

STATE OF INDIANA

INDIANA UTILITY REGULATORY COMMISSION

IN THE MATTER OF THE PETITION OF )  
THE DEPARTMENT OF WATER WORKS )  
OF THE CITY OF MICHIGAN CITY, )  
INDIANA, FOR APPROVAL OF A )  
REGULATORY ORDINANCE )  
ESTABLISHING A SERVICE TERRITORY )  
FOR THE CITY'S MUNICIPAL WATER )  
SYSTEM PURSUANT TO IND. CODE § 8- )  
1.5-6 *ET SEQ.* )

CAUSE NO.: 44865

VERIFIED DIRECT TESTIMONY AND EXHIBITS

OF

RANDALL E. RUSSELL

ON BEHALF OF PETITIONER,

CITY OF MICHIGAN CITY, INDIANA

**PETITIONER, CITY OF MICHIGAN CITY, INDIANA**  
**IURC Cause No. 44865**  
**Verified Direct Testimony of Randall E. Russell**

**I.**

**Introduction**

1  
2  
3 **1. Q. PLEASE STATE YOUR NAME, OCCUPATION, AND BUSINESS**  
4 **ADDRESS.**

5 A. My name is Randall E. Russell. I am employed by the Department of Water  
6 Works of the City of Michigan City, Indiana (“Department”), as its  
7 Superintendent. My business address is 532 Franklin Square, P.O. Box 888,  
8 Michigan City, Indiana 46361.

9  
10 **2. Q. PLEASE SET FORTH YOUR EDUCATIONAL BACKGROUND AND**  
11 **EXPERIENCE WITH THE DEPARTMENT THAT IS RELEVANT TO**  
12 **THIS TESTIMONY.**

13 A. I have been employed by the Department for a total of forty-two (42) years and  
14 have served as its Superintendent since April, 1987. As the Superintendent, my  
15 duties include, among other things, overseeing the various main extension and  
16 capital improvement projects of the Department, coordinating service to new and  
17 existing customers, as well as general supervision of the Department’s water  
18 production, filtration, and distribution systems. I am also responsible for  
19 overseeing the Department’s administrative functions, such as billing, collection,  
20 and customer service.

21  
22 Before being appointed as the Superintendent, I was an Engineering Aide for the  
23 Department where I updated plat books, drafted main valve sheets, and  
24 maintained and updated critical records. Prior to holding this position, I worked  
25 in the construction/service department installing and repairing water mains,  
26 meters, service lines, and taps. During my time with the Department, I received  
27 a Bachelor of Science Degree in Business Management and became a certified  
28 operator in the State of Indiana with DSL, WT-3, and WT-5 licenses. I currently  
29 sit on the Indiana Section of the American Water Works Association Education

1 Committee, am a Life Member of the American Water Works Association  
2 (“AWWA”), and have been selected as the Chair-elect for the Indiana Section of  
3 the AWWA for 2017.

4  
5 I have previously testified before the Indiana Utility Regulatory Commission (the  
6 “Commission”) on behalf of the Department, including its most recent rate case  
7 as approved by Order of the Commission on May 27, 2015, in Cause No. 44538.

8  
9 **3. Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY IN THIS**  
10 **PROCEEDING?**

11 A. The purpose of my testimony is to briefly describe the Department and its water  
12 facilities, discuss the rates and charges of the water utility, and provide support  
13 for a Commission finding that the “regulatory ordinance” adopted by the  
14 Michigan City Common Council is enforceable.

15  
16 **4. Q. HAVE YOU REVIEWED THE VERIFIED PETITION (“PETITION”)**  
17 **THAT INITIATED THIS CAUSE?**

18 A. Yes, I have.

19  
20 **5. Q. DO YOU BELIEVE THE PETITION ACCURATELY REPRESENTS**  
21 **THE FACTS AND MICHIGAN CITY’S REQUESTED RELIEF IN THIS**  
22 **CAUSE?**

23 A. Yes. I believe the Petition accurately describes the facts leading up to the  
24 adoption of the regulatory ordinance and the request for relief by the City of  
25 Michigan City (“Michigan City”) in this case.

26  
27 **II.**

28 **The Department and its Water Facilities**

29 **6. Q. MR. RUSSELL, PLEASE DESCRIBE GENERALLY THE**  
30 **DEPARTMENT.**

1           A.     The Department provides water service to the City of Michigan City and the  
2           surrounding community.     The Department serves approximately 14,500  
3           customers, including the provision of wholesale service to three other utilities:  
4           Michiana, Michigan, Long Beach, Indiana, and New Buffalo Township,  
5           Michigan.     The Department also serves customers in neighboring areas or  
6           communities, such as Pottawatomie Park, Trail Creek, Town of the Pines,  
7           Beverly Shores, and Duneland Beach Homeowners Association, all located in  
8           Indiana.     The Department uses Lake Michigan as its source of water through two  
9           separate intakes.     The Department has a conventional treatment plant with a  
10          capacity of 20 million gallons per day (“mgd”), which consists of coagulation,  
11          flocculation, sedimentation, and filtration.     During the treatment process,  
12          chlorine, fluoride, ammonia, and alum are added to the water to aide in treatment  
13          and provide disinfected water to the distribution system.     The waterworks also  
14          includes two elevated storage tanks with a combined capacity of 2.0 million  
15          gallons, 1 ground storage facility with a capacity of 3.0 million gallons, and a  
16          distribution network of approximately 210 miles of water mains.     The  
17          Department’s average day water use over the last 3 years has ranged from 6.0 to  
18          6.44 mgd, and its maximum day water use through the same period has ranged  
19          from 9.9 to 14.0 mgd.

20  
21       **7.     Q.     IS THE MICHIGAN CITY WATER UTILITY GENERALLY SUBJECT**  
22       **TO THE COMMISSION’S JURISDICTION?**

23       A.     Yes.     Michigan City’s Water Utility is under the jurisdiction of the Commission.  
24       Although the utility is a municipal water utility, the utility has not withdrawn  
25       from the Commission’s jurisdiction.     Michigan City’s most recent case before  
26       the Commission was in Cause No. 44538 in which the Commission issued a final  
27       Order on May 27, 2015, approving a settlement agreement that authorized an  
28       increase in Michigan City’s rates and charges and authorized Michigan City to  
29       issue long term debt.

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**III.**  
**Regulatory Ordinances Generally**

3 **8. Q. MR. RUSSELL, CAN YOU PLEASE DESCRIBE THE REGULATORY**  
4 **ORDINANCE?**

5 A. Yes. On July 26, 2016, the Board of Directors for the Department adopted  
6 Resolution No. 2016-3, entitled “A Resolution of the Department of Water  
7 Works by the Water Board of Directors of Michigan City, Indiana, Approving  
8 and Recommending to the Common Council of said City the Approval of an  
9 Ordinance Establishing the Department of Water Works of Michigan City Water  
10 Service Area and Regulation for the Furnishing of Water Therein.” A copy of  
11 Resolution No. 2016-3 is attached to my testimony as Petitioner’s Exhibit 2. As  
12 its title suggests, Resolution No. 2016-3 encouraged the Common Council of  
13 Michigan City to approve a regulatory ordinance (as defined by Ind. Code § 8-  
14 1.5-6, et seq.) for water service in and around Michigan City, Indiana. On  
15 September 21, 2016, the Common Council accepted the recommendation and  
16 adopted Ordinance No. 4398, entitled “An Ordinance Establishing the  
17 Department of Water Works of Michigan City Water Service Area and  
18 Regulations Furnishing of Water Therein” (“Regulatory Ordinance”). A copy of  
19 Ordinance No. 4398 is attached hereto as Petitioner’s Exhibit 3.

20  
21 **9. Q. WHAT ARE THE TERMS OF MICHIGAN CITY’S REGULATORY**  
22 **ORDINANCE RELATING TO THE PROVISION OF WATER SERVICE**

23 A. The Regulatory Ordinance establishes the Department of Michigan City’s Water  
24 Service Area (“Water Service Area”), which is defined as those areas within the  
25 corporate boundaries of Michigan City, as well as certain areas within four (4)  
26 miles outside Michigan City’s municipal boundaries as described and identified  
27 on a map attached to the Regulatory Ordinance. The Regulatory Ordinance  
28 provides that it is effective upon approval by the Commission at which point the  
29 City holds an exclusive license to furnish potable water service within the Water  
30 Service Area.

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**IV.**  
**Ability of Another Utility to Provide**  
**Service in the Water Service Area**

10. **Q. MR. RUSSELL, CAN YOU DESCRIBE WHETHER ANY OTHER UTILITIES ARE CAPABLE OF PROVIDING WATER SERVICE WITHIN THE WATER SERVICE AREA?**

A. Yes. The Department is the only water utility provider within Michigan City's corporate limits. Outside of our corporate limits, there are six utilities currently providing water service in the area. Specifically, the following utilities are located within or near four miles of the corporate boundaries of Michigan City:

1. Town of Long Beach, Indiana, water utility ("Long Beach");
2. Homeowners' Association of Duneland Beach water utility ("Duneland Beach");
3. The Thirty-Nine North Conservancy District ("Thirty-Nine North");
4. The City of LaPorte Water Utility ("LaPorte");
5. JongKind Park Water Utility ("JongKind Park"); and
6. Prairie Lakes Conservancy District ("Prairie Lakes").

As identified in Paragraph 1 of the Regulatory Ordinance, each of the service areas of these utilities has been excluded from the Water Service Area proposed in the Regulatory Ordinance. When considering the carve-out of the service areas for the other providers, the Department is the only water utility currently providing water service in the Water Service Area. Moreover, it is my opinion that the Department is the only utility that is ready, willing, and able to efficiently and effectively provide water service in the Water Service Area.

11. **Q. DOES ANY UTILITY OTHER THAN THE DEPARTMENT HAVE PLANS TO SERVE THE PROPOSED WATER SERVICE AREA?**

A. No, not to my knowledge. While several utilities border the area, none have extended service to the Water Service Area, and I am not aware of any plans to do so.



1 month for fire protection service. A typical residential customer pays a total  
2 monthly water bill of \$22.47.

3  
4 **16. Q. DOES MICHIGAN CITY CHARGE A DIFFERENT RATE TO**  
5 **CUSTOMERS LOCATED OUTSIDE ITS CORPORATE BOUNDARIES?**

6 A. No. The Department provides service to all customers at the same rates and  
7 charges regardless of whether the customers are inside or outside Michigan  
8 City's municipal boundaries.

9  
10 **17. Q. HOW WOULD CUSTOMERS IN THE WATER SERVICE AREA BE**  
11 **CHARGED?**

12 A. Customers in the Water Service Area would be charged according to the same  
13 rates approved by the Commission in Cause No. 44538.

14  
15 **18. Q. HOW WILL WATER MAIN EXTENSIONS BE HANDLED?**

16 A. We will handle water main extensions on a case-by-case basis. Generally, the  
17 Department will extend service to the new area as long as the developer pays for  
18 the cost of materials.

19  
20 **19. Q. HOW DO YOUR RATES AND CHARGES COMPARE TO THE RATES**  
21 **AND CHARGES OF SURROUNDING UTILITIES?**

22 A. At \$22.47 per month for a typical residential customer, the Department's rates  
23 are very competitive, both locally and state-wide.

24  
25 **VI.**  
26 **Present and Future Economic Development**  
27 **in the Water Service Area**

28 **20. Q. DOES THE DEPARTMENT CURRENTLY SERVE ANY CUSTOMERS**  
29 **IN THE MICHIGAN CITY WATER SERVICE AREA?**

1 A. Yes, the Department currently has significant facilities within the proposed  
2 Water Service Area, and can extend its existing facilities to areas that may need  
3 service in the future.  
4

5 **21. Q. CAN YOU IDENTIFY ANY PROPOSED ECONOMIC DEVELOPMENT**  
6 **PROJECTS IN THE WATER SERVICE AREA?**

7 A. Yes, I can. The City has been discussing extending its corporate boundaries and  
8 creating a tax increment finance area for a proposed project that is southeast of  
9 Michigan City's existing boundaries. It is anticipated that this area (which is  
10 within the Water Service Area) will experience economic development and a  
11 corresponding increase in water needs. Similarly, LaPorte County has been  
12 discussing new developments along the 421 corridor south of Michigan City. If  
13 LaPorte County is successful in its efforts, there will likely be an increased  
14 demand for water in this area as well.  
15

16 **22. Q. HOW WOULD THE WATER SERVICE AREA ENCOURAGE**  
17 **ECONOMIC DEVELOPMENT IN THE AREA?**

18 A. Upon approval of the Regulatory Ordinance, developers in the area will know  
19 which utility to contact for service in the immediate proximity to Michigan City.  
20 For the developers inside the Water Service Area, they will have clear direction  
21 that Michigan City will provide them with water service. This direction will  
22 provide greater certainty to the development community on developing property  
23 which should, in turn, encourage economic growth. This provides the  
24 development community with clarity on developing property. In addition,  
25 Michigan City will have a defined area to plan for and anticipate growth. As a  
26 municipality, annexation is not always an option for expanding municipal utility  
27 services. With the Water Service Area, Michigan City will be able to plan  
28 effectively for the expansion of services outside of its boundaries, encourage  
29 development near the City, and expand its utility infrastructure in a planned way.  
30 The ability to plan for the future will lead to smarter and more efficient

1 development both for developers and Michigan City. To that end, the Water  
2 Service Area will support present economic growth while also encouraging  
3 future economic development.

4  
5 **VII.**  
6 **History of Service**  
7 **in the Water Service Area**

8 **23. Q. WHAT UTILITIES ARE CURRENTLY PROVIDING SERVICE NEAR**  
9 **THE WATER SERVICE AREA?**

10 A. As I previously indicated, Long Beach, Duneland Beach, Thirty-Nine North,  
11 LaPorte, JongKind Park and Prairie Lakes all have water facilities near the Water  
12 Service Area. However, none have facilities or are serving customers in the  
13 Water Service Area.

14  
15 **24. Q. DO YOU ANTICIPATE THAT THESE UTILITIES WILL BE**  
16 **IMPACTED BY THE DEPARTMENT'S PROPOSED WATER SERVICE**  
17 **AREA?**

18 A. No, I do not. The Town of Long Beach is currently a wholesale customer of the  
19 Department. It is my understanding that the Town anticipates only serving in  
20 and around its existing corporate limits. Similarly, Duneland Beach and  
21 JongKind Park only provide service to two different, defined subdivisions.  
22 Thirty-Nine North is conservancy district that, to my knowledge, has defined  
23 boundaries with no intention of expanding at this time. Prairie Lakes is a water  
24 conservancy district that currently has no facilities and does not provide service  
25 to any customers. Finally, I spoke with a representative for LaPorte regarding  
26 the Service Area proposed in this case, and LaPorte had no objection to  
27 Michigan City's requested relief in this Cause.

28  
29 **25. Q. ARE THERE ANY AGREEMENTS CONCERNING THE PROVISION**  
30 **OF WATER SERVICE IN THE WATER SERVICE AREA?**

1 A. The Department currently has agreements to provide service to Long Beach,  
2 Potawatomi Park, Beverly Shores, and Michiana Shores. These agreements do  
3 not limit Michigan City's service area, and the Department does not anticipate its  
4 proposed relief in this case will, in any way, impact these contractual  
5 relationships.

6  
7 **VIII.**  
8 **Other Factors Supporting**  
9 **Michigan City's Water Regulatory Ordinance**

10 **26. Q. ARE THERE OTHER FACTORS THAT THE COMMISSION SHOULD**  
11 **CONSIDER IN APPROVING THE REGULATORY ORDINANCE?**

12 A. Yes. In my opinion, the Water Service Area is necessary for several reasons.  
13 First, having an exclusive area of service allows Michigan City to plan for  
14 expansion of its utility service without concerns about annexation. The service  
15 area gives Michigan City a planning area that allows Michigan City to actually  
16 map out how it plans to extend mains in the near and far term.

17  
18 Second, providing service in the Water Service Area is consistent with Michigan  
19 City's existing long-term plans for providing redundancy of service and  
20 expanding its existing facilities.

21  
22 Third, Michigan City currently has pipes in the ground in portions of the  
23 proposed service area. By approving the Regulatory Ordinance, the Commission  
24 can limit the likelihood of duplication of facilities. Without the protection for the  
25 Regulatory Ordinance, water utilities could easily compete which could result in  
26 duplicative facilities that ultimately cost customers more in infrastructure costs  
27 than is necessary. In short, it is my opinion that the Regulatory Ordinance  
28 should be approved and the Michigan City Water Service Area should be  
29 established.

1  
2

**IX.**  
**Conclusion**

3  
4

27. **Q. DOES THIS CONCLUDE YOUR PREFILED DIRECT TESTIMONY?**  
A. Yes it does.

VERIFICATION

I affirm under the penalties of perjury that the foregoing testimony is true to the best of my knowledge, information, and belief as of the date here filed.



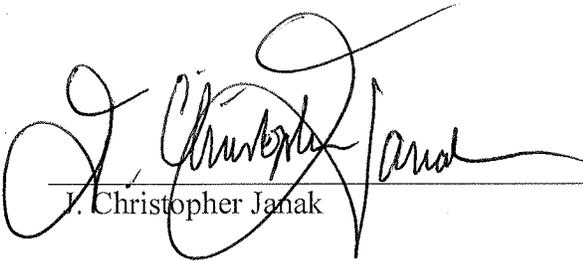
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Randall Russell, Superintendent  
Department of Water Works  
City of Michigan City, Indiana

**CERTIFICATE OF SERVICE**

I certify that a copy of the foregoing “Verified Direct Testimony and Exhibits of Randall E. Russell” was served upon the following by electronic mail this 11<sup>th</sup> day of October, 2016:

Office of Utility Consumer Counselor  
115 West Washington Street, Suite 1500 South  
Indianapolis, IN 46204  
[infomgt@oucc.in.gov](mailto:infomgt@oucc.in.gov)



J. Christopher Janak

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

**PETITIONER'S EXHIBIT 2**

**Department of Water Works  
Michigan City, Indiana  
Resolution No. 2016-03**

**DEPARTMENT OF WATER WORKS  
MICHIGAN CITY, INDIANA  
BOARD OF DIRECTORS**

**RESOLUTION NO. 2016-03**

A Resolution by the Board of Directors for the Department of Water Works for the City of Michigan City, Indiana, approving and recommending to the Common Council of said City the approval of an ordinance establishing the Water Service Area for the Department and Regulating the Furnishing of Water Therein

**WHEREAS**, the Board of Directors of the Department of Water Works of the City of Michigan City, Indiana (the "Board" and the "Department", respectively), finds that the Department should be the exclusive provider of water utility service in areas within four (4) miles outside the corporate boundaries of the City of Michigan City, Indiana ("City"), including the regulation of furnishing of potable water therein; and

**WHEREAS**, the Board has reviewed the proposed ordinance entitled "An Ordinance Establishing the Water Service Area for the Department of Water Works of Michigan City, Indiana and Regulating the Furnishing of Water Therein" a copy of which is attached hereto as Exhibit 1; and

**WHEREAS**, Exhibit 1, if approved by the Common Council of the City of Michigan City, Indiana ("Common Council"), and the Indiana Utility Regulatory Commission ("Commission"), would establish the "Department's Water Service Area" as defined therein as those areas within the corporate boundaries of the City, as well as certain areas within four (4) miles outside the City's boundaries, excluding any area within the already authorized service area of another water utility including, but not limited to, another municipal water utility. A map detailing the Department's Water Service Area is attached to Exhibit 1 as Exhibit A.

**WHEREAS**, Exhibit 1, if approved by the Common Council and the Commission, would give the Department an exclusive license to furnish potable water service within the Department's Water Service Area, and the Department would be the exclusive provider of potable water to the public within the Department's Water Service Area; and

**WHEREAS**, if approved by the Common Council and the Commission, Exhibit 1 would prohibit all other utilities from providing potable water service in the Department's Water Service Area and would prevent any person from connecting to a utility other than the Department; and

**WHEREAS**, if approved by the Common Council, Indiana Code § 8-1.5-6 *et seq.* requires the Department to submit the ordinance establishing the Department's Water Service Area to the Commission for approval; and

**WHEREAS**, the Board finds that the City should approve the Department's Water Service Area as set forth in Exhibit 1, and authorize the Department to submit the matter for review and approval by the Commission.

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Directors of the Department of Water Works of the City of Michigan City, Indiana, that:

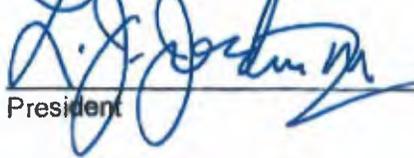
1. The City should establish a water service area pursuant to a water regulatory ordinance under Indiana Code § 8-1.5-6 *et seq.* and authorize the Department to pursue approval of the same by the Commission.

2. The Board recommends that the Common Council approve the Department's Water Service Area by adopting this form of the ordinance attached hereto as Exhibit 1 and incorporated herein by reference.

3. This resolution is effective as of the date of its adoption.

Adopted this 26<sup>th</sup> day of JULY, 2016, by a vote of 4 ayes and 0 nays.

BOARD OF DIRECTORS OF THE  
DEPARTMENT OF WATER WORKS  
OF THE CITY OF MICHIGAN CITY, INDIANA



\_\_\_\_\_  
President

ATTEST:



\_\_\_\_\_  
Secretary

Secretary

3024650\_4

The Department of Water Works Water Service Area Boundaries;

Starting from the West

- All of Pine Township in Porter County,
- Thence South starting along Center Line of County Line Road between LaPorte / Porter County, Pine Township south to the Indiana Toll Road North R-O-W, thence northeast,
- Along the Indiana Toll Road R-OW – to CR 500 W, thence north,
- Along center line of CR 500 W to Johnson Road, thence east,
- Along center line Johnson Road to the Indiana Toll Road North R-O-W, thence northeast
- Along the Indiana Toll Road to the west boundary of the Old C&O RR Line (Thirty-nine North Conservancy District) thence northeast,
- Along the west boundary line Old C&O RR Line (Thirty-nine North Conservancy District ) thence east,
- Along the of CR 225 N, thence north,
- Along center line Indiana State Road No. 39 to the Indiana /Michigan State Line, thence west,
- Along to the Indiana /Michigan State Line to Lake Michigan.

Areas that are excluded from our service area are as follows;

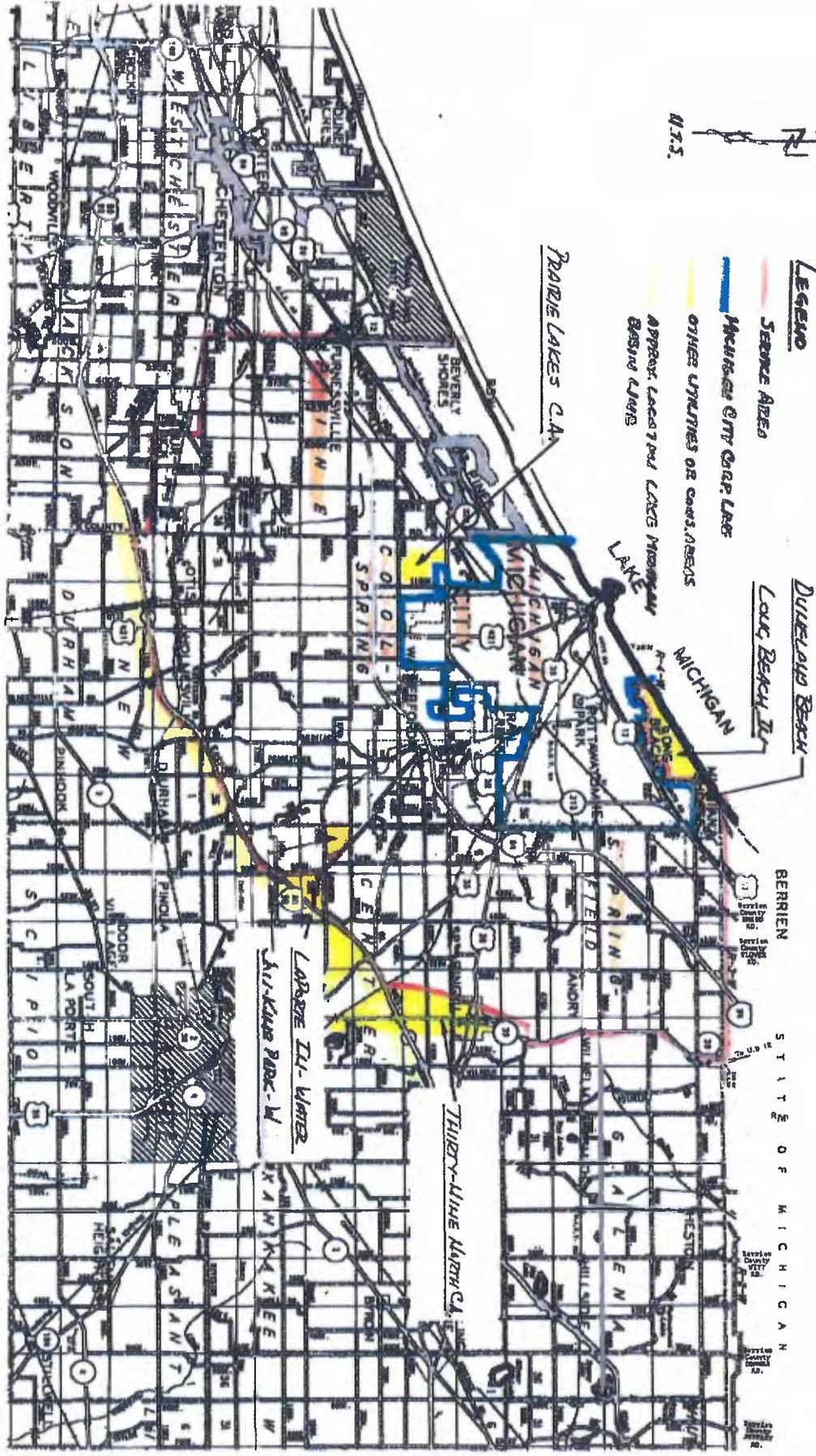
- 1. The Town of Long Beach, IN and their Water Utility
- 2. The Homeowners Association of Duneland Beach and their Water Utility,
- 3. The Thirty-Nine North Conservancy Area
- 4. The area served by LaPorte Water Utility,
- 5. Jon-Kind Park Water Utility,
- 6. Prairie Lakes Conservancy District

11.7.5



**LEGEND**

- SECOND AREA
- HIGHWAY CITY CORP. LOTS
- OTHER UTILITIES OR CONST. AREAS
- APPROX. LOCATIONS OF LAKES MICHIGAN BASIN LOTS



CITY OF MICHIGAN

**PETITIONER'S EXHIBIT 3**

**City of Michigan City  
Ordinance No. 4398**

MICHIGAN CITY COMMON COUNCIL

ORDINANCE NO. 4398

FILED  
AUG 25 2016  
GALE A. NEULIEB  
CITY CLERK  
CITY OF MICHIGAN CITY

**ESTABLISHING THE WATER SERVICE AREA  
FOR THE DEPARTMENT OF WATER WORKS OF  
MICHIGAN CITY, INDIANA,  
AND REGULATING THE FURNISHING OF WATER THEREIN**

**WHEREAS**, Michigan City, Indiana (the "City"), has created a Department of Water Works ("Department") that is responsible for operating and maintaining the City's municipal water system; and

**WHEREAS**, Ind. Code § 36-9-2-14 permits a municipality to regulate the furnishing of water to the public; and

**WHEREAS**, Ind. Code § 36-9-2-18 permits a municipality to exercise powers granted by Ind. Code § 36-9-2-14 in areas within four (4) miles outside its corporate boundaries; and

**WHEREAS**, Ind. Code § 8-1.5-6, *et seq.* permits the City to adopt a "regulatory ordinance" which can then be submitted to the Indiana Utility Regulatory Commission ("Commission") for its review and approval and said regulatory ordinance allows the Department to regulate the furnishing of water utility service in areas within four (4) miles outside the City's corporate boundaries; and

**WHEREAS**, the City wishes to establish a specific water service area for the area that is within four (4) miles of its corporate boundaries as permitted by Indiana law, excluding any area within the authorized service area of another water utility.

**NOW, THEREFORE, BE IT ORDAINED BY THE COMMON COUNCIL OF MICHIGAN CITY, INDIANA, that:**

**Section 1.** The "Department's Water Service Area" is hereby defined and established as those areas within the corporate boundaries of the City, as well as certain areas within four (4) miles outside the City's boundaries, excluding any area within the authorized service area of another water utility including, but not limited to, a municipal water utility. A map and description detailing the Department's Water Service Area is attached hereto as Exhibit A.

**Section 2.** Upon adoption of this Ordinance and its approval by the Commission, the Department shall hold an exclusive license to furnish potable water service within the Department's Water Service Area, and the Department shall be the exclusive provider of potable water to the public within the Department's Water Service Area.

CC: WATER DEPT  
CORPORATE COUNSEL  
PLANNING (2 X'S)  
CITY ENGINEER

**Section 3.** Upon adoption of this Ordinance and its approval by the Commission, no other utilities are permitted to provide water service within the Department's Water Service Area. This Ordinance does not mandate the Department to extend service to areas where technically or financially not feasible. Rather, this Ordinance expressly prohibits other utilities from furnishing water service to customers within the Department's Water Service Area.

**Section 4.** No end service user shall permit a connection to potable water service within the Department's Water Service Area by any other water service provider.

**Section 5.** Any person, firm, or corporation who violates this Ordinance shall be subject to a civil penalty of two thousand dollars (\$2,000.00) per violation, and each day of violation shall be deemed a separate violation.

**Section 6.** The Department's existing rules and regulations for water service, as amended from time to time, shall apply to and within the Department's Water Service Area.

**Section 7.** If any one or more of the terms, provisions, or sentences of this Ordinance, or portions of the Department's Water Service Area, shall be deemed by a court or a tribunal of competent jurisdiction to be contrary to law, then such term of provision shall be deemed severable from the remaining terms and shall in no way affect the validity of the other provisions of this Ordinance.

**Section 8.** The City hereby authorizes the Department and its Board of Directors to pursue any and all necessary approvals for the implementation, effectiveness, and enforcement of this Ordinance, including, but not limited to, seeking approval of this Ordinance by the Commission.

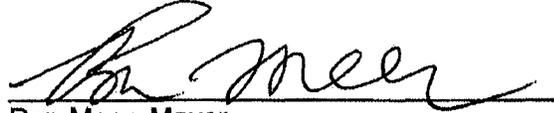
This Ordinance to be effective upon adoption, approval by the Mayor, and any required regulatory approval.

INTRODUCED BY: Donald Przybylinski  
Donald Przybylinski, Member  
Michigan City Common Council

Passed by the Common Council of the City of Michigan City, Indiana, this 20<sup>th</sup> day of September, 2016, by a vote of 9 to 0.

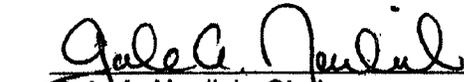
Tim Bietry  
Tim Bietry/President  
Michigan City Common Council

Approved by me, this 21<sup>st</sup> day of September, 2016.



Ron Meer, Mayor  
City of Michigan City

ATTEST:

  
Gale A. Neulieb, Clerk  
City of Michigan City

3020265

**Exhibit A**

**Map of Department's Water Service Area**



U.S.

**LEGEND**

-  SERVICE AREA
-  MICHIGAN CITY CORP. LINES
-  OTHER UTILITIES OR COMS. AREAS
-  APPROX. LOCATIONS LAKES MICHIGAN BASIN LINE

DUNELAP BEACH  
LONG BEACH IL  
 MICHIGAN  
 LAKE MICHIGAN  
 LAKE MICHIGAN

PRAIRIE LAKES C.A.

THIRTY-NINE NORTH C.A.

LARABEE ILL. WATER  
SOUL-KAMP POND - WATER

