STATE OF INDIANA INDIANA UTILITY REGULATORY COMMISSION

FILED

July 26, 2017

IN THE MATTER OF THE PETITION OF THE) STEUBEN LAKES REGIONAL WASTE DISTRICT) FOR REVIEW OF RATES AND CHARGES FOR) WHOLESALE SEWAGE SERVICE PURSUANT) TO IND. CODE § 8-1-2-61.7; AND, ON BEHALF OF) AT LEAST TWENTY-FIVE USERS OF THE TOWN) OF FREMONT, INDIANA'S MUNICIPAL) WASTEWATER UTILITY, FOR REVIEW OF) THE RATES AND CHARGES IMPOSED ON USERS) OF THE WORKS FOR SERVICE TO PROPERTY) LOCATED OUTISDE THE CORPORATE) BOUNDARIES OF THE MUNICIPALITY) PURSUANT TO IND. CODE § 8-1.5-3-8.3.)

RESPONDENT: THE TOWN OF FREMONT, INDIANA

INDIANA UTILITY

REGULATORY COMMISSION

CAUSE NO. 44925

AFFIDAVIT OF TIM FREDERICK

TIM FREDERICK, being duly sworn upon his oath, deposes and says as follows:

1. Affiant is the Superintendent of the Steuben Lakes Regional Waste District ("SLRWD"), and has personal knowledge of the facts contained herein.

2. As Superintendent of SLRWD, Affiant is charged with the supervision and

maintenance of the business records of SLRWD.

3. Attached hereto and marked as Exhibit "A" is email correspondence between Kenneth Jones, Engineer for SLRWD and Chris Snyder of the Town of Fremont. This email correspondence is maintained by SLRWD in the regular course of business.

4. Attached hereto and marked as Exhibit "B" is correspondence from Bruce Boxberger, counsel for SLRWD to the Town of Fremont dated October 19, 2012. This correspondence is maintained by SLRWD in the regular course of business.

5. In April, 2015, discussions occurred between Jim Van Vlerah, a representative of

EXHIBIT

SLRWD and Steve Brown and Chris Snyder, representatives of the Town of Fremont regarding a new interlocal agreement between SLRWD and Fremont with respect to sewage services.

Van Vlerah met again with Steve Brown of Fremont in August, 2015 to discuss 6. the negotiation of a new interlocal agreement.

FURTHER AFFIANT SAYETH NAUGHT.

I affirm under penalties of perjury the foregoing representations are true.

Tim Frederick

From: Chris Snyder [mailto:fremont.man@townoffremont.org] Sent: Tuesday, September 11, 2012 7:57 AM To: Kenneth Jones Subject: RE: latest version

Basically, it is what I understand to be fairly accurate.

From: Kenneth Jones [mailto:kenjones@wightmanpetrie.com] Sent: Monday, September 10, 2012 2:50 PM To: Chris Snyder Subject: latest version

hi Chris,

just wanted to know if you concurred with my last version of the letter we passed back and forth..?





let me know.. thanks for all your help..

ken

Kenneth Jones, PLS President WIGHTMAN PETRIE, INC.

4703 Chester Drive Elkhart, Indiana 46516 Phone 574-293-7762 Fax 574-294-3717

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"Freedom is a fragile thing and is never more than one generation from extinction. It is not ours by inheritance; it must be fought for ..." R.Reagan August 31, 2012

Town of Fremont PO Box 602 Fremont, IN 46737

Attn: Chris Snyder, Town Manager

RE: INTERLOCAL AGREEMENT, REQUEST FOR TERMS - STEUBEN LAKES REGIONAL WASTE DISTRICT

Dear Chris:

Thank you for taking time with me relative to the above topic.

As discussed, I had hoped to develop a more complete understanding of the Town's position relative to the existing Interlocal Agreement with the Waste District, as well as the potential for an expanded agreement, a renegotiation or restructuring of the same. Following is my understanding of the Town's opinion on these matters.

- The Town is comfortable with the existing Agreement relative to the North Snow Bay Environmental Service Area and would see no reason to alter the terms.
- The Town would not support any alteration of the Agreement that did not bring some tangible benefit to the customers in that neighborhood.
- The Town would not support any alternation that was not supported by the home owners in that neighborhood.
- The Town would consider a reopening of the terms of the Agreement if no net impact to the in-town Fremont rate payers is made a condition of any new or altered terms.
- 5. The Town would not support an expanded agreement that could result in the compelled connection of any home or land owner located within an area already served under an existing agreement. The Town understands that an expanded or new agreement between the District and the Town could result in the compelled connection of unserved homes or businesses.
- The Town would not support an expanded agreement that cannot demonstrate that no subsidy or support is being provided by the Fremont in-town rate payers to the extraterritorial customers served by the District.

Chris Snyder August 31, 2012 Page 2

- 7. The Town would not support an agreement that requires the Town to relinquish any direct customers (Cranston's Reef or those along Old US 27)
- The Town does not intend to incur costs relative the analysis of terms as requested by Wightman Petrie (4-23-2012 letter).
- The Town, after consultation with legal and fiscal counsel, does not believe that the structure of the terms as suggested by the 5-23-2012 correspondence is in the Town's best interest and, therefore, would not encourage the discussion relative to that topic further.
- 10. If the District desires to, and if requested in writing, the Town will provide the specific financial records needed if the District desires to compute the terms as suggested.

I believe that the main body of our discussion is represented correctly above. I would appreciate your review and concurrence and would welcome any corrections.

I understand that the above is not the result of any formal adoption of a policy by the Town's Council and that if the SLRWD requires that, a request from the District Board for such would be needed.

Again, I appreciate your assistance thus far.

Please feel free to call or email me with any questions or comments.

Sincerely,

Kenneth K. Jones, PLS President

Enclosures

cc: Tim Frederick (SLRWD) Bruce Boxberger Steuben Lakes Regional Waste District Board

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From: Kenneth Jones [mailto:kenjones@wightmanpetrie.com] Sent: Wednesday, September 19, 2012 9:01 AM To: Chris Snyder Subject: RE: SRLWD Proposal

> Chris, thank you and the council I for your attention to this matter

ken

Kenneth Jones, PLS President WIGHTMAN PETRIE, INC.

4703 Chester Drive Elkhart, Indiana 46516 Phone 574-293-7762 Fax 574-294-3717

http://www.wightmanpetrie.com

"Freedom is a fragile thing and is never more than one generation from extinction. It is not ours by inheritance; it must be fought for ..." R.Reagan

From: Chris Snyder [mailto:fremont.man@townoffremont.org] Sent: Wednesday, September 19, 2012 8:27 AM To: Kenneth Jones Subject: SRLWD Proposal

Mr. Jones,

The Fremont Town Council did discuss the proposal from Wightman-Petrie and the SLRWD last evening at their Town Council meeting. They are not in favor of the proposal regarding policies and procedures that might apply to exterritorial bulk customers. They would consider an expansion of the existing agreement with the SLRWD allowing for more customers to be connected to the sanitary sewer line that discharges sewage to the Town of Fremont's Wastewater Treatment facility.

Thank you and I am mailing a letter to you about this issue. Please let me know if you have any questions.

Chris Snyder Fremont Town Manager P.O. Box 602 Fremont, IN 46737 Tel 260-495-2504 Fax 260-495-2446



1400 ONE SUMMIT SQUARE FORT WAYNE, IN 46802-3173 PHO (260) 423-9411 FAX 1260) 423-4329 CARSONBOXBERGER.COM

Jonathon D. Wright wright@carsonboxberger.com

October 19, 2012

VIA EMAIL TO:

sfranks@beersmallers.com

VIA FED-EX TO:

Town of Fremont Attention: Beers Mallers Backs & Salin, LLP Kurt Bachman 108 West Michigan Street LaGrange, Indiana 46761

RE: INTERLOCAL AGREEMENT BETWEEN THE TOWN OF FREMONT AND THE STEUBEN LAKES REGIONAL WASTE DISTRICT DATED SEPTEMBER 19, 2006

Dear Kurt:

Carson Boxberger LLP represents the interests of the Steuben Lakes Regional Waste District (the "District"). As you know, your client, the Town of Fremont (the "Town"), and the District entered into an Interlocal Cooperation Agreement, dated September 19, 2006 (the "Agreement"), relating to the coordinated sewage treatment of certain <u>unreleased</u>, territories located within the District's boundaries (collectively the "Territory"), which is enclosed for your convenience. Prompted by numerous requests from property owners located outside the Town's corporate boundaries, but within the District's current corporate boundaries and/or its NED area, the District has initiated preliminary studies to determine whether serving such areas is environmentally preferable and economically feasible. Unfortunately, although service to the proposed area is certainly preferable from an environmental responsibility and sanitation management perspective, the current arrangement contemplated by the Agreement and the Town's recently-imposed increased treatment rate significantly impact whether such a project is, indeed, economically feasible.

SOLUTIONS.

EXHIBIT



In response to the foregoing, the District has made several efforts to communicate with the Town regarding a potential modification of the Agreement – one that would likely result in both lower rates for affected users and higher quality service. Yet, to date, little progress has been made to further that endeavor, and time is of the essence, as the District must make a decision about the NED project in the near future. To that end, the purpose of this letter is to.

- request the Town's written consent for the District's disconnection under Section 10 of the Agreement;
- (2) in the event the Town is unwilling to consent to the District's disconnection stated above, request the Town's official written position on the same; and
- (3) memorialize an official request for public records under the Indiana Access to Public Records Act ("APRA").

With respect to the third point above, in order to complete the preliminary feasibility study for the District's expansion to the proposed NED area, the District needs some additional information regarding the Town's current cost of sewage treatment. To that end, please accept this letter as an official request under APRA for the following public documents: (1) 2011 (or most recent) financial report that would include the value of the Town's fixed assets, and, specifically, the Town's waste water treatment facility; (2) 2011 sewer department budget (proposed and actual) that includes specific line items attributed to the waste water treatment facility costs of operation (e.g., wages and benefits, consumables, repair and replacement reserve, power, gas, etc.); and (3) in the event no such documents exist, other public documents that would include such information. To that end, in addition to the above-referenced documents, the requested information is also likely to be included in the rate study the Town performed last year in accordance with its sewer treatment rate increase.

Of course, the District will pay any lawfully-imposed copy charges for production of these documents. Please respond with an itemized statement of said charges, if any, and our office will immediately forward a check to you payable to the Town in such amount. As you know, the law imposes a response period of seven days for written requests under APRA and production of the subject documents as soon as is reasonably possible thereafter. Please be advised the District has requested this information several times over the past few months, both in writing and otherwise, and has yet to receive a sufficient response from the Town or the production of any documents.

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Given the time constraints regarding the District's determination as to whether to proceed with the contemplated NED project and statutory response period for written APRA requests, we kindly request the Town's written response to this letter no later than seven days after your receipt of the same and the production of the documents requested under APRA as soon as is reasonably possible thereafter. Of course, in the interest of time and in expeditiously resolving these matters, please do not hesitate to contact the undersigned in the interim by telephone at (260) 423-9411.

Regards,

CARSON BOXBERGER LLP

Bruce O. Boxberger

Jonathon D. Wright BOB/JDW/kea Enclosure (1): Agreement cc: Tim Frederick, Town of Fremont

SOLUTIONS.