,679).

1 **Q: Do you have any additional recommendations regarding Cedar Lake's**
2 **periodic maintenance revenue requirement?**

3 A: Yes. To ensure the periodic maintenance funds are available when needed, I
4 recommend Cedar Lake be required to deposit all periodic maintenance funds in a
5 restricted account to be used only for this purpose.⁵ Cedar Lake should also be
6 required to provide a report on this fund as part of its annual IURC report filing,
7 including amounts deposited into the account and amounts paid from the account.

J. Extensions & Replacements

8 **Q: What level of annual E&R did Cedar Lake propose in its revenue**
9 **requirement?**

10 A: Cedar Lake proposed \$210,571 of annual E&R be included in its revenue
11 requirement. This proposal covers the years 2020 – 2025 of its capital asset
12 management plan.

13 **Q: What *pro forma* E&R does the OUCC propose?**

14 A: OUCC Witness Kristen Willoughby presents the OUCC's analysis and review of
15 Cedar Lake's proposed capital asset management plan and extension and
16 replacement revenue requirement. Ms. Willoughby recommends annual *pro forma*
17 E&R of \$170,389, a reduction of \$40,182 from Petitioner's proposal. Table 6
18 presents the OUCC and Petitioner's yearly E&R revenue requirement calculation.

⁵ These funds could also be used to pay debt service if necessary.

Table 6: Annual E & R Impact

	Petitioner	OUCC	OUCC More (Less)
New Asset	\$ 69,344	\$ 69,344	\$ -
Continuous Replacement Costs	846,686	705,588	(141,098)
Other Replacement Costs	347,399	247,399	(100,000)
Total Cash Funded E&R	1,263,429	1,022,331	(241,098)
Divide by: 6 Years	6	6	6
	\$ 210,571	\$ 170,389	\$ (40,182)
Meter Replacements	\$ 352,730	\$ 211,632	\$ (141,098)
Piping Under Concrete Project	100,000	-	(100,000)
			(241,098)
			6
			\$ (40,182)

1 **Q: Do you have any additional recommendations regarding Cedar Lake's**
2 **Extensions and Replacements?**

3 A: Yes. I recommend Cedar Lake be required to deposit all E&R funds in a restricted
4 account to be used for E&R alone.⁶ Cedar Lake should also be required to provide
5 a report on this fund as part of its annual IURC report filing, including amounts
6 deposited into the account and amounts paid from the account.

V. PAYMENT IN LIEU OF TAXES

7 **Q: What did Cedar Lake propose for its payment in lieu of taxes revenue**
8 **requirement?**

9 A: Cedar Lake proposed an annual revenue requirement of \$4,495 for payments in lieu
10 of taxes ("PLT").

11 **Q: How did Cedar Lake determine its proposed PLT revenue requirement?**
12 A: Cedar Lake calculated net utility plant in service ("UPIS") of \$10,309,257. It then
13 multiplied this amount by the current corporate tax rate of .0436% to yield its
14 proposed adjustment (10,309,257 * .0436% = \$4,495).

⁶ These restricted funds could also be used to pay debt service if necessary.

1 **Q: Do you accept Cedar Lake's calculation of PILT?**

2 A: No. While I accept the corporate tax rate Cedar Lake used to calculate PILT, I
3 disagree with the amount of net UPIS to which the rate is applied. I recommend
4 phasing this expense in, therefore decreasing Petitioner's UPIS in Phase 1 for
5 projects that will be funded with Phase 2 debt (OUCC Schedule 7, PILT
6 Calculation).

7 **Q: What PILT revenue requirement do you recommend?**

8 A: I recommend a PILT revenue requirement of \$2,970 in Phase 1 and a PILT revenue
9 requirement of \$4,607 in Phase 2.

10 **Q: How does your PILT calculation differ from Cedar Lake's?**

11 A: My PILT calculation is based on a phased in rate increase. Petitioner proposed a
12 single-phase rate increase, therefore including UPIS that has neither been built or
13 funded. My calculation removes the additions to UPIS that will be added with the
14 borrowing from Phase 2. This reduces the Phase 1 PILT calculation to the amount
15 of UPIS at 12/31/2019 producing a Phase 1 PILT requirement of \$2,970. My Phase
16 2 PILT calculation includes the additions to UPIS that will be added with the
17 proposed debt. My calculation also includes an additional \$257,863 of UPIS that
18 was not included in Petitioner's original calculation. This yields the proposed
19 adjustment in Phase 2 PILT of \$4,607 an increase of \$112 from Petitioner's request.
20 The OUCC PILT calculation can be seen in OUCC Schedule 7, PILT Calculation.

VI. SYSTEM DEVELOPMENT CHARGES

1 **Q: What system development charges (“SDC”) does Petitioner currently collect?**

2 A: Cedar Lake currently collects two system development charges: (1) a \$580
3 Westside charge and (2) a \$2,556 Eastside charge. The Westside system
4 development charge was in place when Cedar Lake purchased the utility. The
5 Eastside system development charge was approved by the Commission in Cause
6 No. 45180.

A. Eastside System Development Charge

7 **Q: What costs was the Eastside SDC designed to recover?**

8 A: The Eastside SDC was designed to fund a source of supply, transmission main, and
9 above-ground storage tank on the east side of Cedar Lake's operations.

10 **Q: Are these Eastside project costs included in the capital costs to be funded**
11 **through Cedar Lake's proposed debt issuance in this Cause?**

12 A: Yes. As explained in Ms. Willoughby's testimony, Petitioner's proposed debt
13 issuance in this case will be used to fund the same projects used to support the
14 Eastside system development charge approved in Cause No. 45180.

15 **Q: Does Cedar Lake's proposal to now debt fund these Eastside capital projects**
16 **create a ratemaking issue?**

17 A: Yes. Cedar Lake's proposal would recover the costs of these projects twice – once
18 through the Eastside SDC and again through the debt service revenue requirement
19 included in customer rates.

20 **Q: Does Petitioner plan to continue charging both SDC's?**

21 A: Yes. Cedar Lake included both system development charges on its proposed tariff.
22 (See Exhibit 19, Exhibit I, Ms. Hasse's Second Supplemental Testimony.)

1 **Q: Did Cedar Lake propose using the additional funds collected from the Eastside**
2 **SDC for other projects?**

3 A: Yes. As noted by Ms. Willoughby, Mr. Simstad's supplemental testimony
4 identified projects Cedar Lake considers could be funded using the Eastside SDC.

5 **Q: Does the OUCC agree that Cedar Lake has other capital projects that would**
6 **continue to support the collection of the Eastside SDC?**

7 A: As explained in Ms. Willoughby's testimony, Cedar Lake has not provided enough
8 evidence in this case to make that determination. While Cedar Lake has several
9 future capital projects, including the possible interconnection of the two systems,
10 Petitioner has not provided information to show whether these projects are growth
11 related or which system they will support - Westside or Eastside.

12 **Q: What does the OUCC recommend about Cedar Lake's Eastside SDC?**

13 A: As the projects used to justify the Eastside SDC will now be funded through a debt
14 service revenue requirement in rates, the OUCC recommends Cedar Lake be
15 required to file a docketed case with the Commission within six (6) months after an
16 order in this Cause to justify continuation of the Eastside SDC. Cedar Lake should
17 identify the specific Eastside growth related capital projects that would be funded
18 with the SDC and include cost support.

19 **Q: What ratemaking treatment does the OUCC recommend for the Eastside**
20 **SDC's collected prior to Phase 2?**

21 A: As discussed in Mr. Dellinger's testimony, the OUCC recommends all Eastside
22 system development charges collected prior to the closing on the debt be used to
23 fund the debt service reserve required for the proposed debt issuance.

B. Separate Restricted Accounts

1 **Q: Do you have any recommendations regarding the use of restricted accounts**
2 **for Cedar Lake's system development charges?**

3 A: Yes. Cedar Lake has been approved to collect two separate and distinct system
4 development charges. I recommend Cedar Lake be required to deposit all system
5 development charge funds collected into a restricted account. Further, as the two
6 charges are for two different systems with different customer growth needs, Cedar
7 Lake should be required to use distinct, separate accounts for each of its two system
8 development charges. Cedar Lake should also provide a report on these funds as
9 part of its annual IURC report filing, including amounts deposited into the accounts
10 and amounts paid from the accounts.

VII. RECOMMENDATIONS

11 **Q: Please summarize your recommendations to the Commission.**

12 A: I recommend the Commission approve an overall rate increase of 4.2%. I
13 recommend this increase be implemented in two phases with a Phase 1 decrease of
14 4.4% and a Phase 2 increase of 9%.

15 I recommend the Commission require Cedar Lake to establish restricted accounts
16 for periodic maintenance, extensions and replacements, and each of its current
17 system development charges.

18 I recommend the Commission require Cedar Lake to file a petition to support
19 continuation of its system development charge as set forth in my testimony above.

20 **Q: Does this conclude your testimony?**

21 A: Yes.

APPENDIX A - QUALIFICATIONS

1 **Q: Please describe your educational experience.**

2 A: In December of 2002 I received a bachelor's degree in Business Administration
3 focusing on Accounting from Indiana University Kelley School of Business. In
4 December of 2012 I received my Master of Science in Accounting from Indiana
5 University Kelley School of Business, Indianapolis Indiana.

6 **Q: Please describe your professional experience.**

7 A: I was hired as a Utility Analyst in Water / Wastewater division of the OUCC on
8 April 30, 2018. Prior to being hired by the OUCC, I was the controller of All Trades
9 Staffing. I have over fifteen years of accounting experience. I worked for several
10 years as a Financial Analyst in the insurance and healthcare industries. I have
11 participated in conferences and seminars regarding utility regulation, rate making
12 and financial issues. I have completed the National Association of Regulatory
13 Utility Commissioners (NARUC) Eastern Utility Rate School. I also regularly
14 attend the National Association of State Utility Consumer Advocates (NASUCA)
15 Accounting and Tax committee monthly meetings. In August of 2019 I completed
16 the Annual Regulatory Studies Program from the Institute of Public Utilities at
17 Michigan State University.

18 **Q: Have you previously testified before the Indiana Utility Regulatory**
19 **Commission?**

20 A: Yes.

Town of Cedar Lake Utilities
CAUSE NUMBER 45367

**Comparison of Petitioner's and OUCC's
Revenue Requirements**

	Per Petitioner			Per OUCC	Sch Ref	OUCC More (Less) Than SRF
	Original	Updated Open Mkt. Funding	SRF Funding			
Operating Expenses	\$ 935,537	\$ 938,337	\$ 843,447	\$ 698,574	4	\$ (144,873)
Taxes other than Income	50,600	49,379	49,379	44,241	4	(5,138)
Extensions and Replacements	210,571	210,571	210,571	170,389	6	(40,182)
Payment in Lieu of Taxes	3,340	4,495	4,495	4,607	7	112
Debt Service						
Current Debt	324,612	324,612	324,612	324,612	PET	-
Proposed Debt	126,176	126,176	68,574	92,536	8	23,962
Debt Service Reserve	36,200	36,200	19,753	14,641	9	(5,112)
Total Revenue Requirements	1,687,036	1,689,770	1,520,831	1,349,600		(171,231)
Revenue Requirement Offsets:						
Interest Income	-	-	-	(3,029)	3	(3,029)
Other Income	(142,952)	(142,952)	(9,982)	(10,220)	3	(238)
<i>Pro forma</i> Net Revenue Requirements	1,544,084	1,546,818	1,510,849	1,336,351		(174,498)
Less: Revenues at current rates subject to increase	(1,359,028)	(1,271,762)	(1,271,762)	(1,283,271)	4	(11,509)
Revenues Not Subject to Increase	-	-	-	-	4	-
Net Revenue Increase Required	185,056	275,056	239,087	53,080		(186,007)
Divide by Revenue Conversion Factor (100% - 1.4%)	0.986	0.986	0.986	0.986		0.986
Recommended Increase	<u>\$ 187,684</u>	<u>\$ 278,961</u>	<u>\$ 242,481</u>	<u>\$ 53,834</u>		<u>\$ (188,647)</u>
Recommended Percentage Increase	<u>13.81%</u>	<u>21.93%</u>	<u>19.07%</u>	<u>4.20%</u>		<u>-14.87%</u>

Town of Cedar Lake Utilities
CAUSE NUMBER 45367

Comparison of Petitioner's and OUCC's
Proposed Rates - Phased-in

		Per Petitioner				Per OUCC	OUCC More (Less) Than SRF
		Open Mkt.	SRF				
		Funding	Funding				
<u>Current Rate for 5,000 Gallons</u>		Original					
Krystal Oaks	- \$35.00	\$ 49.55	\$ 53.12	\$ 51.86	\$ 45.35	\$ (6.51)	
Robins Nest	- \$25.81	\$ 49.55	\$ 53.12	\$ 51.86	\$ 45.35	\$ (6.51)	
Westside/Eastside	- \$43.55	\$ 49.55	\$ 53.12	\$ 51.86	\$ 45.35	\$ (6.51)	
<u>Percent Increase</u>							
Krystal Oaks	- \$35.00	41.57%	51.77%	48.17%	29.57%	-18.60%	
Robins Nest	- \$25.81	91.98%	105.81%	100.93%	75.71%	-25.22%	
Westside/Eastside	- \$43.55	13.78%	21.97%	19.08%	4.13%	-14.95%	

		Per Petitioner			Per OUCC	OUCC More (Less) Than SRF
		Open Mkt.	SRF			
		Original	Funding	Funding		
<u>Current Rate for 2,000 Gallons</u>						
Krystal Oaks	- \$21.00	\$ 20.31	\$ 21.97	\$ 21.46	\$ 18.76	\$ (2.70)
Robins Nest	- \$21.36	\$ 20.31	\$ 21.97	\$ 21.46	\$ 18.76	\$ (2.70)
Westside/Eastside	- \$36.04	\$ 20.31	\$ 21.97	\$ 21.46	\$ 18.76	\$ (2.70)
<u>Percent Increase</u>						
Krystal Oaks	- \$21.00	-3.29%	4.62%	2.19%	-10.67%	-12.86%
Robins Nest	- \$21.36	-4.92%	2.86%	0.47%	-12.17%	-12.64%
Westside/Eastside	- \$36.04	-43.65%	-39.04%	-40.46%	-47.95%	-7.49%

Town of Cedar Lake Utilities
CAUSE NUMBER 45367

Comparison of Petitioner's and OUCC's
Revenue Requirements -- Phased-in

	Phase 1				Phase 2			
	Per Petitioner	Per OUCC	Sch Ref	OUCC More (Less)	Per Petitioner	Per OUCC	Sch Ref	OUCC More (Less)
Operating Expenses	\$ 843,447	\$ 698,574	4	\$ (144,873)	\$ 846,842	\$ 698,574	4	\$ (148,268)
Taxes other than Income	49,379	44,241	4	(5,138)	49,379	43,450	4	(5,929)
Extensions and Replacements	210,571	170,389	6	(40,182)	210,571	170,389	6	(40,182)
Payment in Lieu of Taxes	4,495	2,970	7	(1,525)	4,495	4,607	7	112
Debt Service				-				
Current Debt	324,612	324,612	PET	-	324,612	324,612	PET	-
Proposed Debt	68,574	-		(68,574)	68,574	92,536	8	23,962
Debt Service Reserve	19,753	-		(19,753)	19,753	14,641	9	2
Total Revenue Requirements	1,520,831	1,240,786		(280,045)	1,524,226	1,348,809		(170,303)
Revenue Requirement Offsets:								
Interest Income	-	(3,029)	3	(3,029)	-	(3,029)	3	(3,029)
Other Income	(9,982)	(10,220)	3	(238)	(9,982)	(10,220)	3	(238)
<i>Pro forma</i> Net Revenue Requirements	1,510,849	1,227,537		(283,312)	1,514,244	1,335,560		(173,570)
Less: Revenues at current rates subject to increase	(1,271,762)	(1,283,271)	4	(11,509)	(1,514,244)	(1,226,746)	4	(3,267)
Revenues Not Subject to Increase	-	-	4	-	-	-	4	-
Net Revenue Increase Required	239,087	(55,734)		(294,821)	-	108,814		(173,570)
Divide by Revenue Conversion Factor (100% - 1.4%)	0.986	0.986		0.986	0.986	0.986		0.986
Recommended Increase	\$ 242,482	\$ (56,525)		\$ (299,007)	\$ -	\$ 110,359		\$ (176,034)
Recommended Percentage Increase	19.07%	-4.40%		-23.47%	0.00%	9.00%		9.00%

Town of Cedar Lake Utilities
CAUSE NUMBER 45367

Comparison of Petitioner's and OUCC's
Proposed Rates - Phased-in

Current Rate for 5,000 Gallons

Krystal Oaks	- \$35.00
Robins Nest	- \$25.81
Westside/Eastside	- \$43.55

Percent Increase

Krystal Oaks	- \$35.00
Robins Nest	- \$25.81
Westside/Eastside	- \$43.55

Phase 1		
Proposed		OUCC
Petitioner	OUCC	More (Less)
\$ 51.86	\$ 41.62	\$ (10.24)
\$ 51.86	\$ 41.62	\$ (10.24)
\$ 51.86	\$ 41.62	\$ (10.24)
48.17%	18.91%	-29.26%
100.93%	61.26%	-39.67%
19.08%	-4.43%	-23.51%

Phase 2		
Proposed		OUCC
Petitioner	OUCC	More (Less)
\$ 51.86	\$ 45.35	\$ (6.51)
\$ 51.86	\$ 45.35	\$ (6.51)
\$ 51.86	\$ 45.35	\$ (6.51)
0.00%	8.22%	8.22%
0.00%	8.22%	8.22%
0.00%	8.22%	8.22%

Current Fee for 2,000 Gallons

Krystal Oaks	- \$21.00
Robins Nest	- \$21.36
Westside/Eastside	- \$36.04

Percent Increase

Krystal Oaks	- \$21.00
Robins Nest	- \$21.36
Westside/Eastside	- \$36.04

Phase 1		
Proposed		OUCC
Petitioner	OUCC	More (Less)
\$ 21.46	\$ 17.22	\$ (4.24)
\$ 21.46	\$ 17.22	\$ (4.24)
\$ 21.46	\$ 17.22	\$ (4.24)
2.19%	-18.00%	-20.19%
0.47%	-19.38%	-19.85%
-40.46%	-52.22%	-11.76%

Phase 2		
Proposed		OUCC
Petitioner	OUCC	More (Less)
\$ 21.46	\$ 18.76	\$ (2.70)
\$ 21.46	\$ 18.76	\$ (2.70)
\$ 21.46	\$ 18.76	\$ (2.70)
0.00%	8.21%	8.21%
0.00%	8.21%	8.21%
0.00%	8.21%	8.21%

Town of Cedar Lake Utilities
CAUSE NUMBER 45367

Reconciliation of Net Operating Income Statement Adjustments
***Pro-forma* Present Rates**

<i>Phase 1</i>					
Per Petitioner					
Original	Updated		Per OUCC	OUCC More (less)	
	Open Mkt. Funding	SRF Funding		Than SRF	
Operating Revenues					
Water Sales					
Test Year Customer Growth	\$ 45,265	\$ 45,265	\$ 45,265	\$ 45,265	\$ -
Single Tariff for all customers	49,339	49,339	49,339	49,339	-
Post Test Year Customer Growth	90,833	90,833	90,833	90,833	-
Reduction to Westside Minimum Charge	-	(87,266)	(87,266)	(87,266)	-
Fire Protection	-	-	-	-	-
Total Operating Revenues	185,437	98,171	98,171	98,171	-
O&M Expense					
Salaries and Wages	175,669	175,669	175,669	108,510	(67,159)
Employee Benefits	58,276	58,276	58,276	48,027	(10,249)
PERF	17,191	17,191	17,191	13,742	(3,449)
System Delivery (Normalization)	8,421	11,221	11,221	7,763	(3,458)
SBOA Audit	1,450	1,450	1,450	1,450	-
Non-recurring Contract Services	(115,692)	(115,692)	(115,692)	(115,692)	-
Costs that are Capital in Nature	-	-	-	(10,325)	(10,325)
Out of Period Expenses	-	-	-	(7,757)	(7,757)
Non-Water Utility Legal Costs	-	-	-	(2,478)	(2,478)
Periodic Maintenance	111,044	111,044	111,044	71,046	(39,998)
Remove Tap-on Costs	-	-	(94,890)	(94,890)	-
Rate Case Expense Amortization	40,000	40,000	40,000	40,000	-
Taxes Other than Income					
Payroll Taxes	14,108	14,108	14,108	8,970	(5,138)
Utilities Receipt Tax	1,392	170	170	170	-
Total Operating Expenses	311,859	313,437	218,547	68,536	(150,011)
Net Operating Income	\$ (126,422)	\$ (215,266)	\$ (120,376)	29,635	\$ 150,011

Town of Cedar Lake Utilities
CAUSE NUMBER 45367

COMPARATIVE BALANCE SHEET ^(A)
As of December 31,

<u>ASSETS</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Utility Plant:			
Utility Plant in Service	\$ 5,197,951	\$ 5,006,748	\$ 4,856,357
Less: Accumulated Depreciation	(1,215,283)	(1,114,158)	(1,016,334)
Less: Utility Plant Acquisition Adjustment	(265,648)	(272,043)	(278,438)
Net Utility Plant in Service	<u>3,717,020</u>	<u>3,620,547</u>	<u>3,561,585</u>
Restricted Accounts:			
Debt Service Reserve	315,819	340,323	329,230
Debt Service	199,634	206,477	180,349
Debt Service - 2010B	79,734	76,075	75,338
Depreciation Fund	2	2	2
Water Development Fund	84,346	67,600	55,737
Water Development Fund - Restricted	161,155	131,689	112,933
Total Other Property & Investments	<u>840,690</u>	<u>822,166</u>	<u>753,589</u>
Current Assets:			
Cash and Cash Equivalents	643,057	520,395	345,402
Customer Deposits	23,540	16,844	12,236
Accounts Receivable	2,545	9,274	16
Materials and Supplies	47,586	47,586	47,586
Total Current Assets	<u>716,728</u>	<u>594,099</u>	<u>405,240</u>
Deferred Debits			
Unamortized Debt Discount and Expense	404,298	440,778	477,258
Organization Cost for Utilities, Inc. Acquisition	393,188	393,188	393,188
Organization Cost for Robins Nest Acquisition	254,411	254,411	254,411
Total Deferred Debits	<u>1,051,897</u>	<u>1,088,377</u>	<u>1,124,857</u>
Total Assets	<u>\$ 6,326,335</u>	<u>\$ 6,125,189</u>	<u>\$ 5,845,271</u>

^(A) Information per Cedar Lake IURC Annual Reports.

Town of Cedar Lake Utilities
CAUSE NUMBER 45367

COMPARATIVE BALANCE SHEET ^(A)
As of December 31,

<u>LIABILITIES</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Equity			
Retained Earnings	\$ 2,471,943	\$ 2,045,426	\$ 1,631,766
Paid in Capital			
Total Equity	<u>2,471,943</u>	<u>2,045,426</u>	<u>1,631,766</u>
Contributions in Aid of Construction	559,978	475,854	397,784
Long-term Debt			
2009 SRF Revenue Bonds (3.15%)	412,000	473,500	533,000
2010 Series A SRF Revenue Bonds (2.92%)	1,010,000	1,095,000	1,180,000
2010 Series B Revenue Bonds (4.98%)	340,000	450,000	505,000
2012 SRF Revenue Bonds (2.69%)	<u>1,207,000</u>	<u>1,225,000</u>	<u>1,242,000</u>
Total Long-term Debt	<u>2,969,000</u>	<u>3,243,500</u>	<u>3,460,000</u>
Current & Accrued Liabilities			
Accounts Payable	328	326	177
Notes Payable to Associated Entities	-	46,000	46,000
Customer Deposits	23,540	16,844	12,236
Accrued Taxes	20,797	19,978	22,201
Accrued Interest	51,454	55,166	58,713
Current Portion of Long-term Debt	<u>224,500</u>	<u>216,500</u>	<u>210,000</u>
Other Current Liabilities	<u>320,619</u>	<u>354,814</u>	<u>349,327</u>
Differed Credits			
Unamortized Premium on Debt	4,795	5,595	6,394
Other Current Liabilities	<u>4,795</u>	<u>5,595</u>	<u>6,394</u>
Total Equity & Liabilities	<u>\$ 6,326,335</u>	<u>\$ 6,125,189</u>	<u>\$ 5,845,271</u>

^(A) Information per Cedar Lake IURC Annual Reports.

Town of Cedar Lake Utilities
CAUSE NUMBER 45367

COMPARATIVE INCOME STATEMENT ^(A)
Twelve Months Ended December 31,

	2019	2018	2017
Operating Revenues			
Water Sales	\$ 1,179,395	\$ 1,062,816	\$ 989,813
Penalties	5,705	5,544	4,909
Other Water Revenues			
Tap-on Fees	132,970	140,489	103,935
Reconnect Fees	680	800	360
Misc. Receipts	9,540	6,708	6,721
Total Operating Revenues	1,328,290	1,216,357	1,105,738
Operating Expenses			
Salaries and Wages	237,239	247,281	250,089
Employee Benefits	96,407	86,967	72,045
Purchased Power	63,034	53,741	52,800
Chemicals	14,322	10,565	11,573
Materials and Supplies	25,314	5,438	25,789
Contractual Services			
Engineering	29,013	36,368	8,403
Legal	14,390	21,208	20,453
Other	91,458	12,704	6,549
Transportation Expense	11,687	6,245	6,393
Insurance - General Liability	22,073	15,147	20,791
Bad Debt Expense	-	-	-
Rate Case Expense Amortization	-	-	-
Miscellaneous Expense	34,241	42,451	50,854
Total O&M Expense	639,178	538,115	525,739
Depreciation Expense	101,125	97,824	95,325
Amortization Expense	(6,394)	(6,394)	-
Taxes Other than Income			
Payroll Taxes	17,480	18,103	18,528
Utilities Receipt Tax	17,621	17,083	15,860
Sales Tax	-	(2,223)	12,233
	769,010	662,508	667,685
Net Operating Income	559,280	553,849	438,053
Other Income (Expense)			
Interest Income	3,029	3,029	9,425
Interest Expense	(100,112)	(107,538)	(116,029)
Amortization of Debt Discount	(36,480)	(36,480)	(36,480)
Amortization of Debt Premium	800	800	800
Total Other Income (Expense)	(132,763)	(140,189)	(142,284)
Net Income	\$ 426,517	\$ 413,660	\$ 295,769

^(A) Information per Cedar Lake IURC Annual Reports.

Town of Cedar Lake Utilities
CAUSE NUMBER 45367

***Pro Forma* Net Operating Income Statement**
Phase 1

	Year Ended 12/31/2019	Adjustments	Sch Ref	<i>Pro forma</i> Present Rates	Adjustments	Sch Ref	Phase 1 <i>Pro forma</i> Proposed Rates
Operating Revenues							
Water Sales	\$ 1,179,395			1,277,566	\$ (56,274)		\$ 1,221,292
Test Year Customer Growth		45,265	PET				
Single Tariff for all customers (Robins Nest and Krystal Oaks)		49,339	PET				
Post Test Year Customer Growth		90,833	PET				
Reduction to Westside Minimum Charge		(87,266)	PET				
Penalties	5,705			5,705	(251)		5,454
Tap-on Fees	132,970	(132,970)	PET	-			-
Miscellaneous Revenues	10,220			10,220			10,220
Total Operating Revenues	<u>1,328,290</u>	<u>(34,799)</u>		<u>1,293,491</u>	<u>(56,525)</u>	1	<u>1,236,966</u>
O&M Expense							
Salaries and Wages	237,239	108,510	5-1	345,749			345,749
Employee Benefits	96,407	48,027	5-2	158,176			158,176
PERF Expense		13,742	5-4				
Purchased Power	63,034	6,220	5-5	64,022			64,022
Out of Period		(5,232)	5-8				
Chemicals	14,322	1,543	5-5	15,865			15,865
Materials and Supplies	25,314			25,314			25,314
Contractual Services	134,861	(115,692)	PET	76,124			76,124
Legal Services		(2,478)	5-6				
Engineering Services		(10,325)	5-7				
Out of Period - Engineering		(1,288)	5-8				
Periodic Maintenance		71,046	5-9				
Travel & Transportation Expense	11,687			11,687			11,687
Insurance	22,073			22,073			22,073
Bad Debt Expense	-			-			-
Rate Case Expense Amortization	-	40,000	PET	40,000			40,000
Miscellaneous Expense	34,241	1,450	PET	34,454			34,454
Out of Period		(1,237)	5-8				-
Tap-On Cost		(94,890)	PET	(94,890)			(94,890)
Taxes Other than Income							
Payroll Taxes	17,480	8,970	5-3	26,450			26,450
Utilities Receipt Tax	17,621	170	PET	17,791	(791)	Sch 1	17,000
Total Operating Expenses	<u>674,279</u>	<u>68,536</u>		<u>742,815</u>	<u>(791)</u>		<u>742,024</u>
Net Operating Income	<u>\$ 654,011</u>	<u>(103,335)</u>		<u>550,676</u>	<u>\$ (55,734)</u>		<u>\$ 494,942</u>

Town of Cedar Lake Utilities
CAUSE NUMBER 45367

Pro Forma Net Operating Income Statement
Phase 2

	Phase 1			Pro forma			Phase 2	
	Pro forma			Present			Pro forma	
	Proposed		Sch	Rates	Adjustments	Sch	Proposed	
	Rates	Adjustments	Ref			Ref	Rates	
Operating Revenues								
Water Sales	\$ 1,221,292			1,221,292	\$ 109,868		\$ 1,331,160	
Penalties	5,454			5,454	491		5,945	
Tap-on Fees	-			-	-		-	
Miscellaneous Revenues	10,220			10,220	-		10,220	
Total Operating Revenues	<u>1,236,966</u>	<u>-</u>		<u>1,236,966</u>	<u>110,359</u>	1	<u>1,347,325</u>	
O&M Expense								
Salaries and Wages	\$ 345,749			345,749			345,749	
Employee Benefits	158,176			158,176			158,176	
Purchased Power	64,022			64,022			64,022	
Chemicals	15,865			15,865			15,865	
Materials and Supplies	25,314			25,314			25,314	
Contractual Services	76,124			76,124			76,124	
Travel & Transportation Expense	11,687			11,687			11,687	
Insurance	22,073			22,073			22,073	
Bad Debt Expense	-			-			-	
Rate Case Expense Amortization	40,000			40,000			40,000	
Miscellaneous Expense	34,454			34,454			34,454	
Tap-On Cost	(94,890)			(94,890)			(94,890)	
Taxes Other than Income	-							
Payroll Taxes	26,450			26,450			26,450	
Utilities Receipt Tax	17,000			17,000	1,545	Sch 1	18,545	
Total Operating Expenses	<u>742,024</u>	<u>-</u>		<u>742,024</u>	<u>1,545</u>		<u>743,569</u>	
Net Operating Income	<u>\$ 494,942</u>	<u>-</u>		<u>494,942</u>	<u>\$ 108,814</u>		<u>\$ 603,756</u>	

Town of Cedar Lake Utilities
CAUSE NUMBER 45367

OUCC Expense Adjustments

(1)

Salaries & Wages

To adjust test year salaries and wages for additional utility employees and allocated city employees.

<u>Title</u>	<u>Salary</u>	<u>Allocation (%)</u>	<u>Allocation (\$)</u>
Water Utility Superintendent	54,907.01	100%	54,907
Water Utility Operator	40,946.88	100%	40,947
Operations Director	69,652.13	25%	17,413
Foreman PW	46,378.18	23%	10,667
Foreman	46,378.18	50%	23,189
Crew Worker	40,946.88	22%	9,008
Crew Worker	40,946.88	22%	9,008
Crew Worker	40,946.88	22%	9,008
Crew Worker	40,946.88	25%	10,237
Crew Worker	40,946.88	33%	13,512
Crew Worker	40,946.88	33%	13,512
Crew Worker	40,946.88	50%	20,473
Crew Worker	40,946.88	33%	13,512
Crew Worker	40,946.88	22%	9,008
Admin Assistant	37,425.02	23%	8,608
Town Administrator	69,652.13	18%	12,189
Administrative Assistance	37,440.00	18%	6,552
PT Administrative Assistance	20,618.00	10%	2,062
Clerk-Treasurer	50,141.00	18%	9,025
Utility Deputy Clerk CMC	38,867.71	33%	12,826
Payroll/Benefits Clack	37,424.94	20%	7,485
AP Clerk	33,309.12	18%	5,829
Town/Utility Billing Clerk	33,309.12	32%	10,659
Town/Utility Billing Clerk	33,309.12	32%	10,659
AP Clerk	16,770.00	18%	3,019
Town/Utility Billing Clerk	7,378.80	33%	2,435
<i>Pro forma Salaries & Wages</i>			\$ 345,749
Less: Test Year Expense			237,239
Adjustment Increase (Decrease)			<u>\$ 108,510</u>

Town of Cedar Lake Utilities
CAUSE NUMBER 45367

OUCC Expense Adjustments

(2)

Group Insurance Benefits

To adjust test year group insurance expense for additional utility employees and allocated city employees.

<u>Title</u>	<u>Dental / Life</u> <u>/ Disability</u>	<u>Health /</u> <u>Vision</u>	<u>Total</u>	<u>Water %</u>	<u>Annual</u>
Water Utility Superintendent	\$ 128.03	\$ 1,727.44	\$ 1,855.47	100%	\$ 22,266
Water Utility Operator	97.53	1,726.94	1,824.47	100%	21,894
Operations Director	97.69	1,727.10	1,824.79	25%	5,474
Foreman PW	97.53	1,726.94	1,824.47	50%	10,947
Crew Worker	39.82	602.27	642.09	22%	1,695
Crew Worker	96.43	1,104.61	1,201.04	22%	3,171
Crew Worker	95.42	1,724.83	1,820.25	22%	4,805
Crew Worker	96.56	1,272.26	1,368.82	25%	4,106
Crew Worker	96.56	1,272.26	1,368.82	33%	5,421
Crew Worker	12.47	-	12.47	33%	49
Crew Worker	96.86	1,726.27	1,823.13	50%	10,939
Crew Worker	12.47	-	12.47	33%	49
Crew Worker	96.56	1,272.26	1,368.82	22%	3,614
Admin Assistant	38.43	600.88	639.31	23%	1,764
Town Administrator	98.03	-	98.03	17.5%	206
Administrative Assistance	38.21	600.66	638.87	17.5%	1,342
PT Administrative Assistan	-	-	-	10%	-
Clerk-Treasurer	98.03	1,106.21	1,204.24	18%	2,601
Utility Deputy Clerk CMC	96.13	1,271.83	1,367.96	33%	5,417
Payroll/Benefits Clack	-	-	-	20%	-
AP Clerk	-	-	-	18%	-
Town/Utility Billing Clerk	93.60	1,269.30	1,362.90	32%	5,234
Town/Utility Billing Clerk	94.66	1,724.07	1,818.73	32%	6,984
AP Clerk	-	-	-	18%	-
Town/Utility Billing Clerk	-	-	-	33%	-
<i>Pro forma</i> Salaries & Wages					117,978
Less: Test Year Expense					69,951
Adjustment Increase (Decrease)					\$ 48,027

Town of Cedar Lake Utilities
CAUSE NUMBER 45367

OUCC Expense Adjustments

(3)

Payroll Taxes

To adjust test year payroll tax expense for additional allocated employees additional utility employees and allocated city employees.

<i>Pro forma</i> Salaries & Wages Expense	\$ 345,749
Multiply by 7.65% (FICA & Medicare Rate)	<u>7.65%</u>
<i>Pro forma</i> FICA/Medicare	26,450
Less: Test Year Expense	<u>17,480</u>

Adjustment Increase (Decrease)

\$ 8,970

(4)

PERF

To adjust test year PERF expense for additional utility employees and allocated city employees.

<i>Pro forma</i> Salaries & Wages Expense	\$ 345,749
Cedar Lake PERF Rate (11.2%)	<u>11.20%</u>
<i>Pro forma</i> PERF Expense	38,724
Less: Test Year Expense	<u>24,982</u>

Adjustment Increase (Decrease)

\$ 13,742

(5)

System Delivery (Expense Normalization)h

To adjust test year for additional expenses related to increased customer growth.

<i>Pro forma</i> Chemical Expense	\$ 14,322	
<i>Pro forma</i> Purchased Power Expense	<u>57,802</u>	
Total Expenses subject to Customer Growth	72,124	
Divide by: Total Test Year Consumption (thousands of gallons)	Per PET 144,144,637	
Additional Expense per gallon of consumption		0.00050
Multiply by: 1,000		<u>1,000</u>
Additional Expense per 1,000 gallons of consumption		\$ 0.50
Multiply by: Additional Consumption due to customer growth (1,000 gallons)		<u>15,525</u>

Adjustment Increase (Decrease)

\$ 7,763

Account Allocation:	Chemicals	19.86%	1,542
	Power / Gas	80.14%	6,221

	<u>Additional</u> <u>Billings</u>	<u>Average</u> <u>Volume Per Bill</u>	<u>Additional</u> <u>Volumes</u>
Determination of Additional Volumes due to Growth:			
Test Year Customer Growth - Residential	1,073	4,769	5,117,137
Test Year Customer Growth - Commercial	5	10,000	50,000 **
Post-Test year Customer Growth	2,172	4,769	<u>10,358,268</u>
			<u>15,525,405</u>

** Should be based on actual volumes consumed during the test year rather than minimum consumption billed but information was not available. This difference would have little or no impact on the calculation of this adjustment.

Town of Cedar Lake Utilities
CAUSE NUMBER 45367

OUCC Expense Adjustments

(6)

Legal Services

Adjustment to remove legal invoices allocated from the Town of Cedar Lake that do not pertain to the water department.

<u>Invoice #</u>	<u>Invoice Date</u>	<u>Vendor</u>	<u>Total Invoice</u>	<u>Water Portion</u>	<u>% Allocated</u>
81293	01.09.19	Austgen Kuiper Jasaitis P.C.	6,793	340	5%
81605	02.11.19	Austgen Kuiper Jasaitis P.C.	9,865	493	5%
81904	03.12.19	Austgen Kuiper Jasaitis P.C.	5,711	571	10%
82194	04.11.19	Austgen Kuiper Jasaitis P.C.	4,992	499	10%
82443	05.07.19	Austgen Kuiper Jasaitis P.C.	5,751	575	10%
				2,478	

Adjustment Increase (Decrease)

\$ (2,478)

(7)

Capital Costs

Adjustment to remove Engineering invoices that are capital in nature.

<u>Invoice #</u>	<u>Invoice Date</u>	<u>Vendor</u>	<u>Amount</u>
19-568-00-2	12/5/2019	Nies Engineering, Inc.	5,483.22
19-568-00-1	10/31/2019	Nies Engineering, Inc.	1,890.00
50-829-00-136	12/5/2019	Nies Engineering, Inc.	1,087.00
50-829-00-131	6/26/2019	Nies Engineering, Inc.	700.00
50-830-00-71	5/30/2019	Nies Engineering, Inc.	420.00
50-830-00.74	9/11/2019	Nies Engineering, Inc.	325.00
50-829-00-133	9/11/2019	Nies Engineering, Inc.	280.00
50-829-00-134	9/26/2019	Nies Engineering, Inc.	140.00
			10,325.22

Adjustment Increase (Decrease)

\$ (10,325)

(8)

Out Of Period

Adjustment to remove invoices that were incurred outside of the test year

<u>Invoice #</u>	<u>Invoice Date</u>	<u>Vendor</u>	<u>Amount</u>	
50-830-00-66	1/7/2019	Nies Engineering, Inc.	483.00	Engineering
194-115-006-6	12/26/2018	NIPSCO	5,232.50	Purchased Power
20302	12/21/2018	Zies & Sons Excavating	805.00	Engineering
91677	1/2/2019	Universal Lighting of Am	1,236.82	Miscellaneous Exp
			7,757.32	

Adjustment Increase (Decrease)

\$ (7,757)

Town of Cedar Lake Utilities
CAUSE NUMBER 45367

OUCC Expense Adjustments

(9)

Periodic Maintenance

To increase test year operating expenses to reflect annual periodic maintenance.

Description	Cost	Amort. Period	Annual Amount	Total Expense - 6 Years
Parrish elevated tank maint contract	\$ 55,637	1	\$ 55,637	\$ 333,822
3,000 gallon tank - blast and epoxy coat internal	18,000	15	1,200	7,200
3,000 gallon tank - external paint	2,000	15	133	798
3,000 gallon tank - inspection	3,000	5	600	3,600
3,000 gallon tank - ports	1,200	20	60	360
Parrish Omnisite alarm fees/maint	756	3	252	1,512
Parrish Omnisite alarm warranty	165	1	165	990
Parrish PS - external paint	2,000	20	100	600
Parrish PS - roof maint	8,000	40	200	1,200
Parrish Well 1 - insp & clean	16,000	15	1,067	6,402
Parrish Well 2 - insp & clean	16,000	15	1,067	6,402
15,000 gallon tank - blast and epoxy coat internal	25,000	15	1,667	10,002
15,000 gallon tank - external paint	2,000	15	133	798
15,000 gallon tank - ports	12,000	20	600	3,600
15,000 gallon tank - inspection	3,000	5	600	3,600
Havenwood PS - roof maint	15,000	40	375	2,250
Havenwood PS - siding	10,000	20	500	3,000
Havenwood Omnisite alarm fees/maint	756	3	252	1,512
Havenwood Omnisite alarm warranty	165	1	165	990
Havenwood Well 1 - insp & clean	16,000	15	1,067	6,402
Havenwood Well 2 - insp & clean	16,000	15	1,067	6,402
RN 60,000 clear well, power wash, drain	7,500	10	750	4,500
Robin Nest Omnisite alarm fees/maint	756	3	252	1,512
Robin Nest Omnisite alarm warranty	165	1	165	990
Robin Nest Well 1 - insp & clean	16,000	15	1,067	6,402
Robin Nest Well 2 - insp & clean	16,000	15	1,067	6,402
GIS mapping - interns	2,500	1	2,500	15,000
GIS mapping - renew software license	1,000	1	1,000	6,000
Maint - 2012 van	600	1	600	3,600
Maint - 2014 van	600	1	600	3,600
New elevated tank maint contract	55,637	1	55,637	166,911
Total Periodic Maintenance Expense for 6 Year Period				\$ 616,359
David by: 6 Years				6
Pro forma Annual Periodic Maintenance Expense				102,725
Less: Test Year Periodic Maintenance				(31,679)
Adjustment Increase (Decrease)				\$ 71,046

Town of Cedar Lake Utilities
CAUSE NUMBER 45367

Payment In Lieu of Property Taxes

	Phase 1	Additional Depreciation	Debt Funded UPIS	Phase 2
Franchises	\$ 210		\$ -	\$ 210
Land & Land Rights	34,500		84,150	118,650
All Other Depreciable UPIS	8,008,312		3,830,850	11,839,162
Total Utility Plant In Service	8,043,022	-	3,915,000	11,958,022
Less: 2019 Accumulated Depreciation	(1,215,283)			(1,215,283)
Depreciation on Contributed Plant	(15,453)			(15,453)
2020 Depreciation Expense (2% x Depreciable UPIS)	-	(160,166)		(160,166)
Net Utility Plant in Service	6,812,286	(160,166)	3,915,000	10,567,120
Multiple: Town of Cedar Lake Corporate Tax Rate	0.0436%			0.0436%
<i>Pro Forma</i> Payment In Lieu of Property Taxes	\$ 2,970			\$ 4,607

Town of Cedar Lake Utilities
CAUSE NUMBER 45367

Town of Cedar Lake Utilities
CAUSE NUMBER 45367

Debt Service Reserve

To reflect the average amount of debt service reserve required over a five year period.

		Phase 2
Maximum Annual Debt Service - Current and Proposed Debt	See PET Exhibit E-1	\$ 424,230
Less: Debt Service Reserve Requirement - Current Debt		(325,466)
Additional Debt Service Funding Needed		98,764
Less: East Side System Development Charges Collected as of 12/31/2019 (10 x \$2,556)		(25,560)
Debt Service Reserve to be Funded through Rates		73,204
Divided by: Years to Fund		5
Annual Debt Service Reserve Revenue Requirement		<u>\$ 14,641</u>

Debt Service Coverage Ratio

	Phase 1 Pro forma Proposed	Phase 2 Pro forma Proposed
Net Operating Income	\$ 494,942	\$ 603,756
Add: Interest Income	3,029	3,029
Cash Available for Debt Service	<u>\$ 497,971</u>	<u>\$ 606,785</u>
Maximum Annual Debt Service - Current and Proposed Debt	324,612	\$ 424,230
Debt Service Coverage Ratio	<u>1.53</u>	<u>1.43</u>

Cash Available for Debt Service - Check Calculation:

Extensions and replacements	\$ 170,389	\$ 170,389
Payments in Lieu of Property Taxes	2,970	4,607
Debt Service	324,612	417,148
Debt Service Reserve	-	14,641
Total Cash Available for Debt Service	<u>\$ 497,971</u>	<u>\$ 606,785</u>

Town of Cedar Lake Utilities
CAUSE NUMBER 45367

Current and Proposed Rates and Charges

			Petitioner	OUCC Proposed		OUCC
		Current	Proposed	Phase 1	Phase 2	Phase 2
						More (Less)
Krystal Oaks Rates						
Metered Water Rates per 1,000 Gallons						
All consumption	\$	7.00				
First 4,000 Gallons			\$ 10.73	\$ 8.61	\$ 9.38	\$ (1.35)
Next 4,000 Gallons			8.94	7.18	7.83	(1.11)
Next 4,000 Gallons			7.33	5.89	6.42	(0.91)
Next 4,000 Gallons			6.08	4.89	5.33	(0.75)
Next 4,000 Gallons			5.18	4.16	4.53	(0.65)
Nest 20,000 Gallons			4.30	3.45	3.76	(0.54)
All Consumption Over 40,000 Gallons			1.79	1.43	1.56	(0.23)
Minimum Charge						
5/8" Meter (3,000 Gallons)	\$	21.00				
5/8" Meter (2,000 Gallons)			\$ 21.46	\$ 17.22	\$ 18.76	\$ (2.70)
1" Meter (10,000 Gallons)		70.00	93.35	74.94	81.68	(11.67)
1.5" Meter (20,000 Gallons)		140.00	153.08	122.92	133.96	(19.12)
2" Meter (32,000 Gallons)		224.00	204.66	164.32	179.08	(25.58)
3" Meter (60,000 Gallons)		420.00	274.77	220.52	240.36	(34.41)
4" Meter (100,000 Gallons)		700.00	346.21	277.72	302.76	(43.45)
6" Meter (200,000 Gallons)		1,400.00	524.81	420.72	458.76	(66.05)
Monthly Fire Hydrant Fee	\$	0.50	\$ -	\$ -	\$ -	\$ -

Town of Cedar Lake Utilities
CAUSE NUMBER 45367

Current and Proposed Rates and Charges

		Petitioner Proposed	OUCC Proposed		OUCC Phase 2
Current			Phase 1	Phase 2	More (Less)
Robins Nest					
Metered Water Rates per 1,000 Gallons					
First 4,000 Gallons	5.34	\$ 10.73	\$ 8.61	\$ 9.38	\$ (1.35)
Next 4,000 Gallons	4.45	8.94	7.18	7.83	(1.11)
Next 4,000 Gallons	3.65	7.33	5.89	6.42	(0.91)
Next 4,000 Gallons	3.03	6.08	4.89	5.33	(0.75)
Next 4,000 Gallons	2.58	5.18	4.16	4.53	(0.65)
Nest 20,000 Gallons	2.14	4.30	3.45	3.76	(0.54)
All Consumption Over 40,000 Gallons	0.89	1.79	1.43	1.56	(0.23)
Minimum Charge					
5/8" Meter (4,000 Gallons)	\$ 21.36				
5/8" Meter (2,000 Gallons)		\$ 21.46	\$ 17.22	\$ 18.76	\$ (2.70)
1" Meter (10,000 Gallons)	46.46	93.35	74.94	81.68	(11.67)
1.5" Meter (20,000 Gallons)	76.20	153.08	122.92	133.96	(19.12)
2" Meter (32,000 Gallons)	101.88	204.66	164.32	179.08	(25.58)
3" Meter (60,000 Gallons)	136.80	274.77	220.52	240.36	(34.41)
4" Meter (100,000 Gallons)	172.40	346.21	277.72	302.76	(43.45)
6" Meter (200,000 Gallons)	261.40	524.81	420.72	458.76	(66.05)
Monthly Fire Hydrant Fee	\$ 0.50	\$ -	\$ -	\$ -	\$ -

Town of Cedar Lake Utilities
CAUSE NUMBER 45367

Current and Proposed Rates and Charges

			OUCC Proposed		OUCC Phase 2	
			Petitioner			
			Proposed	Phase 1	Phase 2	
			Current		More (Less)	
Westside/Eastside						
Metered Water Rates per 1,000 Gallons						
First 4,000 Gallons	\$	9.01	\$ 10.73	\$ 8.61	\$ 9.38	\$ (1.35)
Next 4,000 Gallons		7.51	8.94	7.18	7.83	(1.11)
Next 4,000 Gallons		6.16	7.33	5.89	6.42	(0.91)
Next 4,000 Gallons		5.11	6.08	4.89	5.33	(0.75)
Next 4,000 Gallons		4.35	5.18	4.16	4.53	(0.65)
Nest 20,000 Gallons		3.61	4.30	3.45	3.76	(0.54)
All Consumption Over 40,000 Gallon:		1.50	1.79	1.43	1.56	(0.23)
Minimum Charge						
5/8" Meter (4,000 Gallons)	\$	36.04				
5/8" Meter (2,000 Gallons)			\$ 21.46	\$ 17.22	\$ 18.76	\$ (2.70)
1" Meter (10,000 Gallons)		78.40	93.35	74.94	81.68	(11.67)
1.5" Meter (20,000 Gallons)		128.56	153.08	122.92	133.96	(19.12)
2" Meter (32,000 Gallons)		171.88	204.66	164.32	179.08	(25.58)
3" Meter (60,000 Gallons)		230.76	274.77	220.52	240.36	(34.41)
4" Meter (100,000 Gallons)		290.76	346.21	277.72	302.76	(43.45)
6" Meter (200,000 Gallons)		440.76	524.81	420.72	458.76	(66.05)

**TOWN OF CEDAR LAKE
POSITION DESCRIPTION
PUBLIC WORKS-FLEET MECHANIC**

CLASS TITLE: Fleet Mechanic
DEPARTMENT: Public Works
DIVISION: Public Works

LOCATION: Public Works Facility
EMPLOYMENT LEVEL: Non-Exempt

GENERAL PUROSE:

Responsible for mechanical equipment repair and maintenance work involving overhaul and repair of gasoline and diesel powered automotive stock, heavy equipment and related components.

SUPERVISION RECEIVED:

Works under the general supervision of the Director of Operations.

SUPERVISION EXERCISED:

None

ESSENTIAL DUTIES AND RESPONSIBILITIES:

- Perform skilled mechanical repair and overhaul work on various types of fleet equipment such as automobiles, trucks (both heavy and light duty), gasoline and diesel engines, heavy equipment such as backhoes, front loaders, graders, street sweepers, pump/vac. trucks, mowers and small equipment, along with all other types of municipal power-driven equipment in accordance with standard trade practices.
- Repair, rebuild, or replace various types of hydraulic equipment such as pumps, hoses, cylinders, jacks, and other related parts and various types of transmissions, including automatic, manual, and hydrostatic drive systems and their related components.
- Perform preventative maintenance on gasoline and diesel power equipment including: engine oil changes, chassis lubrication, check and replenish other fluids as needed. Repair or replace as needed: lights, brakes, and related parks, tires and tubes, chassis parts, mounted vehicle components (both interior and exterior), install and repair safety equipment, light bars, spot lights, emergency beacons, and communication system and related vehicle wiring.

- May provide direction and training to other Town employees as assigned to assist in the repair and servicing of equipment or provide technical guidance to less experienced employees.
- Perform skilled diagnostic and repair procedures on standards and electronic ignition systems, along with computerized fuel injection systems, diesel fuel systems and total vehicle electrical systems.
- Weld and modify equipment, including fabrication of parts as needed.
- Follow proper procedures for creating requisitions, obtaining repair service parts and supplies producing and maintaining records of labor, parts and supplies used in work production. Demonstrate knowledge of parts buying and stocking.
- Comply with all safety regulations and participate in an effective shop safety program. Demonstrate knowledge of occupational hazards and safety precautions of automotive and machine shop work.
- Test and inspect completed work to assure proper performance and timely completion.
- Perform other duties as needed or directed

PERIPHERAL DUTIES:

- Operates a variety of power construction and maintenance equipment used in the water, sewer and street, and park departments
- Services on various employee or other committees as assigned by the Director.
- Attends meetings of the various Town Boards and Commissions when requested by the Director.

DESIRED MINIMUM QUALIFICATIONS:

Education and Experience:

- (A) Graduation from high school education or GED equivalent, and
- (B) Four (4) years of work with heavy gasoline and diesel equipment at Journeyman level, or equivalent, including experience as an auto mechanic and use of all the latest testing equipment. Successful completion of technical school training in gasoline and diesel engine repair may be substituted for up to two (2) years of experience

Certificates of acetylene, arc, and MIG welding are desirable. Ability to obtain and maintain current First Aid certification. Valid State Driver's license, with CDL endorsement or ability to obtain one within six months of hire.

Necessary Knowledge, Skills and Abilities:

- (A) Skill in the use of hand and machine tools, testing equipment, welders, torches, and other automotive equipment associated with diagnosis and repairs of fleet equipment.
- (B) Ability to work in adverse weather conditions including extreme temperatures.
- (C) Ability write legibly, maintain records and complete reports, understand and carry out moderately complex oral and written instructions, read, write, speak, and understand English.
- (D) Ability to work on short notice in emergency situations on short notice.
- (E) Ability to work in small, confined areas with arms extended over head for extended periods of time.
- (F) Ability to bend, scoop, squat and reach/extend arms at repeated times daily, and ability to perform repetitive motions.
- (G) Ability to lift 50 lbs. and move 100 lbs.
- (H) Ability to distinguish between sounds/noises that can be identified.
- (I) Hand/eye coordination is necessary to perform various diagnostic and repair tasks.
- (J) Ability to use spatial judgment.
- (K) Ability to respond to equipment failures and during non-duty hours on an on-call basis or to work beyond regular daily shifts as required by the workload.

PHYSICAL DEMANDS:

The physical demands described here are representative of those that must be met by an employee to successfully perform the essential functions of the foreman's job. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions.

While performing the duties of this job, the employee is regularly required to use hands to finger, handle, feel or operate objects, tools, or controls and reach with hands and arms. The employee frequently is required to stand and talk or hear. The employee is

occasionally required to walk, sit; climb or balance, stoop, kneel, crouch, or crawl; and smell.

The employee must frequently lift and/or move up to 50 pounds and occasionally lift and/or move up to 100 pounds. Specific vision abilities required by this job include close vision, distance vision, color vision, peripheral vision, depth perception, and the ability to adjust focus.

WORK ENVIRONMENT:

The work environment characteristics described here are representative of those employee encounters while performing the essential functions of this job. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions.

While performing the duties of this job, the employee usually works in outside weather conditions. The employee usually works near moving mechanical parts and is occasionally exposed to wet and/or humid conditions and vibration. The employee occasionally works in high, precarious places and is occasionally exposed to fumes or airborne particles, toxic or caustic chemicals, and risk of electrical shock.

The noise level in the work environment is usually loud in field settings, and moderately quiet in office settings.

SELECTION GUIDELINES:

Formal application, rating of education and experience; oral interviews and reference check; job related tests may be required.

The duties listed above are intended only as illustrations of the various types of work that may be performed. The omission of specific statements of duties does not exclude them from the position if the work is similar, related or a logical assignment to the position.

The job description does not constitute an employment agreement between the employer and employee and it is subject to change by the employer as the needs of the employer and requirements of the job change.

Approval: _____
Supervisor

Approval: _____
Appointing Authority

Effective Date: _____

Revision History: _____

**TOWN OF CEDAR LAKE
POSITION DESCRIPTION
BUILDING COMMISSIONER**

CLASS TITLE:	Building Commissioner	LOCATION:	Town Hall
DEPARTMENT:	Building and Planning	EMPLOYMENT LEVEL:	Non-Exempt
DIVISION:	Inspections		

GENERAL PUROSE:

Performs a variety of routine and complex work in the interpretation and enforcement of adopted codes (ordinances) related rules and regulations including interpretation and application of building codes through predevelopment activities, plan review, on-site inspections, and post-construction observation. Work includes professional administration and managerial oversight

SUPERVISION RECEIVED:

Works under the direct supervision of the Town Administrator.

SUPERVISION EXERCISED:

Oversees and directs the work efforts of part-time code enforcement officer and on-call inspectors. Coordinates and assists the Cedar Lake Police Department with the enforcement of municipal code.

ESSENTIAL DUTIES AND RESPONSIBILITIES:

- Manages the day-to-day activities of the building department;
- Review and approves/disapproves building permits for residential and nonresidential sites;
- Performs inspections, plan checks, and related duties in the specialized field of residential and nonresidential building inspections such as structural, mechanical, plumbing, electrical, and/or fire and ensures compliance with applicable federal, state and local (i.e. town) laws and building codes;
- Serves as coordinator of the Town's Municipal Separate Storm Sewer Systems (MS-4) program and ensures compliance with applicable storm water quality regulations, rules, laws and best practices for public and private construction sites;

- Investigates, prepares and develops recommendations with respect to building, planning, zoning, subdivision and development policies to the Town Administrator, Plan Commission and/or Town Council;
- Assists in the coordination of pre-building and pre-development activities with potential builders and developers;
- Reviews development and subdivision plans for compliance with applicable laws and best practices;
- Proactively and when directed investigates, processes and monitors municipal code violations and achieves compliance;
- Inspects and documents unsafe building conditions as directed and reports findings to the Unsafe Building Committee and Town Administrator;
- Inspects and reviews compliance with zoning and land use policies and applies knowledge of zoning codes and ordinances;
- Enforces Town Ordinances and codes relating to the registration and licensing of Contractors and / or Businesses;
- Resolves disputes about the application and interpretation of building codes;
- Compliance and enforcement of Town Contractor Registration Ordinance and related provisions.
- Creates detailed and specific reports and other documentation necessary to establish an accurate record of job related activities;
- All other duties as assigned.

PERIPHERAL DUTIES:

- Maintains department equipment, supplies and facilities.
- Attends work sessions of the Plan Commission and Public Meetings of the Board of Zoning Appeals. Attends other meetings when directed.

DESIRED MINIMUM QUALIFICATIONS:

Education and Experience:

- (A) Graduation from high school education or GED equivalent, and

- (B) Eight (8) years of experience in business, planning, construction, and/or engineering or other related work experience, or
- (C) Any equivalent combination of advanced education and relevant experience.

Necessary Knowledge, Skills and Abilities:

- (A) Thorough knowledge of International Building Codes, construction methods, principals, practices, and procedures of the building trades;
- (B) Thorough knowledge of State Codes and local ordinances pertinent to managing the Building Department, inspections, plan review, zoning and related essential functions;
- (C) Knowledge of the records and reports required in the Building Department;
- (D) Knowledge of the principles of supervision, organization, and operation of the Building Department;
- (E) Ability to create reports and document process involved with the duties of the position;
- (F) Ability to work outside of normal business hours including evening meetings and court. Ability to work a flexible work schedule based on the department's work activities;
- (G) Ability to learn applicable laws, ordinances, and department rules and regulations. Ability to communicate effectively orally and in writing. Ability to work effectively with other departments, officials, stakeholders, business representatives, employees, contractors, and the general public;
- (H) Ability to exercise sound judgment in evaluating situations and in making decisions. Ability to follow verbal and written instructions. Ability to meet the special requirements listed below. Ability to learn the town's geography.
- (I) Ability to analyze the effectiveness of the department and correlate its development with changing conditions of the Town;
- (J) Ability to plan, assign, supervise, and review the work of others;

- (K) Ability to work independently and take initiative.
- (L) Ability to use and apply general technical skills including the usage of the Town computer systems.
- (M) Ability to hold or obtain a valid State Driver's license,

TOOLS AND EQUIPMENT USED:

Knowledge of operation and use of motorized vehicles, mobile radio, pager, first-aid equipment, telephone, personal computer and other office equipment (including, but not limited to, photocopy and facsimile machines).

PHYSICAL DEMANDS:

The physical demands described here are representative of those that must be met by an employee to successfully perform the essential functions of the job. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions.

While performing the duties of this job, the employee is frequently required to sit, talk and hear. The employee is occasionally required to stand; use hands to finger, handle, or free objects, tools, or controls; reach with hands and arms; climb or balance; stop, kneel, crouch, or crawl; and taste or smell.

While performing the duties of this job, the employee is regularly required to use hands to finger, handle, feel or operate objects, tools, or controls and reach with hands and arms. The employee frequently is required to stand and talk or hear. The employee is occasionally required to walk, sit; climb or balance, stoop, kneel, crouch, or crawl; and smell.

The employee must frequently lift and/or move up to 50 pounds and occasionally lift and/or move up to seventy-five (75) pounds. Specific vision abilities required by this job include close vision, distance vision, color vision, peripheral vision, depth perception, and the ability to adjust focus.

WORK ENVIRONMENT:

The work environment characteristics described here are representative of those employee encounters while performing the essential functions of this job. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions.

While performing the duties of this job, the employee periodically works in outside weather conditions.

The noise level in the work environment is usually loud in field settings, and moderately quiet in office settings.

SELECTION GUIDELINES:

Formal application, rating of education and experience; oral interviews, criminal background check and reference check; and job related tests may be required.

The duties listed above are intended only as illustrations of the various types of work that may be performed. The omission of specific statements of duties does not exclude them from the position if the work is similar, related or a logical assignment to the position.

The job description does not constitute an employment agreement between the employer and employee and it is subject to change by the employer as the needs of the employer and requirements of the job change.

Approval: _____
Supervisor

Approval: _____
Appointing Authority

Effective Date: _____

Revision History: _____

Acknowledgement of Receipt:

Signature Date

Printed Name

**TOWN OF CEDAR LAKE
POSITION DESCRIPTION
BUILDING INSPECTOR PT**

CLASS TITLE:	Building Inspector	LOCATION:	Town Hall
DEPARTMENT:	Building and Planning	EMPLOYMENT LEVEL:	Non-Exempt
DIVISION:	Inspections		

GENERAL PUROSE:

Performs a variety of routine and complex work in the interpretation and enforcement of adopted codes (ordinances), related rules and regulations.

SUPERVISION RECEIVED:

Works under the direct supervision of the Town Administrator

SUPERVISION EXERCISED:

None

ESSENTIAL DUTIES AND RESPONSIBILITIES:

- Review and approves/disapproves building permits;
- Performs inspections, plan checks, and related duties in the specialized field of building inspections such as structural, mechanical, plumbing, electrical, and/or fire;
- Inspects Zoning and Land Use and applies knowledge of zoning codes and ordinances;
- Enforces Town Ordinances and codes relating to the registration and licensing of Contractors and / or Businesses.
- Resolves disputes about the application and interpretation of building codes;
- Investigates suspect unlicensed contractors and performing due diligence to ensure their status with the county and the municipality;
- Reviews building plans to determine compliance with systems, methods, and schedules of inspections;

- Assists with and responds to Ordinance Violations as assigned;
- Creates detailed and specific reports and other documentation necessary to establish an accurate record of job related activities.

PERIPHERAL DUTIES:

- Maintains department equipment, supplies and facilities.

DESIRED MINIMUM QUALIFICATIONS:

Education and Experience:

- (A) Graduation from high school education or GED equivalent, and
- (B) Five (5) years experience in building trades, construction inspection, or plan review.
- (C) Accreditations and continuing education in building trades and codes.
- (D) Any equivalent combination of education and experience.

Necessary Knowledge, Skills and Abilities:

- (A) Thorough knowledge of International Building Codes, construction methods, principals, practices, and procedures of the building trades;
- (B) Thorough knowledge of Building, Fire, Plumbing, Mechanical, Electrical, Zoning and other related codes and laws;
- (C) Thorough knowledge of State Codes and local ordinances pertinent to Building Department, inspections, plan review, and related essential functions;
- (D) Knowledge of the records and reports required in the Building Department;
- (E) Knowledge of the principles of supervision, organization, and operation of the Building Department;
- (F) Skilled in operation of the listed tools and equipment.
- (G) Ability to create reports and document process involved with the duties of the position;

- (H) Ability to learn applicable laws, ordinances, and department rules and regulations. Ability to communicate effectively orally and in writing. Ability to establish and maintain effective working relationships with peers, supervisors and the public. Ability to exercise sound judgment in evaluating situations and in making decisions. Ability to follow verbal and written instructions. Ability to meet the special requirements listed below. Ability to learn the town's geography.
- (I) Ability to analyze the effectiveness of the department and correlate its development with changing conditions of the Town;
- (J) Ability to Communicate effectively, both orally and written;
- (K) Ability to plan, assign, supervise, and review the work of others;
- (L) Ability to work effectively with other departments, officials, stakeholders, business representatives, employees, contractors, and the general public;

SPECIAL REQUIREMENTS:

Valid State Driver's license,

TOOLS AND EQUIPMENT USED:

Knowledge of operation and use of motorized vehicles, mobile radio, pager, first-aid equipment, telephone, personal computer and other office equipment (including, but not limited to, photocopy and facsimile machines).

PHYSICAL DEMANDS:

The physical demands described here are representative of those that must be met by an employee to successfully perform the essential functions of the job. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions.

While performing the duties of this job, the employee is frequently required to sit, talk and hear. The employee is occasionally required to stand; use hands to finger, handle, or free objects, tools, or controls; reach with hands and arms; climb or balance; stop, kneel, crouch, or crawl; and taste or smell.

While performing the duties of this job, the employee is regularly required to use hands to finger, handle, feel or operate objects, tools, or controls and reach with hands and arms. The employee frequently is required to stand and talk or hear. The employee is

occasionally required to walk, sit; climb or balance, stoop, kneel, crouch, or crawl; and smell.

The employee must frequently lift and/or move up to 50 pounds and occasionally lift and/or move up to seventy-five (75) pounds. Specific vision abilities required by this job include close vision, distance vision, color vision, peripheral vision, depth perception, and the ability to adjust focus.

WORK ENVIRONMENT:

The work environment characteristics described here are representative if those employee encounters while performing the essential functions of this job. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions.

While performing the duties of this job, the employee usually works in outside weather conditions.

The noise level in the work environment is usually loud in field settings, and moderately quiet in office settings.

SELECTION GUIDELINES:

Formal application, rating of education and experience; oral interviews and reference check; job related tests may be required.

This position requires a great deal of knowledge of building codes, usually gained from direct experience as a contractor. An individual holding this position is not specifically barred from engaging in contracting work within the municipal boundaries of the Town of Cedar Lake; however, an individual holding this position is specifically barred from engaging in any activities that may be conceived as a conflict of interest including but not limited to soliciting work as a contractor while working as inspector or inspecting one's own work.

The duties listed above are intended only as illustrations of the various types of work that may be performed. The omission of specific statements of duties does not exclude them from the position if the work is similar, related or a logical assignment to the position.

The job description does not constitute an employment agreement between the employer and employee and it is subject to change by the employer as the needs of the employer and requirements of the job change.

Approval: _____
Supervisor

Approval: _____
Appointing Authority

Effective Date: _____

Revision History: _____

**TOWN OF CEDAR LAKE
POSITION DESCRIPTION
BUILDING AND PERMITTING COORDINATOR**

CLASS TITLE:	Building & Permitting Coordinator	LOCATION:	Town Hall
DEPARTMENT:	Building & Planning	EMPLOYMENT LEVEL:	Non-Exempt
DIVISION:	Administrative		

GENERAL PUROSE:

This position is responsible for tracking the progress of development plans and providing status information to management, applicants, and citizens; provides technical and administrative support facilitating the integration and coordination of permitting activities among various Town departments.

SUPERVISION RECEIVED:

Works under the general supervision of the Town Administrator.

SUPERVISION EXERCISED:

None

ESSENTIAL DUTIES AND RESPONSIBILITIES:

- Provide basic building, zoning, planning and permit information to the public over the telephone or in person.
- Maintains all applications and files associated with the building inspection function, and screens building permit applications for completeness and initial compliance with relevant laws.
- Coordinates the tracking process of permits.
- Schedule appointments with builders and contractors for field inspections.
- Provides application and maintains the records of contractors licensed to perform work in the Town.
- Research, develop, and organize permit information in a database and maintain for use in reports and special projects, or as requested.
- Organize, Maintain, and coordinate the Planning Department filing system.
- Maintains parcel information; updates and maintains copies of forms and documents for public information.
- Performs other duties as assigned.

PERIPHERAL DUTIES:

- Assists with administrative duties for the Town Administrator as needed.
- Assist in assigning addresses for new and existing properties.

DESIRED MINIMUM QUALIFICATIONS:

Education and Experience:

- (A) Graduation from high school education or GED equivalent, and
- (B) Any combination of experience and training that would likely provide the required abilities and skills to perform essential duties. Some experience in current planning and experience working in public agency planning, building, or engineering is desirable. Knowledge of database software and other computer applications necessary.
- (C) Any equivalent combination of education and experience.

Necessary Knowledge, Skills and Abilities:

Knowledge of:

- (A) Basic construction methods and materials.
- (B) Local ordinances pertaining to planning and zoning.
- (C) Office practices and procedures, including business correspondence, filing techniques, and correct English usage.
- (D) Computer software applications and database management, including Access, Word, Excel, and Powerpoint, and basic knowledge of GIS.

Ability to:

- (A) Follow oral and written directions
- (B) Organize work and establish priorities
- (C) Read and interpret building codes, and regulations.
- (D) Communicate building and development permit requirements to contractors and the public in a professional, articulate, and courteous manner.
- (E) Establish and maintain effective and cooperative working relationships with builders, contractors, developers, the general public and Town officials and employees.

(F) Gather information and compile database/catalog of technical planning and building information and permit process.

(G) Communicate clearly, concisely, orally and in writing.

SPECIAL REQUIREMENTS:

Valid State Driver's license,

TOOLS AND EQUIPMENT USED:

Phone switchboard; personal computer; copy machine; postage machine; fax machine; base radio; 10-key calculator.

PHYSICAL DEMANDS:

The physical demands described here are representative of those that must be met by an employee to successfully perform the essential functions of the job. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions.

While performing the duties of this job, the employee is frequently required to sit, talk and hear. The employee is occasionally required to stand; use hands to finger, handle, or free objects, tools, or controls; reach with hands and arms; climb or balance; stop, kneel, crouch, or crawl; and taste or smell.

While performing the duties of this job, the employee is regularly required to use hands to finger, handle, feel or operate objects, tools, or controls and reach with hands and arms. The employee frequently is required to stand and talk or hear. The employee is occasionally required to walk, sit; climb or balance, stoop, kneel, crouch, or crawl; and smell.

The employee must frequently lift and/or move up to 50 pounds and occasionally lift and /or move up to seventy-five (75) pounds. Specific vision abilities required by this job include close vision, distance vision, color vision, peripheral vision, depth perception, and the ability to adjust focus.

WORK ENVIRONMENT:

The work environment characteristics described here are representative if those employee encounters while performing the essential functions of this job. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions.

While performing the duties of this job, the employee usually works in outside weather conditions.

For: Town of Cedar Lake
 P.O. Box 707
 Cedar Lake, IN 46303

Service Period Through: Nov 22 2019

Printed: Dec 05 2019

19-568

Water Utility Assets, Maintenance & Capital Improvement Plan

19-568-02 Design

Staff	Task Category	Rate	Hours	Amount
Neil Simstad		Basic: \$140.000	5.5	\$770.00
		Overtime: \$140.000		
Summary for : 19-568-02:		Hourly:	\$770.00	Expenses: \$0.00
Sub-Total:				\$770.00

19-568-04 Engineering Study

Staff	Task Category	Rate	Hours	Amount
Howard Jones		Basic: \$140.000	33.5	\$4,690.00
		Overtime: \$140.000		
Vehicle Expense		Basic:		
		Overtime:		
Expenses: 11/01/19 Mileage		43 miles	\$0.54	\$23.22
Summary for : 19-568-04:		Hourly:	\$4,690.00	Expenses: \$23.22
Sub-Total:				\$4,713.22

Summary for Job Group: 19-568

Please remit payment of:

Five Thousand Four Hundred Eighty Three Dollars And Twenty Two Cents

To:

NIES Engineering, Inc.
 2421 173rd Street,
 Hammond, IN 46323

Basic: \$5,460.00

Overtime: \$0.00

Sub-Total: **\$5,460.00**

Total Expenses: \$23.22

Invoice Grand Total: \$5,483.22

Thank You for your Business

Nov Water assets, Maint + Capital Plan

640-001-312

For: Town of Cedar Lake
 P.O. Box 707
 Cedar Lake, IN 46303

19-568

Service Period Through: Oct 25 2019

Water Utility Assets, Maintenance & Capital Improvement Plan

Printed: Oct 31 2019

19-568-02 Design

Staff	Rate	Hours	Amount
Neil Simstad	Basic: \$140.000	5	\$700.00
	Overtime: \$140.000		
Summary for : 19-568-02: Hourly: \$700.00 Expenses: \$0.00 Sub-Total: \$700.00			

19-568-04 Engineering Study

Staff	Rate	Hours	Amount
Howard Jones	Basic: \$140.000	8.5	\$1,190.00
	Overtime: \$140.000		
Summary for : 19-568-04: Hourly: \$1,190.00 Expenses: \$0.00 Sub-Total: \$1,190.00			

Summary for Job Group: 19-568

Please remit payment of:
 One Thousand Eight Hundred Ninety Dollars And No Cents

To: NIES Engineering, Inc.
 2421 173rd Street,
 Hammond, IN 46323

Payment Terms: Net 30 Days

Basic: \$1,890.00
 Overtime: \$0.00

Sub-Total: **\$1,890.00**

Total Expenses: \$0.00

Invoice Grand Total: \$1,890.00

Thank You for your Business

*Oct Water Assets, Maint, & Capital Plan
 640-001-312*

Invoice No. :	50-829-00-136
Invoice Breakdown: 2 of 3	
Water General Consulting	

For: Town of Cedar Lake
 P.O. Box 707
 Cedar Lake, IN 46303

50-829

Service Period Through: Nov 22 2019

Utility Engineer General Consulting

Printed: Dec 05 2019

50-829-03 Water General Consulting

Staff	Task Category	Rate	Hours	Amount
Michael Helmuth	Legal Description	Basic: \$118.000	1.5	\$177.00
		Overtime: \$137.000	0	\$0.00
Legal Description, Paradise Cove Well Site				
Neil Simstad	Design	Basic: \$140.000	6.5	\$910.00
		Overtime: \$140.000	0	\$0.00
Telephone converstaion and completion list with DMA for water concerns				
Task list items				
DMA requested Water FTA, assets and Peerliss info.				
Set up and upload FTP site for DMA				
IDEM review for Tower Permit extension				
Paradise Cove data, map and FTP site to Chris Janak and Steve Unger at Bose				

Summary for : 50-829-03:	Hourly:	\$1,087.00	Expenses:	\$0.00	Total:	\$1,087.00
--------------------------	---------	------------	-----------	--------	--------	------------

Summary for Job Number: 50-829-03

Please remit payment of:
 One Thousand Eighty Seven Dollars And No Cents

To: NIES Engineering, Inc.
 2421 173rd Street,
 Hammond, IN 46323

Payment Terms: Net 30 Days

Basic:	\$1,087.00
Overtime:	\$0.00
Sub-Total:	\$1,087.00
Total Expenses:	\$0.00

Invoice Sub Total: \$1,087.00

Invoice Summary

640-001-312

Nov WTR Consulting

Invoice No.:	50-829-00-131
Invoice Breakdown: 3 of 3	
Water General Consulting	

For: Town of Cedar Lake
 P.O. Box 707
 Cedar Lake, IN 46303

Service Period Through: Jun 21 2019

Printed: Jun 26 2019

50-829

Utility Engineer General Consulting

50-829-03 Water General Consulting

<i>Staff</i>	<i>Task Category</i>	<i>Rate</i>	<i>Hours</i>	<i>Amount</i>
Neil Simstad	Design	Basic: \$140.000	5	\$700.00
		Overtime: \$140.000	0	\$0.00

WPM water/plat review and review with DMA for Assets

Paradise Cove water system research and report for DMA. Ortman and Peerless review

Summary for : 50-829-03:	Hourly:	\$700.00	Expenses:	\$0.00	Total:	\$700.00
--------------------------	---------	----------	-----------	--------	--------	----------

Summary for Job Number: 50-829-03

Please remit payment of:
 Seven Hundred Dollars And No Cents

To: NIES Engineering, Inc.
 2421 173rd Street,
 Hammond, IN 46323

Payment Terms: Net 30 Days

Basic: \$700.00

Overtime: \$0.00

Sub-Total: \$700.00

Total Expenses: \$0.00

Invoice Sub Total: \$700.00

Invoice Summary

WTR 312 ✓

Invoice No.:	50-830-00-71
Invoice Breakdown: 3 of 3	
Birchwood	

For: Town of Cedar Lake
 P.O. Box 707
 Cedar Lake, IN 46303

Service Period Through: May 17 2019

Printed: May 30 2019

50-830
Cedar Lake Plan Commission Consulting

50-830-18 Birchwood

May

Staff	Task Category	Rate	Hours	Amount
Neil Simstad	Design	Basic: \$140.000	3	\$420.00
		Overtime: \$140.000	0	\$0.00
INDOT Utility				
CCAL Water				
reivew staff and Olthof IDEM docs				

Summary for : 50-830-18:	Hourly:	\$420.00	Expenses:	\$0.00	Total:	\$420.00
--------------------------	---------	----------	-----------	--------	--------	----------

Summary for Job Number: 50-830-18

Please remit payment of:
 Four Hundred Twenty Dollars And No Cents

To: NIES Engineering, Inc.
 2421 173rd Street,
 Hammond, IN 46323

Payment Terms: Net 30 Days

Basic:	\$420.00
Overtime:	\$0.00
Sub-Total:	\$420.00
Total Expenses:	\$0.00

Invoice Sub Total: \$420.00

Invoice Summary

Invoice No.:	50-830-00-74
Invoice Breakdown: 4 of 4	
Beacon West	

For: Town of Cedar Lake
 P.O. Box 707
 Cedar Lake, IN 46303

Service Period Through: Aug 23 2019

Printed: Sep 11 2019

50-830

Cedar Lake Plan Commission Consulting

50-830-20 Beacon West					
Staff	Task Category	Rate		Hours	Amount
Neil Simstad	Plan Review	Basic: \$140.000		1.5	\$210.00
		Overtime: \$140.000		0	\$0.00
Water and Sanitary review					
Justin Call	Plan Review	Basic: \$80.000		1	\$80.00
		Overtime: \$92.000		0	\$0.00
Water & Waste Water Reivew					
Justin Call	Design	Basic: \$80.000		4.5	\$360.00
		Overtime: \$92.000		0	\$0.00
Water Review					
Summary for : 50-830-20:		Hourly:	\$650.00	Expenses:	\$0.00
				Total:	\$650.00

Summary for Job Number: 50-830-20

Please remit payment of:
 Six Hundred Fifty Dollars And No Cents

To: NIES Engineering, Inc.
 2421 173rd Street,
 Hammond, IN 46323

Payment Terms: Net 30 Days

Basic: \$650.00
 Overtime: \$0.00
 Sub-Total: \$650.00
 Total Expenses: \$0.00

Invoice Sub Total: \$650.00

Invoice Summary

WW 312 325.00
 WTR 312 325.00
 650.00 ✓

Invoice No.:	50-829-00-133
Invoice Breakdown: 2 of 3	
Water General Consulting	

For: Town of Cedar Lake
 P.O. Box 707
 Cedar Lake, IN 46303

Service Period Through: Aug 23 2019

Printed: Sep 11 2019

50-829

Aug
640-001-312

Utility Engineer General Consulting

50-829-03 Water General Consulting

50-829-03 Water General Consulting

Staff	Task Category	Rate	Hours	Amount
Neil Simstad	Design	Basic: \$140.000	2	\$280.00
		Overtime: \$140.000	0	\$0.00
East side				
IDEM and Pittsburgh Tank construction and permit review				

Summary for : 50-829-03:	Hourly:	\$280.00	Expenses:	\$0.00	Total:	\$280.00
--------------------------	---------	----------	-----------	--------	--------	----------

Summary for Job Number: 50-829-03

Please remit payment of:
 Two Hundred Eighty Dollars And No Cents

To: NIES Engineering, Inc.
 2421 173rd Street,
 Hammond, IN 46323

Payment Terms: Net 30 Days

<i>Basic:</i>	\$280.00
<i>Overtime:</i>	\$0.00
<i>Sub-Total:</i>	\$280.00
<i>Total Expenses:</i>	\$0.00

Invoice Sub Total: \$280.00

Invoice Summary

Invoice No.:	50-829-00-134
Invoice Breakdown: 2 of 3	
Water General Consulting	

For: Town of Cedar Lake
 P.O. Box 707
 Cedar Lake, IN 46303

50-829

Service Period Through: Sep 20 2019

Utility Engineer General Consulting

Printed: Sep 26 2019

50-829-03 Water General Consulting

50-829-03 Water General Consulting

Staff	Task Category	Rate	Hours	Amount
Neil Simstad	Design	Basic: \$140.000	1	\$140.00
		Overtime: \$140.000	0	\$0.00
Water tower response to residents/staff				

Summary for : 50-829-03:	Hourly:	\$140.00	Expenses:	\$0.00	Total:	\$140.00
--------------------------	---------	----------	-----------	--------	--------	----------

Summary for Job Number: 50-829-03

Please remit payment of:

One Hundred Forty Dollars And No Cents

To: NIES Engineering, Inc.
 2421 173rd Street,
 Hammond, IN 46323

Payment Terms: Net 30 Days

Basic: \$140.00
Overtime: \$0.00

Sub-Total: \$140.00

Total Expenses: \$0.00

Invoice Sub Total: \$140.00

Invoice Summary

SEP WTE Consulting
640-001-312



Invoice No.:	50-830-00-66
Invoice Breakdown: 3 of 3	
Birchwood	

For: Town of Cedar Lake
P.O. Box 707
Cedar Lake, IN 46303

Service Period Through: Dec 07 2018

Printed: Jan 07 2019

50-830
Cedar Lake Plan Commission Consulting

50-830-18 Birchwood				
Staff	Task Category	Rate	Hours	Amount
Neil Simstad	Plan Review	Basic: \$138.000	3.5	\$483.00
		Overtime: \$138.000	0	\$0.00
Off-site water				

Summary for : 50-830-18: Hourly: \$483.00 Expenses: \$0.00 Total: \$483.00 ✓

Summary for Job Number: 50-830-18

Please remit payment of:
Four Hundred Eighty Three Dollars And No Cents

To: NIES Engineering, Inc.
2421 173rd Street,
Hammond, IN 46323

Payment Terms: Net 30 Days

Basic: \$483.00
Overtime: \$0.00

Sub-Total: \$483.00

Total Expenses: \$0.00

Invoice Sub Total: \$483.00 ✓

Invoice Summary

610-001-312



Invoice No.: 50-830-00-66

For: Town of Cedar Lake
P.O. Box 707
Cedar Lake, IN 46303

Service Period Through: Dec 28 2018

Printed: Jan 04 2019

**50-830
Cedar Lake Plan Commission Consulting**

50-830-10 Lakeside Subdivision				
Staff	Rate	Hours	Amount	
Neil Simstad	Basic: \$138.000	1.5	\$207.00	
	Overtime: \$138.000			
Vehicle Expense	Basic:			
	Overtime:			
Mileage	19 miles	\$0.54	\$10.26	
Summary for : 50-830-10:		Hourly:	\$207.00	Expenses: \$10.26 Sub-Total: \$217.26

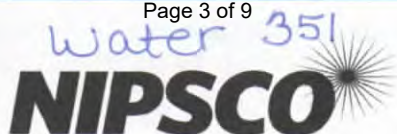
50-830-14 Summer Winds				
Staff	Rate	Hours	Amount	
Neil Simstad	Basic: \$138.000	3	\$414.00	
	Overtime: \$138.000			
Letter to Tim regarding slope and review of Contractor's warranty letter				
Summary for : 50-830-14:	Hourly:	\$414.00	Expenses:	\$0.00
Sub-Total:			\$414.00	

50-830-18 Birchwood				
Staff	Rate	Hours	Amount	
Neil Simstad	Basic: \$138.000	3.5	\$483.00	
	Overtime: \$138.000			
Off-site water				
Summary for : 50-830-18:		Hourly:	\$483.00	Expenses: \$0.00
Sub-Total:			\$483.00	

Summary for Job Group: 50-830

Please remit payment of:		Basic:	\$1,104.00
One Thousand One Hundred Fourteen Dollars And Twenty Six Cents		Overtime:	\$0.00
To: NIES Engineering, Inc. 2421 173rd Street, Hammond, IN 46323		Sub-Total:	\$1,104.00
Payment Terms: Net 30 Days		Total Expenses:	\$10.26
		Invoice Grand Total:	\$1,114.26

Thank You for your Business



Account Number: 194-115-006-6
Statement Date: 12/26/2018
404544
Page 1 of 5

Contact Us



Phone

Customer Service
1-888-689-8665
For credit questions, call
7 A.M. - 7 P.M. CT Mon. - Fri.

Emergency Service 24/7

1-800-634-3524
For gas leaks or odor of gas
1-888-689-8665
Report electric lines down or power
outage

Pay by credit/debit card
Call 1-855-763-6277 (Paymentus
convenience fee will apply)

For hearing-impaired TDD
1-800-635-0952



Web

Make payments and access your
account at NIPSCO.com



Mobile

Make payments and access your
account at m.NIPSCO.com



Mail Payments

NIPSCO
P.O. Box 13007
Merrillville, IN 46411-3007



Authorized Payment Locations

Find locations online at
NIPSCO.com

Your Safety

Report a Power Outage

To report an electric power outage, call us or
visit NIPSCO.com/OutageCenter.

Gas Safety

In case of an emergency, such as odor of gas,
carbon monoxide or fire:

1. Leave the building or area immediately.
2. Leave windows and doors in their
positions and avoid doing anything that
could cause a spark.
3. From a safe place, away from the building
or area, call **911** and NIPSCO at **1-800-634-
3524**.

Always Call 8-1-1 Before You Dig

If you're planning a home or landscaping
project, call Indiana 811 at least two business
days before digging. A representative will mark
the approximate location of underground
utility lines for free.



Electric Safety

Stay away from downed or hanging power
lines or anything touching them. Please call
1-800-464-7726 to report any hazardous
situations.

Account Profile

Customer Name:
Cedar Lake Town M40a

Account Number:
194-115-006-6

Your Contact Information:
DBA Town of Cedar Lake
M40A
PO Box 707
Cedar Lake IN 46303-9289
jill.murr@cedarlakein.org

Type of Customer:
Non-Residential
Gas & Electric Service
Multiple Sites

- Is your contact information correct? Make all changes on the reverse side.

Account Summary

Previous Balance on 11/28/2018 \$3,565.95
Payments Received on 12/21/2018 -\$3,565.95

Balance on 12/26/2018 \$0.00
Charges for Gas Service This Period +\$429.04
Charges for Electric Service This Period +\$4,803.46

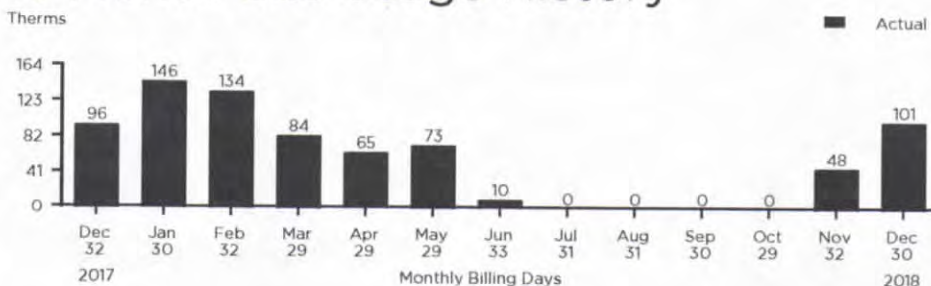
Current Charges Due by 01/13/2019 \$5,232.50

- For more information regarding these charges, see the Detail Charges section.

Summary of Charges by Service Location

Service Location	Item	Amount
12608 Meadowlark Ln Cedar Lake IN 46303-9289	Gas Charges	\$139.68
	Electric Charges	\$1,807.04
	Total Charges	\$1,946.72
13110 Parrish Ave Cedar Lake IN 46303-9266	Gas Charges	\$107.52
	Electric Charges	\$1,775.89
	Total Charges	\$1,883.41
13426 Robin Dr Bldg Lift 26 Cedar Lake IN 46303-9417	Gas Charges	\$181.84
	Electric Charges	\$1,220.53
	Total Charges	\$1,402.37

13 Month Gas Usage History



13 Month Gas Usage History continued on next page

▼ Please fold on the perforation below, detach and return with your payment.

CEDAR LAKE TOWN M40A
DBA TOWN OF CEDAR LAKE M40A
PO BOX 707
CEDAR LAKE IN 46303-9289



P.O. BOX 13018
MERRILLVILLE, IN 46411-3018



Web
NIPSCO.com



Mobile
m.NIPSCO.com



Phone
1-800-464-7726

Account Number: 194-115-006-6

Current Charges Due By 01/13/2019: \$5,232.50

Amount Enclosed:

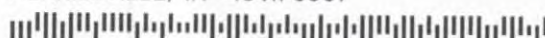
\$

00404544 02 AV 0.375 02
AUTO**SCH 5-DIGIT 46303
CEDAR LAKE TOWN M40A
DBA TOWN OF CEDAR LAKE M40A
PO BOX 707
CEDAR LAKE IN 46303-9289



Make check payable to:

NIPSCO
P.O. BOX 13007
MERRILLVILLE, IN 46411-3007



1941150060300100000000000000005232500

Employee Identification

All our employees and contractors carry photo identification. Ask to see it before allowing anyone who claims to be a utility representative into your home. Call the police if you see suspicious activity.

Helpful Definitions

Gas Service Definitions

Gas Delivery Charges are the costs of delivering gas to retail customers. The charges for these services are regulated and these services must be purchased from the local distribution company.

Gas Supply Charges include the commodity cost of natural gas, interstate pipeline charges, storage costs, and related charges and is passed through to customers at cost without markup.

Therm (thm) is equal to 100,000 Btus and is the basic billing unit for gas.

Electric Service Definitions

Customer Charges cover basic costs associated with providing service.

Energy Use Charges are calculated based on your monthly usage. Fuel Charges incurred in the generation and acquisition of electricity are passed through to customers without markup.

Kilowatt-Hour (kwh) is equal to 1,000 watts used for one hour and is the basic billing unit for electricity.

Legal Notices

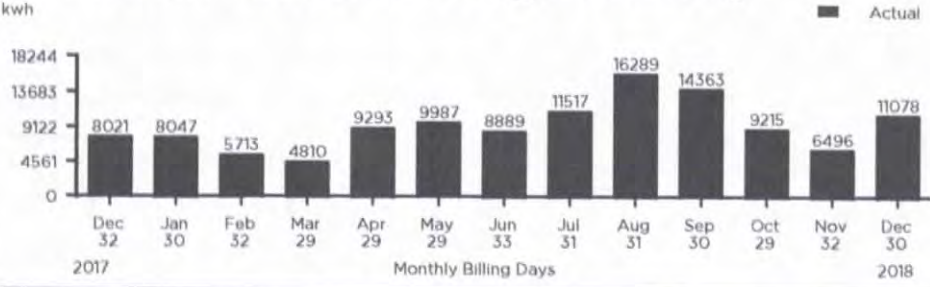
Rate Schedule information is available upon request and at NIPSCO.com.

13 Month Gas Usage History *continued*

Meter Number: 9477527		
Service Address: 13110 Parrish Ave Cedar Lake IN 46303-9266		
Meter Readings - 30 Billing Days		
Actual Reading on 12/05		4863
Actual Reading on 11/05	-	4764
Gas Used (Ccf)		
Conversion to Therms	x	1.024
Total Gas Used (Therms)		101.3

Usage Comparison - Therms			
Month	Therms	Avg Temp	Therms Per Day
Dec 17	96.4	41.7°	3.0
Nov 18	48.3	51.1°	1.5
Dec 18	101.3	34.8°	3.4
Your next scheduled meter reading date is between 01/07/2019 - 01/09/2019.			

13 Month Electric Usage History



Meter Number: 1512249		
Service Address: 13110 Parrish Ave Cedar Lake IN 46303-9266		
Meter Readings - 30 Billing Days		
Actual Reading on 12/05		41133
Actual Reading on 11/05	-	30055
Electric Used (kwh)		11,078

Usage Comparison - kwh			
Month	kwh	Avg Temp	kwh Per Day
Dec 17	8,021	41.7°	250.7
Nov 18	6,496	51.1°	203.0
Dec 18	11,078	34.8°	369.3
Your next scheduled meter reading date is between 01/07/2019 - 01/09/2019.			

Detail Charges

Charges for General Service Gas - Small - Rate 121

Gas Supply Charges	
Gas Commodity Charge	\$31.03
Interstate Transportation and Storage Charges	\$8.44
Total	+\$39.47

Delivery Charges	
Delivery Charges	\$68.05
Total	+\$68.05

Total Charges for Gas Service This Period \$107.52

- This meter is tax exempt.
- Gas Supply charges: November 2018 - \$0.3848 per therm. December 2018 - \$0.4138 per therm. Includes interstate pipeline transportation cost of \$0.0581 per therm.

Detail Charges continued on next page

Change Contact Information

By providing NIPSCO a telephone number, it enables us to call you about your utility service, future service appointments and other important information pertaining to your account and you're agreeing to receive autodialed and prerecorded voice calls. Please notify us if you wish to opt out or if you no longer use this number. Thank you in advance.

Message Board

- Take the seasonal highs and lows out by dividing your yearly energy use into 12 equal monthly payments - for budgeting that's a whole lot easier. Learn more at NIPSCO.com/BudgetPlan.
- Never worry about missing a payment or writing a check again by enrolling in Automatic Payment today at NIPSCO.com.
- Billing, Payment and Pricing Options: NIPSCO offers a variety of options to fit your lifestyle. To learn more, call us or visit NIPSCO.com/BillingPayment.



Detail Charges *continued*

Charges for General Service Electric Small - Rate 721

Customer Charge	\$24.00
Energy Use Charges	\$1,624.38
Indiana Sales Tax	\$115.39

Total Charges for Electric Service This Period **+\$1,763.77**

Total Current Utility Charges **\$1,871.29**

Detail of Lights

Service Address:
13110 Parrish Ave
Cedar Lake IN 46303-9266

Electric 11/08/2018 - 12/10/2018
Usage 32 days

Equipment / Service Point	Quantity
100 Watt - High Prsur Sodium 00807474-Pri Prop Opp Esmt W/O Parrish 6th N/O 133Rd Cedar Lake-Hanover Twp	1
Total	1

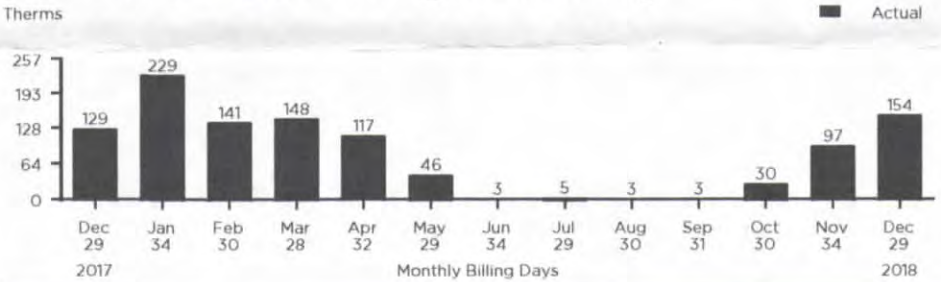
Detail Charges

Charges for Dusk to Dawn Area Lighting - Rate 760

Lamp Charge	\$9.66
Lamp Energy Charge	\$2.46

Total Charges for Electric Service This Period **\$12.12**

13 Month Gas Usage History



Meter Number:
9440507
Service Address:
12608 Meadowlark Ln
Cedar Lake IN 46303-9289

Meter Readings - 29 Billing Days

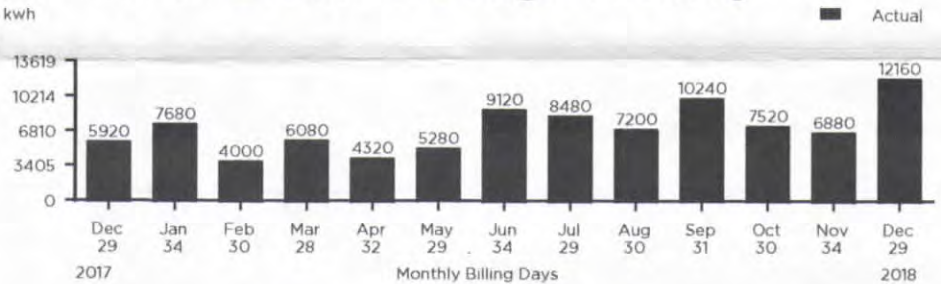
Actual Reading on 12/26	34311
Actual Reading on 11/27	34160
Gas Used (Ccf)	151
Conversion to Therms	x 1.024
Total Gas Used (Therms)	154.6

Usage Comparison - Therms

Month	Therms	Avg Temp	Therms Per Day
Dec 17	129.9	37.4°	4.5
Nov 18	97.8	39.4°	2.9
Dec 18	154.6	34.1°	5.3

Your next scheduled meter reading date is between 01/25/2019 - 01/29/2019.

13 Month Electric Usage History



13 Month Electric Usage History continued on next page



13 Month Electric Usage History *continued*

Meter Number: 1434941		
Service Address: 12608 Meadowlark Ln Cedar Lake IN 46303-9289		
Meter Readings - 29 Billing Days		
Actual Reading on 12/26		2197
Actual Reading on 11/27	-	2121
Difference		76
Constant	x	160
Electric Used (kwh)		12,160
Maximum Demand (kw)		25.60

Usage Comparison - kwh			
Month	kwh	Avg Temp	kwh Per Day
Dec 17	5,920	37.4°	204.1
Nov 18	6,880	39.4°	202.4
Dec 18	12,160	34.1°	419.3
Your next scheduled meter reading date is between 01/25/2019 - 01/29/2019.			

Detail Charges

Charges for General Service Gas - Small - Rate 121

Gas Supply Charges	
Gas Commodity Charge	\$54.05
Interstate Transportation and Storage Charges	\$9.46
Total	+\$63.51

Delivery Charges	
Delivery Charges	\$76.17
Total	+\$76.17

Total Charges for Gas Service This Period \$139.68

- This meter is tax exempt.
- Gas Supply charges: November 2018 - \$0.3848 per therm. December 2018 - \$0.4138 per therm. Includes interstate pipeline transportation cost of \$0.0581 per therm.

Charges for General Serv Electric 3 Phase - Rate 721

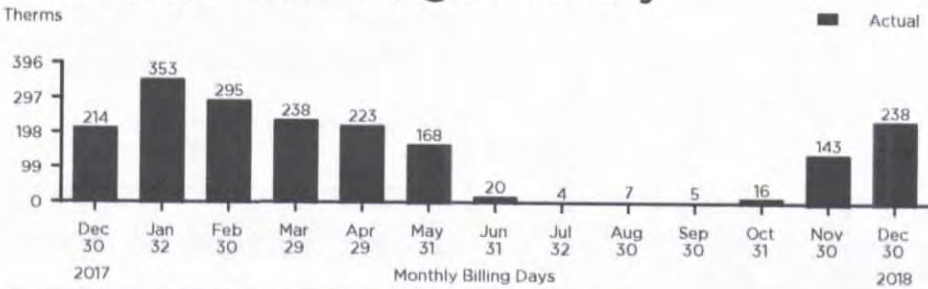
Customer Charge	\$24.00
Energy Use Charges	\$1,783.04

Total Charges for Electric Service This Period +\$1,807.04

- This meter is tax exempt.

Total Current Utility Charges \$1,946.72

13 Month Gas Usage History

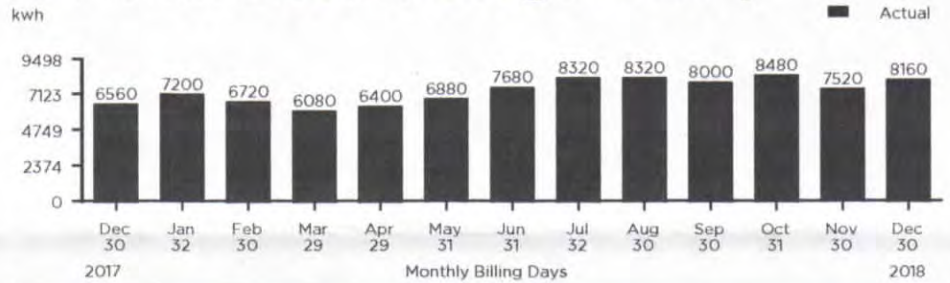


Meter Number: 9424076		
Service Address: 13426 Robin Dr Bldg Lift 26 Cedar Lake IN 46303-9417		
Meter Readings - 30 Billing Days		
Actual Reading on 12/07		13312
Actual Reading on 11/07	-	13079
Gas Used (Ccf)		233
Conversion to Therms	x	1.024
Total Gas Used (Therms)		238.5

Usage Comparison - Therms			
Month	Therms	Avg Temp	Therms Per Day
Dec 17	214.8	40.1°	7.2
Nov 18	143.0	48.5°	4.8
Dec 18	238.5	33.9°	8.0
Your next scheduled meter reading date is between 01/09/2019 - 01/11/2019.			



13 Month Electric Usage History



Meter Number:
1437061

Service Address:
13426 Robin Dr Bldg Lift 26
Cedar Lake IN 46303-9417

Meter Readings - 30 Billing Days

Actual Reading on 12/07 2029
Actual Reading on 11/07 1978

Difference
Constant x 160

Electric Used (kwh) 8,160

Maximum Demand (kw) 28.80

Usage Comparison - kwh

Month	kwh	Avg Temp	kwh Per Day
Dec 17	6,560	40.1°	218.7
Nov 18	7,520	48.5°	250.7
Dec 18	8,160	33.9°	272.0

Your next scheduled meter reading date is between 01/09/2019 - 01/11/2019.

Detail Charges

Charges for General Service Gas - Small - Rate 121

Gas Supply Charges

Gas Commodity Charge	\$73.99
Interstate Transportation and Storage Charges	\$19.40

Total **+\$93.39**

Delivery Charges

Delivery Charges	\$88.45
------------------	---------

Total **+\$88.45**

Total Charges for Gas Service This Period

\$181.84

- This meter is tax exempt.
- Gas Supply charges: November 2018 - \$0.3848 per therm. December 2018 - \$0.4138 per therm. Includes interstate pipeline transportation cost of \$0.0581 per therm.

Charges for General Service Electric Small - Rate 721

Customer Charge	\$24.00
Energy Use Charges	\$1,196.53

Total Charges for Electric Service This Period **+\$1,220.53**

- This meter is tax exempt.

Total Current Utility Charges

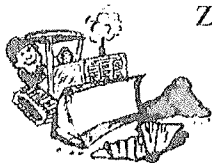
\$1,402.37

Monthly Message Board

Scammers are ready, are you?

Our employees will NEVER call and demand immediate payment through a prepaid debit card. Please call us at 1-800-464-7726 if you are unsure about the legitimacy of any phone call, email or letter.





Ziese & Sons Excavating, Inc
6929 W 109th Avenue
Crown Point, IN 46307
Phone: 219-663-2625

Invoice

Date	Invoice #
12/21/2018	20302

Bill To:

Town Of Cedar Lake
PO Box 707
Cedar Lake, IN 46303

Project:

9707 W. 133rd Avenue
Tech Credit Union
Cedar Lake, IN

			Terms	Due Date
			Net 30	1/20/2019
Quantity	Description	U/M	Price Each	Amount
	12/07/18 - Disconnected Old Water Service, Labor and Material to Make 3/4" Tap with Corp, Labor and Material to Install Roundway with Box and 6" Valve Box On Water Main		805.00	805.00
	12/11/18 - When Existing Storm Manhole Was Dug Up For Tie-in, Found Cracked Up Manhole and Broken Pipe, Removed Existing Manhole, Labor Only to Install New Manhole Supplied By Town of Cedar Lake, Mudded Up Joint, and Reset Casting On New Manhole		1,280.00	1,280.00
<p><i>Replace poly line to B-Box</i> <i>Tech Federal</i></p> <p><i>WTR Line Repairs</i> <i>3rd Manhole Repairs</i></p> <p><i>OK RYAN Kaper TK</i> <i>OK TK</i></p>				
<p><i>2x 805</i> <i>1280</i></p>			Subtotal	\$2,085.00
			Sales Tax (7.0%)	\$0.00
			Total	✓ \$2,085.00

All costs related to collections, including attorney fees will be charged to the customer.

A SERVICE CHARGE OF 2.00% WILL BE CHARGED ON ALL BALANCES OVER 30 DAYS.

WTR 3018
8/14/19

100667



Universal Lighting of America, Inc.
17646 Morse St.
Lowell IN 46356
219-696-4100

Invoice

Date	Invoice #
1/2/2019	91677

Bill To
Cedar Lake Public Works Tim Kubiak 8550 Lake Shore Drive Cedar Lake, IN 46303

Ship To
Cedar Lake Public Works Tim Kubiak 8550 Lake Shore Drive Cedar Lake, IN 46303

P.O. Number	Terms	Rep	Ship	Via	F.O.B.	Project
Prescriptive	Net 30	AAA	11/30/2018	Company Truck		
Quantity	Item Code	Description			Price Each	Amount
		Nipsco Incentive- \$2842.00 Customer Co-Pay-\$4947.26 *				
		<div>LED LIGHTING UPGRADES @ PUBLIC WORKS - IN & OUT - ALL -</div>				
		MNH 361 1236.81 NW 361 1236.81 NTR 361 1236.82 SND 361 1236.82				
						4947.28
Thank you for your business.					Total	\$7,789.26

STATE OF INDIANA
INDIANA UTILITY REGULATORY COMMISSION

**PETITION OF THE TOWN OF CEDAR LAKE,)
LAKE COUNTY, INDIANA, FOR APPROVAL)
TO ADJUST ITS RATES AND CHARGES AND) CAUSE NO. 45367
ISSUE BONDS)**

TOWN OF CEDAR LAKE'S RESPONSE TO
OUCC DATA REQUEST SET NO. 12

The Town of Cedar Lake, Indiana ("Cedar Lake"), by counsel, hereby provides its response to the Twelfth Set of Discovery Requests propounded by the Office of the Utility Consumer Counselor ("OUCC") as set forth below.

- Q-12-1:** In Adjustment 12, Petitioner proposed an adjustment to periodic maintenance expense for “Omnisite Crystal Ball Alarm/Monitoring – Cell Fees and General Maintenance “as well as “Omnisite Crystal Ball Alarm/Monitoring – Warranty Plan” for the Parrish Pump Station, the Havenwood Pump Station, and the Robins Nest Booster Station (see items 306, 307, 318, 319, 323, and 324).
- a) When did Petitioner engage Omnisite Crystal Ball to monitor the alarm alarms at the Parrish Pump Station?
 - b) When did Petitioner engage Omnisite Crystal Ball to monitor the alarm alarms at the Havenwood Pump Station?
 - c) When did Petitioner engage Omnisite Crystal Ball to monitor the alarm alarms at the Robins Nest Booster Station?
 - d) Did another vendor provide alarm monitoring services for Petitioner during the test year? Please explain and identify the vendor(s) providing these services.
 - e) Did Petitioner pay any fees during the test year for alarm monitoring and warranty plant services? Please explain.
 - f) If the response to (b) is yes, please state the amount of test year expense incurred and to which account these costs were recorded.
 - g) If no test year expense was incurred, please explain why not.

Response:

- a) Cedar Lake first entered into an agreement for the Omnisite OmniAdvantage Annual Plan on September 26, 2019. Cedar Lake has been using the regular monitoring plan for the Parrish Pump House for the Cell Fees and General

Maintenance. The Warranty Plan (OmniAdvantage Annual Plan) is stated to have begun on September 30, 2019, and expired on December 31, 2019.

b) Cedar Lake first entered into an agreement for the Omnisite OmniAdvantage Annual Plan on September 26, 2019. Cedar Lake has been using the regular monitoring plan for the Havenwood Pump House for the Cell Fees and General Maintenance. The Warranty Plan (OmniAdvantage Annual Plan) is stated to have begun on September 30, 2019, and expired on December 31, 2019.

c) Cedar Lake first entered into an agreement for the Omnisite OmniAdvantage Annual Plan on September 26, 2019. Cedar Lake has been using the regular monitoring plan for the Robins Nest Pump House for the Cell Fees and General Maintenance. The Warranty Plan (OmniAdvantage Annual Plan) is stated to have begun on September 30, 2019, and expired on December 31, 2019.

d) No.

e) Yes, Cedar Lake paid prorated fees for wireless service with 24 hour reporting for 2019 (Regular Alarm Monitoring) amounting to \$132.94 and paid a prorated 2019 Warranty (OmniAdvantage Annual Plan) amounting to \$126.12.

f) Cedar Lake paid the fees noted in (e) and recorded them in Account 640-001-396.000 – WTR – MISC SERVICES.

g) N/A

Person(s) providing information: Pamela Sue Sargent Haase, Jill Murr, and Brandon Szamatowicz

Testifying Witness: Pamela Sue Sargent Haase

Q-12-2: Did Petitioner incur any test year costs associated with well inspection and cleaning? Please explain.

Response: Yes. Cedar Lake paid Ortman Drilling & Water Services \$31,420 during the test year (2019) for the Parrish Well Field capacity testing and well cleanings.

Person(s) providing information: Pamela Sue Sargent Haase, Jill Murr, and Brandon Szamatowicz

Testifying Witness: Pamela Sue Sargent Haase

Cedar Lake's Response to OUCC Data Request Set No. 12
Cause No. 45367

Q-12-3: If Petitioner incurred test year well cleaning and inspection costs, please provide the following information:

- a) Name of vendor(s) providing services;
- b) Amount of test year well cleaning and inspection costs incurred; and
- c) Account to which these expenses were recorded.

Response:

a) Ortman Drilling & Well Services

b) Cedar Lake paid \$21,800 for capacity testing of two wells and paid \$9,620 for the cleaning (i.e. air bursting) of two wells.

c) The total paid of \$31,420 was paid from the Water Development Fund #643 and recorded in the Miscellaneous Services account 643-001-396.000.

Person(s) providing information: Pamela Sue Sargent Haase, Jill Murr, and Brandon Szamatowicz

Testifying Witness: Pamela Sue Sargent Haase

Q-12-4: When did Petitioner acquire its GIS mapping equipment and software and from which vendor was it acquired?

Response: To the best of its knowledge, Cedar Lake believes that its existing GIS mapping equipment was initially acquired at least ten (10) years ago. The vendor from whom it purchased the software was ESRI.

Person(s) providing information: Pamela Sue Sargent Haase, Jill Murr, Howard Jones, N. Simstad, and Brandon Szamatowicz

Testifying Witness: Pamela Sue Sargent Haase and/or Neil Simstad

Q-12-5: How much of Petitioner's system has been mapped using its GIS mapping equipment and software as of December 31, 2019?

Response: In 2016, interns from Purdue University were used to map all system fire hydrants and water valves. No water mains were mapped at that time. During 2017 and 2018, the GIS System was updated for additional hydrants and valves. To date, no mapping has been done of the distribution mains; however, Cedar Lake does have blueprints for these mains to enter into the GIS System. No mapping was completed during the 2019 Test Year.

Cedar Lake's Response to OUCC Data Request Set No. 12
Cause No. 45367

Person(s) providing information: Pamela Sue Sargent Haase, Jill Murr, Howard Jones, N. Simstad, and Brandon Szamatowicz

Testifying Witness: Pamela Sue Sargent Haase and/or Neil Simstad

Q-12-6: Did Petitioner map any of its system using its GIS mapping equipment and software during the test year? Please explain.

Response: Unfortunately, Cedar Lake did not map any of its system during the test year. With the addition of new customers and facilities, Cedar Lake is committed to more regular mapping on a prospective basis to ensure the proper record-keeping, maintenance, and operation of its system.

Person(s) providing information: Pamela Sue Sargent Haase, Jill Murr, Howard Jones, N. Simstad, and Brandon Szamatowicz

Testifying Witness: Pamela Sue Sargent Haase and/or Neil Simstad

Q-12-7: If Petitioner conducted GIS mapping of its system during the test year, please answer the following:

- a) What expense did it incur for personnel who conducted the mapping?
- b) To which account were these expenses recorded?
- c) If no expense was recorded to Petitioner's books, were these costs recorded to another Town department or entity? Please explain.

Response:

- a) None.
- b) None.
- c) During the test year, the Town IT Consultant, Intelliplex, Inc., did charge \$226.00 for general services associated with the GIS Mapping System. One hundred percent (100%) of this amount was recorded in the Cumulative Capital Improvement Fund No. 401-001-313.000.

Person(s) providing information: Pamela Sue Sargent Haase, Jennifer Sandberg, Jill Murr, Howard Jones, N. Simstad, and Brandon Szamatowicz

Testifying Witness: Pamela Sue Sargent Haase and/or Neil Simstad

Cedar Lake's Response to OUCC Data Request Set No. 12
Cause No. 45367

Q-12-8: Did Petitioner incur an annual license renewal cost for its GIS mapping software during the test year? If no, please explain why not.

Response: As noted in the Responses to OUCC Data Request Nos. 12-5 and 12-6, Cedar Lake has not been able to map any new facilities in the last couple of years (and, therefore, incurred no expense during the test year). Cedar Lake understands that on a prospective basis, this needs to change. It is for this reason that Cedar Lake has included a cost for updating its mapping on a prospective basis.

Person(s) providing information: Pamela Sue Sargent Haase, Jill Murr, Howard Jones, N. Simstad, and Brandon Szamatowicz

Testifying Witness: Pamela Sue Sargent Haase and/or Neil Simstad

Q-12-9: Did Petitioner incur any vehicle maintenance expense (oil change, tires, general maintenance) during the test year? Please explain.

Response: Although Cedar Lake has a number of vehicles that are used by the water utility, it does not show any vehicle maintenance expense during the test year. To date, Cedar Lake's other departments (i.e. civil city, stormwater, and sewer) have paid for all of the costs associated with vehicle maintenance expense. Consequently, the other departments within the Town have subsidized the water utility for many years in this regard.

Person(s) providing information: Pamela Sue Sargent Haase and Jill Murr

Testifying Witness: Pamela Sue Sargent Haase

Q-12-10: If Petitioner incurred vehicle maintenance expense during the test year, please state the following:

- a) Name of vendor(s) providing vehicle maintenance services;
- b) Amount of test year vehicle maintenance costs incurred; and
- c) Account to which these expenses were recorded.

Response: As noted in the Response to OUCC Data Request 12-9, Cedar Lake has reported no vehicle maintenance expense for the water utility during the test year. In short, the other departments within the Town subsidized the water utility during the test year and for the last decade. In the very near future, Cedar Lake intends to address how to implement processes and procedures whereby the water utility can be allocated its proportionate share of such expenses.

Cedar Lake's Response to OUCC Data Request Set No. 12
Cause No. 45367

Person(s) providing information: Pamela Sue Sargent Haase and Jill Murr

Testifying Witness: Pamela Sue Sargent Haase

Q-12-11: Please identify the transaction recorded to capitalize the meter costs incurred for new customer taps per Petitioner's adjustment No. 11, calculated as \$38,010 (181 x \$210).

Response: Cedar Lake's costs for meter and yoke expenses are in Account No. 640-001-242.000 which is an operating expense account. The Town did not enter a separate transaction in its books and records to account for these expenses as capital expenses.

Person(s) providing information: Pamela Sue Sargent Haase

Testifying Witness: Pamela Sue Sargent Haase

Q-12-12: If no transaction was recorded to capitalize the \$38,010 of meter costs, please explain how these costs have been excluded from Petitioner's revenue requirement in this case.

Response: As previously discussed with the OUCC, Cedar Lake did not physically book a transaction to transfer these costs from operating to capital. Rather, the transfer occurred as part of the preparation of the rate case. Account No. 640-001-242.000 was reclassified as a Non – Operating Expense in Petitioner's Exhibit 19, Exhibit A, line 37. Therefore the Operating Expense indicated in Exhibit A, Line 22 amounting to \$674,278 did not include the \$84,531 from Account No. 640-001-242.000.

Person(s) providing information: Pamela Sue Sargent Haase

Testifying Witness: Pamela Sue Sargent Haase

Q-12-13: To which account were these \$38,010 of meter costs recorded during the test year?

Response: Please refer to the information provided in the Response to OUCC Data Request No. 12-12. This reclassification and the other capital expenses constitute the total non-operating capital expenses amounting to \$171,221 (Petitioner's Exhibit 19, Exhibit A, Line 37). Cedar Lake has provided to the OUCC an electronic, Excel version of Petitioner's Exhibit 19, the Amended Rate and Financing Sufficiency Analysis, in order that the reclassifications could be traced back to the trial balance (which is a separate tab within the excel file).

Person(s) providing information: Pamela Sue Sargent Haase

Cedar Lake's Response to OUCC Data Request Set No. 12
Cause No. 45367

Testifying Witness: Pamela Sue Sargent Haase

Q-12-14: Account 242 (Fund 640) "Meters and Yokes" reflects total costs of \$84,631 recorded during the test year:

- a) Are these costs, or any portion thereof, included in Petitioner's proposed revenue requirement for operating expenses? Please explain.
- b) Is the \$38,010 of meter costs already capitalized per Adjustment No. 11 included in the amounts recorded to this account? Please explain.

Response:

a) As explained in the Response to OUCC Data Request No. 12-12, the entire amount of Account No. 640-001-242.000 was reclassified to Non-Operating Capital Expense; therefore, no meter and yoke costs are included in the revenue requirement.

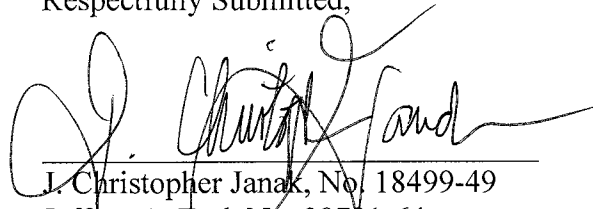
b) Yes. By capitalizing the entire \$84,631 in Account No. 640-001-242.00, as previously described, the cost of the meter and yokes specifically associated with the collected tap-on fees has been capitalized prior to Adjustment 11 on Schedule C (in Petitioner's Exhibit 19). To avoid doubling the reduction for the costs for meters, Cedar Lake only reduced the operating expenses for tap-on fees by those expenses not previously capitalized.

Person(s) providing information: Pamela Sue Sargent Haase

Testifying Witness: Pamela Sue Sargent Haase

Cedar Lake's Response to OUCC Data Request Set No. 12
Cause No. 45367

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "J. Christopher Janak", is written over a horizontal line.

J. Christopher Janak, No. 18499-49
Jeffery A. Earl, No. 28721-64
Bose McKinney & Evans LLP
111 Monument Circle, Suite 2700
Indianapolis, IN 46204
(317) 684-5000 | (317) 684-5173 Fax

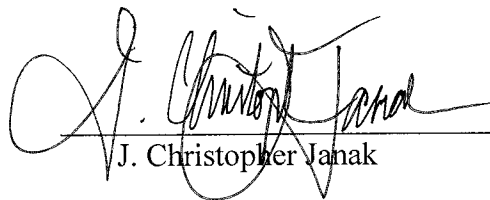
David M. Austgen, No. 3895-45
AUSTGEN KUIPER JASAITIS P.C.
130 N. Main Street
Crown Point, Indiana 46307
(219) 663-5600 | (219) 662-3519 Fax

*Counsel for Petitioner, Town of Cedar Lake, Lake
County, Indiana*

CERTIFICATE OF SERVICE

I certify that a copy of the foregoing "Cedar Lake's Response to OUCC Data Request Set No. 12" was served upon the following by electronic mail this 20th day of August, 2020:

Daniel M. Le Vay
T. Jason Haas
Indiana Office of Utility Consumer Counselor
PNC Center, Suite 1500 South
115 West Washington Street
Indianapolis, Indiana 46204-2208
infomgt@oucc.in.gov
dlevay@oucc.IN.gov
thaas@oucc.in.gov



J. Christopher Janak

Bose McKinney & Evans LLP
111 Monument Circle, Suite 2700
Indianapolis, IN 46204
(317) 684-5000
(317) 684-5173 Fax

Q-4-11: Please provide a reconciliation between the \$1,179,395 of "Total Sales of Water" shown in Petitioner's "2019 Cedar Lake Municipal Water Utility IURC Report", page W-1, and the \$1,173,591 of "Water Service Receipts" on line 1 of Exhibit A attached to Ms. Haase's testimony?

Response: Cedar Lake objects to this request on grounds it is unduly burdensome in that the difference in amounts is immaterial. In addition, there are currently no documents responsive to this request. Notwithstanding the foregoing, Cedar Lake would note that during the preparation of the 2019 IURC Annual Report, Cedar Lake determined that the difference amounting to \$5,804 which equates to a 0.49% variance fell below the materiality threshold for further review. Currently, the variance appears to have occurred due to accounting of the previous year's accounts receivable balance and it is preliminarily believed that this difference may reverse at the end of the current year.

Person(s) providing information: Pamela S. Sargent Haase

Testifying Witness: Pamela S. Sargent Haase

Q-4-12: Which line of Petitioner's Exhibit A included in its 2020 Rate and Financing Sufficiency Report includes late fees?

Response: The late fees or Penalties are included in line 1 of Exhibit A. This can be ascertained by referring to the previously provided excel work paper entitled Copy of RevExp ACTIVITY – WTR 2019.

Person(s) providing information: Pamela S. Sargent Haase

Testifying Witness: Pamela S. Sargent Haase

Q-4-13: The 2018 Annual Report includes information on a note payable to associated entities of \$46,000 to the "Town of Cedar Lake Sew" [sic], page F-14. The note is not indicated in the 2019 Annual Report. Please state when the note was repaid and to which associated entity it was owed. Also, please state the source of the funds used to repay the note.

Response: In Cause No. 44173 dated August 15, 2012, the IURC authorized Cedar Lake Water Utility to issue long term debt up to \$1,339,000 and to borrow \$230,000 on a five-year term from its wastewater utility. The note should have been repaid in 2017; however, the final payment was not made until 2019 due to the resignation of