BEFORE THE
INDIANA UTILITY REGULATORY COMMISSION

FILED
October 15, 2013
INDIANA UTILITY
REGULATORY COMMISSION

JOINT PETITION OF CITIZENS WATER OF WESTFIELD, LLC, CITIZENS WASTEWATER OF WESTFIELD, LLC AND THE CITY OF WESTFIELD, INDIANA FOR APPROVALS IN CONNECTION WITH THE PROPOSED TRANSFER OF CERTAIN WATER UTILITY ASSETS TO CITIZENS WATER OF WESTFIELD, LLC AND THE PROPOSED TRANSFER OF CERTAIN WASTEWATER UTILITY ASSETS TO CITIZENS WASTEWATER OF WESTFIELD, LLC, INCLUDING: (1) APPROVAL OF THE ACQUISITION BY CITIZENS WATER OF WESTFIELD, LLC AND CITIZENS WASTEWATER OF WESTFIELD, LLC OF CERTAIN WATER AND WASTEWATER UTILITY ASSETS; (2) APPROVAL OF ACCOUNTING AND RATE BASE TREATMENT OF THE WATER AND WASTEWATER ASSETS; (3) APPROVAL OF THE ISSUANCE OF DEBT AND EQUITY BY CITIZENS WATER OF WESTFIELD, LLC AND CITIZENS WASTEWATER OF WESTFIELD, LLC; (4) APPROVAL OF INITIAL RATES AND RULES FOR WATER AND WASTEWATER SERVICE; (5) TO THE EXTENT NECESSARY, APPROVAL OF CERTAIN OPERATING AND AFFILIATE AGREEMENTS; (6) APPROVAL OF DEPRECIATION RATES; (7) APPROVAL OF A CERTIFICATE OF TERRITORIAL AUTHORITY FOR THE PROVISION OF WASTEWATER UTILITY SERVICE BY CITIZENS WASTEWATER OF WESTFIELD, LLC TO CUSTOMERS LOCATED IN RURAL AREAS; AND (8) ANY OTHER APPROVALS NEEDED IN CONNECTION THEREWITH	)	**CAUSE NO. 44273**

SUPPLEMENTAL TESTIMONY
OF
TODD BURTRON

On Behalf of Joint Petitioner
City of Westfield

SUPPLEMENTAL TESTIMONY OF TODD BURTRON

Q1. PLEASE STATE YOUR NAME AND POSITION.

A. My name is Todd Burtron and I am Chief Executive for the City of Westfield.

Q2. ARE YOU THE SAME TODD BURTRON WHO HAS PREVIOUSLY SUBMITTED DIRECT AND REBUTTAL TESTIMONY IN THIS PROCEEDING?

A. Yes.

Q3. FOR WHAT PURPOSE ARE YOU SUBMITTING SUPPLEMENTAL TESTIMONY IN THIS PROCEEDING?

A. I am submitting additional testimony in full support of the Stipulation and Settlement Agreement ("Settlement Agreement") dated October 15, 2013 in this proceeding. I will discuss several provisions of particular importance to Westfield and then I detail the reasons, from Westfield's perspective, that the Settlement Agreement is in the public interest.

Q4. DO YOU HAVE ANY COMMENTS ON THE SETTLEMENT PROCESS THAT WAS USED?

A. Yes, I do. Joint Petitioners initiated settlement discussions with the Office of Utility Consumer Counselor ("OUCC") soon after our proposed order was filed on July 31, 2013. The evidence of the parties portrayed a large difference of opinions and recommendations on a number of issues that would make reaching a settlement difficult. I attended all of the settlement conferences which grew in frequency and intensity during the end of August. On August 29, 2013, the parties reached an agreement in principle and immediately started preparing the appropriate settlement documents. Given the wide range of positions, I had my doubts that the settlement process would be successful. I must admit that the Settling Parties, particularly the OUCC, demonstrated considerable innovation and made significant compromises in order to reach a comprehensive resolution of the issues. The settlement

negotiations were certainly conducted at arms length and resulted in an agreement supported by the Settling Parties.

Q5. WHICH OF THE SETTLEMENT PROVISIONS WILL YOU BE DISCUSSING?

A. I will be discussing Paragraph B1 and the accompanying Joint Petitioner City of Westfield Supplemental Exhibits TB-S2 through TB-S7, and Paragraph B4, Paragraph D and Paragraph I3.

Q6. PLEASE DISCUSS PARAGRAPH B1.

A. Ms. Prentice will be providing detailed testimony regarding Paragraph B which contains the rate provisions that have been agreed to in this proceeding. In Paragraph B1, the Settling Parties agree to implement the rate schedules adopted by the City Council of Westfield and in effect at the time of closing.

Q7. WHAT IS THE ORIGIN OF THE RATES THAT THE SETTLING PARTIES PROPOSE THAT THE COMMISSION APPROVE?

A. There are five separate ordinances that lead to the rates that the Settling Parties proposed be approved. The first two ordinances are 12-01 (water) and 12-02 (wastewater) enacted March 12, 2012 by the Westfield City Council. Ordinances 12-01 and 12-02 are attached as Supplemental Exhibits TB-S2 and TB-S3, respectively. These two ordinances implemented a five year rate plan wherein there would be annual rate increases through December 31, 2016 for water and wastewater services. For purposes of this narrative, it is important to note that the "Non-recurring charges" beginning at the bottom of page 6 of Ordinance 12-01 and continuing through page 8 have not been changed by subsequent ordinances except for the Lawn Irrigation Permit fee that I will discuss later in this testimony. The same holds true for the Non-recurring charges of Ordinance 12-02 (Supplemental Exhibit TB-3, pp. 6-7).

The third ordinance is Ordinance 13-20, enacted by the Westfield City Council on August 12, 2013. Ordinance 13-20 was intended to formally adopt the administrative practice that the Westfield Board of Public Works had instituted in order to address a rate shock issue created by Ordinance 12-01 as discussed by Ms. Stull (Public Exh. 2, pp. 61-63) and by me in my rebuttal testimony (Westfield Rebuttal Exh. TB-3, pp. 7-8). Other than the rate schedules on pages 5-6 of Ordinance 12-01 (Supplemental Exhibit TB-S2) and Ordinance 12-02 (Supplemental Exhibit TB-S3), Ordinance 13-20 was not intended to change any other provision of the rates and terms of service enacted by Ordinances 12-01 and 12-02. A true and correct copy of Ordinance 13-20 is attached as Westfield Supplemental Exhibit TB-S4.

The fourth ordinance is Ordinance 13-27, enacted October 15, 2013 by the Westfield City Council. As stated on page 1 of Ordinance 13-27, a portion of Ordinance 12-20 detailing the Public Fire Protection fee per month, Sprinkler Systems and Private Fire Hydrants was incorrect. The sole purpose of Ordinance 13-27 was to correct these deficiencies by changing the water rate tables. The wastewater tables in Ordinance 13-20 were not changed by Ordinance 13-27. Ordinance 13-27 is attached as Supplemental Exhibit TB-S5. Therefore, the rates and charges for which the Settling Parties are seeking Commission approval are (1) the Public Fire Protection, Sprinkler Systems and Private Fire Hydrants water rate tables approved by Ordinance 13-27, (2) the wastewater and water residential and non-residential rate tables approved by Ordinance 13-20, and (3) the Non-recurring charges and terms of service approved by Ordinances 12-01 and 12-02 for water and wastewater service, respectively.

Q8. PLEASE DESCRIBE SUPPLEMENTAL EXHIBIT TB-S6.

A. For the convenience of the parties and the Commission, I have prepared an exhibit that includes all of the pertinent provisions of Ordinances 12-01, 12-02, 13-20 and 13-27. The

1 water rate tables in Supplemental Exhibit TB-S6 come directly from Ordinance 13-27 and the
2 Non-recurring charges and other terms of service are taken directly from Ordinance 12-01.
3 As to wastewater, the rate tables come directly from Ordinance 13-20 and the non-recurring
4 charges and other terms of service are taken directly from Ordinance 12-02. In developing
5 Supplemental Exhibit TB-S6, I performed the same tasks as I utilized in developing my
6 Rebuttal Exhibit TB-3.

7 **Q9. IS SUPPLEMENTAL EXHIBIT TB-S6 THE SAME AS REBUTTAL EXHIBIT TB-3?**

8 A. Yes, with one exception. Supplemental Exhibit TB-S6 reflects the deletion of the Lawn
9 Irrigation Permit fee as required by Paragraph H1 of the Settlement Agreement.

10 **Q10. WAS THE DELETION OF THE LAW IRRIGATION PERMIT FEE AUTHORIZED**
11 **BY THE WESTFIELD CITY COUNCIL?**

12 A. Yes, and this authorization is part of the last of the five ordinances that I mentioned earlier. In
13 Ordinance 13-28, the Westfield City Council approves the Settlement Agreement. On page 1
14 of Ordinance 13-28, the City Council notes the required deletion of the Water Irrigation
15 Permit fee. Ordinance 13-28 is attached as Supplemental Exhibit TB-S7. Attached to
16 Ordinance 13-27 is the draft settlement considered by the City Council before it enacted
17 Ordinance 13-27. This draft is exactly the same as the executed Settlement Agreement
18 sponsored by Mr. Strohl in his supplemental testimony.

19 **Q11. WHAT IS THE RELEVANCE OF WESTFIELD SUPPLEMENTAL EXHIBIT TB-S6?**

20 A. This exhibit contains the rates and charges that the Settling Parties have recommended that
21 the Commission approve for the period ending December 31, 2016.

22 **Q12. PLEASE DISCUSS PARAGRAPH B4 OF THE SETTLEMENT AGREEMENT.**

23 A. In this paragraph, on the date of closing, Westfield will assign to Citizens Water of Westfield
24 all of its cell tower contracts. Therefore after closing, Westfield will receive no cell tower

1 revenues. This paragraph also provides for future rate treatment of the cell tower revenues as
2 discussed by Ms. Prentice.

3 **Q13. WHY WOULD WESTFIELD GIVE UP THIS SOURCE OF REVENUE?**

4 A. In Westfield's opinion, this assignment of the cell tower contracts was necessary to reach a
5 comprehensive compromise amongst the Settling Parties. It was simply part of the arms
6 length negotiation process.

7 **Q14. PLEASE EXPLAIN PARAGRAPH C1 OF THE SETTLEMENT AGREEMENT.**

8 A. Paragraph C1 contains the recommendation that the Commission find that the transaction
9 contemplated amongst the Joint Petitioners be approved as in the public interest. Later herein,
10 I will provide testimony from Westfield's perspective as to the reasons that the Agreement is
11 in the public interest. Mr. Strohl will provide Joint Petitioner Citizens' perspective on this
12 same issue.

13 **Q15. PLEASE DISCUSS PARAGRAPH F3.**

14 A. This paragraph provides that within 30 days of closing, Westfield will refund to certain
15 customers meter deposits that it has collected over the years. Mr. Treat's rebuttal testimony
16 (Westfield Rebuttal Exhibit JWT, pp. 16-17) describes these deposits and contained the
17 commitment by Westfield that is reflected in Part I, paragraph 3.

18 **Q16. MR. BURTRON, DO YOU BELIEVE THAT COMMISSION APPROVAL OF THE**
19 **SETTLEMENT AGREEMENT WOULD BE IN THE PUBLIC INTEREST?**

20 A. Absolutely. First and foremost, the Agreement preserves the purchase prices reflected in the
21 Water and Wastewater Asset Purchase Agreements. As a result, immediately after closing,
22 currently scheduled for January 8, 2014, Westfield will be able to retire all of its utility-related
23 debt amounting to $42.3 million without raising taxes by a single dollar. This purchase price
24 will also permit Westfield to make significant infrastructure improvements to improve the

quality of life in Westfield. The Agreement also calls for structured rates during the next three years which are exactly the same as the rates enacted by the legislative representatives of the citizens of Westfield. Equally important is the fact that these rates can only be changed with approval of the Indiana Utility Regulatory Commission. The evidence reflects a strong commitment by Citizens Water of Westfield and other affiliated water companies to engage in regional water supply planning, an issue of extreme importance to Westfield as a growing community. For all of these reasons, and the reasons further detailed in my direct and rebuttal testimony, it is my opinion that the Settlement Agreement is in the public interest and I urge the Commission to expeditiously approve it.

Q17. DOES THIS CONCLUDE YOUR SUPPLEMENTAL TESTIMONY?

A. Yes.

SUPPLEMENTAL EXHIBIT TB-S2

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03/15/2012 10:51:00A 9 PGS
Mary L. Clark
HAMILTON County Recorder IN
Recorded as Presented

ORDINANCE 12-01

AN ORDINANCE OF THE CITY OF WESTFIELD CONCERNING WATER RATES AND CHARGES AND AMENDING THE "WATER SERVICE RULES AND REGULATIONS"AND AMENDING PRIOR ORDINANCES OF THE WESTFIELD DEPARTMENT OF PUBLIC WORKS

WHEREAS, the City of Westfield, Indiana (the "City") is governed by the City Council (the "Council); and,

WHEREAS, the City owns and operates a water utility through its Department of Public Works (the "Department"); and,

WHEREAS, the Council adopted rates and charges for water service pursuant to Ordinance 06-28 enacted on September 14, 2006; and Ordinance 09-04 enacted on April 13, 2009; and,

WHEREAS, the Council has the authority to amend ordinances and to establish and adjust rates and charges for water utility service; and,

WHEREAS, the City requested its financial adviser to examine the rates and charges in respect to the cost of service for providing water utility service to the City's customers; and,

WHEREAS, as a result of the cost of service studies conducted by the City's financial adviser, the Council has determined that it is in the best interest of the City to adjust the City's rates and charges to fully recover the reasonable and necessary costs of serving its customers pursuant to IC 8-1.5-3-8; and,

WHEREAS, the City finds that the changes contemplated hereby are reasonable, non-discriminatory and just; and,

WHEREAS, the Council has been advised that the proper notice has been given as required and a hearing on the rate changes has been conducted by the Council;

NOW, THEREFORE, BE IT ORDAINED, by this City Council of the City of Westfield, Indiana, meeting in regular session, that:

Section 1. The Water Services Rules and Regulations, as adopted by Ordinance 03-21 and as amended by Ordinance 05-26 Ordinance 06-28, and Ordinance 09-04 are hereby amended as outlined by Exhibit "A" attached hereto and incorporated by reference herein.

Section 2. The area served by the Westfield Public Utilities is identified by Exhibit "B" attached hereto and incorporated by reference herein.

Section 3. Any current City or Department policy in effect contrary to the provisions of this Ordinance shall be deemed void. Any portion of this Ordinance that may later be deemed invalid shall not affect the remaining provisions.

Section 4. This Ordinance shall become effective upon its adoption and proper publication in accordance with Indiana law; provided, however, that the rates adopted on "Table 1" shall be effective for bills rendered after April 15, 2012. All ordinances or parts thereof in conflict herewith are hereby ordered repealed, except as set forth herein. All acts undertaken to create this Ordinance are hereby ratified.

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ADOPTED AND PASSED this 12 day of March, 2012, by the Westfield City Council, Hamilton County.

WESTFIELD CITY COUNCIL

Voting For	Voting Against	Abstain
Jim Ake	Jim Ake	Jim Ake
John Dippel	John Dippel	John Dippel
Steven Hoover	Steven Hoover	Steven Hoover
Robert L. Horkay	Robert L. Horkay	Robert L. Horkay
Robert J. Smith	Robert J. Smith	Robert J. Smith
Cindy L. Spoljaric	Cindy L. Spoljaric	Cindy L. Spoljaric
Robert W. Stokes	Robert W. Stokes	Robert W. Stokes

ATTEST:

Cindy J. Gossard, Clerk Treasurer

I hereby certify that ORDINANCE 12-01 was delivered to the Mayor of Westfield on the 13 day of Mar., 2012, at 2:20 pm

Cindy Gossard

Cindy J. Gossard, Clerk-Treasurer

I hereby APPROVE ORDINANCE 12-01 this 14 day of March, 2012.

J. Andrew Cook, Mayor

I hereby VETO ORDINANCE 12-01 this _____ day of _____, 2012.

J. Andrew Cook, Mayor

ATTEST:

Cindy J. Gossard

Cindy J. Gossard, Clerk Treasurer

"I affirm, under the penalties of perjury, that I have taken reasonable care to redact each Social Security Number in this document, unless required by law."

Cindy Gossard

Signed

This ordinance prepared by
Brian Zaiger, Attorney at Law
KRIEG DEVAULT, LLP
12800 North Meridian St.
Carmel, Indiana
317-238-6266

Exhibit A

City of Westfield
Water Service Rates and Charges

Table 1

City of Westfield
Water Service Rates and Charges

All Metered Users: Monthly Rate = Base Charge + Usage Charges

Residential	2012	2013	2014	2015	2016
Monthly Base Charge	$ 8.75	$ 9.63	$ 10.11	$ 10.41	$ 10.62

Monthly Usage Per 1,000 Gallons	2012	2013	2014	2015	2016
First 5,000 gallons	$ 3.00	$ 3.50	$ 3.68	$ 3.79	$ 3.87
Next 5,000 gallons	$ 3.50	$ 3.50	$ 3.68	$ 3.79	$ 3.87
Next 15,000 gallons	$ 5.00	$ 5.00	$ 5.25	$ 5.41	$ 5.52
Over 25,000 gallons	$ 3.00	$ 3.00	$ 3.15	$ 3.24	$ 3.30

Non Residential

Monthly Base Charges:

Meters		Area Ratio	2012	2013	2014	2015	2016
5/8' - 3/4"	Inch or less	1	$ 8.75	$ 9.63	$ 10.11	$ 10.41	$ 10.62
1	Inch Meter	2.5	$ 20.00	$ 22.00	$ 23.10	$ 23.79	$ 24.27
1.25	Inch Meter	4.0	$ 32.00	$ 35.20	$ 36.96	$ 38.06	$ 38.83
1.5	Inch Meter	5.8	$ 46.40	$ 51.04	$ 53.59	$ 55.19	$ 56.31
2	Inch Meter	10.0	$ 80.00	$ 88.00	$ 92.40	$ 95.16	$ 97.08
3	Inch Meter	23.0	$ 184.00	$ 202.40	$ 212.52	$ 218.87	$ 223.28
4	Inch Meter	40.0	$ 320.00	$ 352.00	$ 369.60	$ 380.64	$ 388.32
6	Inch Meter	91.0	$ 728.00	$ 800.80	$ 840.84	$ 865.96	$ 883.43
8	Inch Meter	161.8	$ 1,294.40	$1,423.84	$1,495.03	$1,539.69	$1,570.75

Monthly Usage Per 1,000 Gallons	2012	2013	2014	2015	2016
First 5,000 gallons	$ 3.00	$ 3.50	$ 3.68	$ 3.79	$ 3.87
Next 5,000 gallons	$ 3.50	$ 3.50	$ 3.68	$ 3.79	$ 3.87
Next 15,000 gallons	$ 5.00	$ 5.00	$ 5.25	$ 5.41	$ 5.52
Over 25,000 gallons	$ 3.00	$ 3.00	$ 3.15	$ 3.24	$ 3.30

Public Fire Protection Service Fee Per Month

Inside City

Meters		Area Ratio	2012	2013	2014	2015	2016
5/8 - 3/4	Inch Meter	1.0	$2.76	$3.11	$3.27	$3.37	$3.44
1	Inch Meter	2.5	$6.90	$7.78	$8.18	$8.43	$8.60
1.25	Inch Meter	4.0	$11.04	$12.44	$13.08	$13.48	$13.76
1.5	Inch Meter	5.8	$16.01	$18.04	$18.97	$19.55	$19.95
2	Inch Meter	10.0	$27.60	$31.10	$32.70	$33.70	$34.40
3	Inch Meter	23.0	$63.48	$71.53	$75.21	$77.51	$79.12
4	Inch Meter	40.0	$110.40	$124.40	$130.80	$134.80	$137.60
6	Inch Meter	91.0	$251.16	$283.01	$297.57	$306.67	$313.04

Outside City

Meters		Area Ratio	2012	2013	2014	2015	2016
5/8 - 3/4	Inch Meter	1.0	$5.66	$6.23	$6.54	$6.74	$6.87
1	Inch Meter	2.5	$14.15	$15.58	$16.35	$16.85	$17.18
1.25	Inch Meter	4.0	$22.64	$24.92	$26.16	$26.96	$27.48
1.5	Inch Meter	5.8	$32.83	$36.13	$37.93	$39.09	$39.85
2	Inch Meter	10.0	$56.60	$62.30	$65.40	$67.40	$68.70
3	Inch Meter	23.0	$130.18	$143.29	$150.42	$155.02	$158.01
4	Inch Meter	40.0	$226.40	$249.20	$261.60	$269.60	$274.80
6	Inch Meter	91.0	$515.06	$566.93	$595.14	$613.34	$625.17

Fire Sprinkler Systems

Monthly Service Fee

Line Size	2012	2013	2014	2015	2016
2 inches	$15.76	$17.34	$18.20	$18.75	$19.12
3 inches	$31.64	$34.80	$36.54	$37.64	$38.39
4 inches	$47.40	$52.14	$54.74	$56.39	$57.51
6 inches	$79.03	$86.94	$91.28	$94.02	$95.90
8 inches	$142.30	$156.54	$164.36	$169.29	$172.68
10 inches	$283.56	$311.92	$327.51	$337.34	$344.08

Private Fire Hydrants

	2012	2013	2014	2015	2016
Monthly Service Fee	$ 79.03	$ 86.94	$ 91.28	$ 94.02	$ 95.90

Non-recurring Charges. The following non-recurring charges shall be charged by the Department throughout all of Westfield's service areas:

Reconnection Charge. All customers shall be subject to a reconnection charge to reconnect disconnected service of $24.00.

Return Check Charge. All customers shall be subject to a return check charge for checks returned for insufficient funds of $27.00.

Administrative Account Change Fee. For customers choosing to change information on their accounts, these customers shall be assessed a fee for such change in the amount of $20.00. (In Lieu of Meter Connection Fee or Meter Deposit Fee.)

Lawn Irrigation Permit. Any customer who chooses to install a lawn irrigation service, must obtain a Lawn Irrigation Permit through the City Public Works Department in the amount of $250.00. An Encroachment Permit may also be required.

Fire Service Application. Any customer who plans on installing a fire service must complete a Fire Service Application. The New Fire Service Application Fee shall be $250.00.

Change in Existing Fire Service. Any customer who plans to modify or change an existing Fire Service must complete an Application for Existing Fire Service. The fee for a change in an existing fire service shall be $250.00.

Meter Testing Charge. Any customer who requests a meter test will be permitted one meter testing at no charge. Any customer requesting a second meter test within 12 months of the previous test or sequential test will be charged a fee per the schedule below. Should the meter test determine the meter to be malfunctioning, the fee shall be waived and an adjustment will be assessed to the account by the Customer Service Division based on historical data. Fees for testing shall be:

5/8" to 2" Meter Test: $37.50
Greater than 2": Actual Cost

After Hours Turn On/Turn Off. Any customer who requests that water service be turned on or turned off, at no fault of the City or Department, outside of normal business hours shall pay an After Hours Turn On/Turn Off Fee. The customer shall pay an after-hours service call charge of $45.00 per hour, with a minimum charge of one hour.

After Hours Service Call. Any customer who requests service outside of normal business hours, at no fault of the City or Public Work's Department shall be assessed an After Hours Service Fee. The customer shall pay an After Hours service call charge of $45.00 per hour, with a minimum charge of one hour.

Credit Card. Any customer who conducts a credit card transaction via a credit card shall be assessed a transaction fee charge as set or determined by a third party vendor.

Customer Account Deposit. Any existing or new customers rendering services, that have a history of poor credit ratings either with the City of Westfield Public Works Department or have a documented poor credit rating, shall deposit an amount not to exceed an amount equal to 3 monthly water bills based on 5000 gallons usage.

Administration of Customer Account Deposits will be administered pursuant to IC 39-9-23-28.

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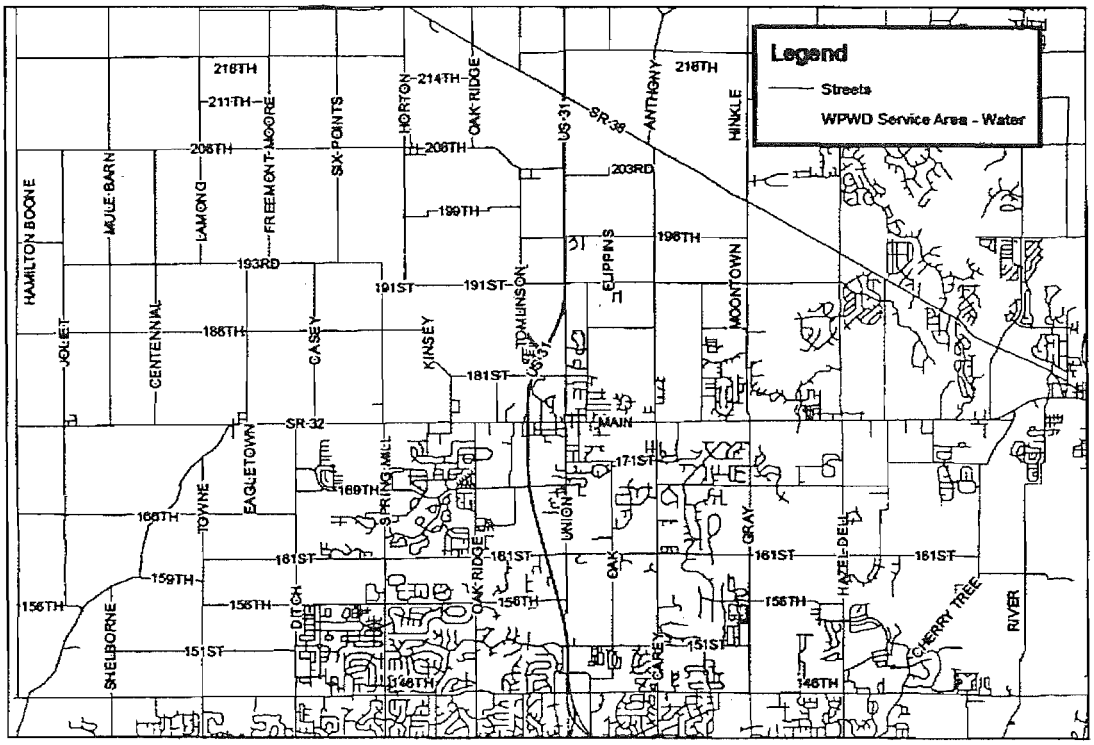
Attachment B

WPWD Service Area - Water



SUPPLEMENTAL EXHIBIT TB-S3

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03/15/2012 10:51:00A 8 PGS
Mary L. Clark
HAMILTON County Recorder IN
Recorded as Presented

ORDINANCE 12-02

AN ORDINANCE OF THE CITY OF WESTFIELD AMENDING WASTEWATER RATES AND CHARGES AND CERTAIN RELATED MATTERS

WHEREAS, the City of Westfield, Indiana (the "City") is governed by its duly elected Mayor and City Council (the "Council); and,

WHEREAS, the City owns and operates a wastewater utility through its Department of Public Works (the "Department"); and,

WHEREAS, the Council has previously adopted rates and charges for wastewater services pursuant by Ordinances 04-16 and Ordinance 08-39; and,

WHEREAS, the Council has the authority and to amend ordinances and to establish and adjust rates and charges for wastewater utility service pursuant to IC 36-9-23-25; and,

WHEREAS, the City requested its financial adviser to conduct a financial study to assess the adequacy and fairness of the rates and charges in respect to the cost of service for providing wastewater utility service to the City's customers, pursuant to IC 36-9-23-25; and,

WHEREAS, as a result of the cost of service studies, the Council has determined that it is in the best interest of the City to adjust the rates and charges to fully recover the cost of service to its customers, as required by IC 36-9-23-25; and,

WHEREAS, the City has consulted with its financial advisor and finds that the changes contemplated hereby are reasonable, equitable, non-discriminatory and just; and,

WHEREAS, the Council has been advised that the proper notice has been given as required and a hearing on such rates and charges has been conducted by the Council;

NOW, THEREFORE, BE IT ORDAINED, by this City Council of the City of Westfield, Indiana, meeting in regular session, that:

Section 1. The Public Utilities of the City of Westfield, Indiana, Basic Code of Ordinances, Section 13.12.030 is hereby amended by the provisions of Exhibit "A", attached hereto and incorporated by reference herein.

Section 2. The Wastewater Services Rules and Regulations, as adopted by Ordinance 03-21 and as amended by Ordinance 05-26 Ordinance 06-28, and Ordinance 09-04 are hereby amended. An illustrative map of the service area is attached as Exhibit "B" and incorporated by reference herein.

Section 3. Any current City or Department policy in effect contrary to the provisions of this Ordinance shall be deemed void. Any portion of this Ordinance that may later be deemed invalid shall not affect the remaining provisions.

Section 4. This Ordinance shall become effective upon its adoption and proper publication in accordance with Indiana law. All ordinances or parts thereof in conflict herewith are hereby ordered repealed. All acts undertaken to create this Ordinance are hereby ratified.

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ALL OF WHICH IS ORDAINED THIS 12 DAY OF Mar 2012.

WESTFIELD CITY COUNCIL

Voting For	Voting Against	Abstain
Jim Ake	Jim Ake	Jim Ake
John Dippel	John Dippel	John Dippel
Steven Hoover	Steven Hoover	Steven Hoover
Robert L. Horkay	Robert L. Horkay	Robert L. Horkay
Cindy L. Spoljaric	Cindy L. Spoljaric	Cindy Spoljaric
Robert J. Smith	Robert J. Smith	Robert J. Smith
Robert W. Stokes	Robert W. Stokes	Robert W. Stokes

ATTEST:

Cindy J. Gossard, Clerk Treasurer

"I affirm, under the penalties of perjury, that I have taken reasonable care to redact each Social Security Number in this document, unless required by law"

Signed

I hereby certify that ORDINANCE 12-02 was delivered to the Mayor of Westfield on the 13 day of Mar, 2012, at 2:20pm

Cindy J. Gossard, Clerk-Treasurer

I hereby APPROVE ORDINANCE 12-02 this 14 day of March, 2012.

J. Andrew Cook, Mayor

I hereby VETO ORDINANCE 12-02 this _____ day of _____, 2012.

J. Andrew Cook, Mayor

ATTEST:

Cindy J. Gossard, Clerk Treasurer

"I affirm, under the penalties of perjury, that I have taken reasonable care to redact each Social Security Number in this document, unless required by law."

Signed

This ordinance prepared by
Brian Zaiger, Attorney at Law
KRIEG DEVAULT, LLP
12800 North Meridian St.
Carmel, Indiana
317-238-6266

Exhibit A

City of Westfield
Wastewater Service Rates and Charges

Table 1

City of Westfield
Waste Water Rates and Charges

RESIDENTIAL SEWER RATES
Total monthly charges consist of Base + Usage

		2012	2013	2014	2015	2016
Base Charge		$ 13.51	$ 14.73	$ 15.32	$ 15.78	$ 16.10
Proposed Minimum Usage Charges	0-5000 gallons	$ 29.35	$ 32.00	$ 33.30	$ 34.30	$ 35.00
Total of Minimum Charges		***$ 42.86***	***$ 46.73***	***$ 48.62***	***$ 50.08***	***$ 51.10***
All Usage over 5000 gallons	Rate per 1,000 gallons	$ 5.87	$ 6.40	$ 6.66	$ 6.86	$ 7.00

Summer Sewer Savings Program

For the months of May-October, usage billed will be based upon the lesser of actual or 125% of the average winter water usage. Winter average water usage shall be calculated using the 125% of each customer's average for the previous November - February. If no reliable history is available, the winter average will equal 9,000. In no event will the sewer usage billed be less than 5,000 which is the minimum charge.

Monthly Rate for Unmetered Residential (Residential Base + Usage for 9000 gallons)	$ 66.34	$ 72.33	$ 75.26	$ 77.52	$ 79.10

NON-RESIDENTIAL SEWER RATES

Non-Residential Users - Base Meter Charge		2012	2013	2014	2015	2016
5/8 - 3/4	Inch Meter	$ 13.51	$ 14.73	$ 15.32	$ 15.78	$ 16.10
1	Inch Meter	$ 33.78	$ 36.82	$ 38.29	$ 39.44	$ 40.23
1 1/4	Inch Meter	$ 54.05	$ 58.91	$ 61.27	$ 63.11	$ 64.37
1 1/2	Inch Meter	$ 78.38	$ 85.43	$ 88.85	$ 91.52	$ 93.35
2	Inch Meter	$ 135.14	$ 147.30	$ 153.19	$ 157.79	$ 160.95
3	Inch Meter	$ 310.81	$ 338.78	$ 352.33	$ 362.90	$ 370.16
4	Inch Meter	$ 540.54	$ 589.19	$ 612.76	$ 631.14	$ 643.76
6	Inch Meter	$1,229.73	$1,340.41	$1,394.03	$1,435.85	$1,464.57
8	Inch Meter	$2,186.48	$2,383.26	$2,478.59	$2,552.95	$2,604.01

Non-Residential Users - Total Minimum Charge (Minimum Usage + Base Meter Charge)

		Min Gallons	2012	2013	2014	2015	2016
5/8 - 3/4	Inch Meter	5,000	$ 42.86	$ 46.73	$ 48.62	$ 50.08	$ 51.10
1	Inch Meter	12,500	$ 107.16	$ 116.82	$ 121.54	$ 125.19	$ 127.73
1 1/4	Inch Meter	20,000	$ 171.45	$ 186.91	$ 194.47	$ 200.31	$ 204.37
1 1/2	Inch Meter	29,000	$ 248.61	$ 271.03	$ 281.99	$ 290.46	$ 296.35
2	Inch Meter	50,000	$ 428.64	$ 467.30	$ 486.19	$ 500.79	$ 510.95
3	Inch Meter	115,000	$ 985.86	$1,074.78	$1,118.23	$ 151.80	$1,175.16
4	Inch Meter	200,000	$1,714.54	$1,869.19	$ 194.76	$2,003.14	$2,043.76
6	Inch Meter	455,000	$3,900.58	$4,252.41	$4,424.33	$4,557.15	$4,649.57
8	Inch Meter	809,000	$6,935.31	$7,560.86	$7,866.53	$8,102.69	$8,267.01

All Usage over Meter Size Minimum	2012	2013	2014	2015	2016
Rate per 1,000 gallons	$ 5.87	$ 6.40	$ 6.66	$ 6.86	$ 7.00

Customer Account Deposit. Any existing or new customers rendering services that have a history of poor credit ratings either with the City of Westfield Public Works Department or have a documented poor credit rating, shall deposit an amount not to exceed an amount equal to 3 monthly wastewater bills based on 5000 gallons usage. Administration of Customer Account Deposits will be administered pursuant to IC 39-9-23-28.

Other Charges.

All customers shall be subject to the following charges:

Reconnection Charge----------$24.00

Returned Check Charge----------$27.00

Administrative Account Charge----------$20.00
Fee for customers choosing to change
information on their account.

After Hours Service Call. Any customer who requests service outside of normal business hours, at no fault of the City or Public Work's Department shall be assessed an After Hours Service Fee. The customer shall pay an After Hours service call charge of $45.00 per hour, with a minimum charge of one hour.

Credit Card. Any customer who conducts a credit card transaction via a credit card shall be assessed a transaction fee charge as set or determined by a third party vendor.

Reduction Credit. Any owner-occupant who is eligible for, and has filed one of the following claims listed below is eligible for a ten dollar ($10.00) per month credit from the residential minimum monthly scheduled rates listed above:

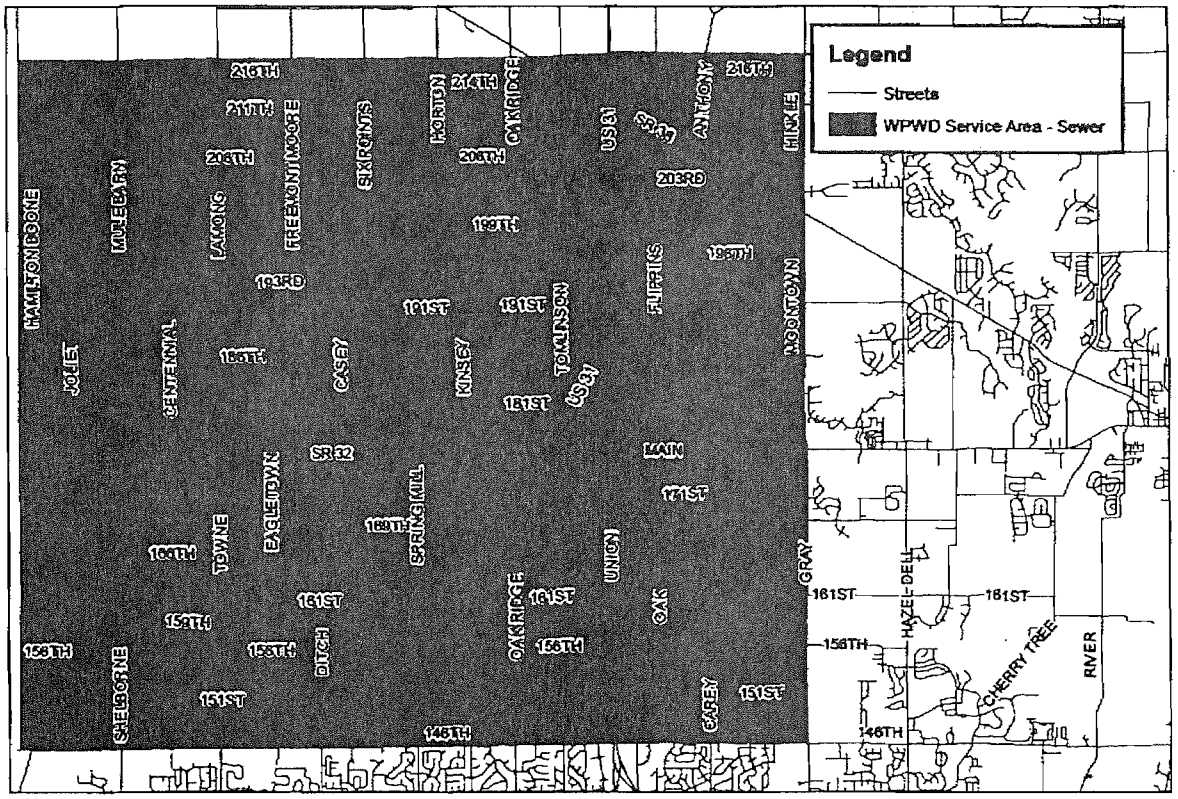
a. A claim for an over age 65 deduction for property taxes pursuant to Indiana Code 6-1.1-12-9;
b. A claim for a blind and disabled deduction for property taxes under Indiana Code 6-1.1-12-11;
c. A claim for a disabled veteran or surviving spouse of a World War I veteran deduction for property taxes pursuant to Indiana Code 6-1.1-12-13

A residential parcel may receive only one (1) credit even though the owner-occupant may be eligible under more than one statue.

Such claims must be filed with the Hamilton County Auditor and the property owner shall not be eligible until the first billing cycle after the claim is filed. Any owner-occupant must file a marked copy of the owner's affidavit requesting one of the above listed deductions with the Westfield Public Works Department's Customer Service Division to be eligible.

EXHIBIT B

WPWD Service Area - Sewer



SUPPLEMENTAL EXHIBIT TB-S4

2013054260 ORDINANCE $27.00
08/22/2013 02:46:27P 9 PGS
Mary L. Clark
HAMILTON County Recorder IN
Recorded as Presented

ORDINANCE 13- 20

ORDINANCE OF THE CITY OF WESTFIELD ADOPTING CHANGES TO UTILITY RATES AS MODIFIED BY THE WESTFIELD BOARD OF PUBLIC WORKS

WHEREAS, The City of Westfield, ("City") is a duly formed municipal corporation within the State of Indiana, governed by its duly elected Mayor and Common Council ("Council"); and,

WHEREAS, it is the duty and the responsibility of the Council to manage the utility rates for the City owned municipal utilities; and

WHEREAS, the Westfield Board of Public Works ("BPW") through the authority granted to it by Ordinance 13-07, has implemented certain changes to the rates that were adopted by the Council in Ordinances 12-01 (water rates) and 12-02 (sewer rates) in order to mitigate unintended rate shock on certain utility customers resulting from implementation of the 12-01 and 12-02 rates; and

WHEREAS, under the authority granted to it by Ordinance 13-07, the BPW began charging these revised rates effective January 1, 2013; and

WHEREAS, the BPW and the Council wish to formally amend the rates adopted by the Council in Ordinances 12-01 (water rates) and 12-02 (sewer rates) through adoption of this Ordinance; and

WHEREAS, the Council has been advised of the changes to the utility rates implemented by the BPW; and

WHEREAS, after being duly advised in the issues and modifications made by the BPW, the Council now finds that the adoption and implementation of the following Ordinance is in the best interests of the citizens of the City of Westfield.

NOW, THEREFORE, BE IT ORDAINED by the Westfield City Common Council meeting in session as follows:

Section 1. The Council does now adopt the rates as found to be appropriate by the Westfield BPW and changed as reflected on Exhibit "A" and Exhibit "B" attached hereto and incorporated by reference herein ("Revised Rates").

Section 2. Effective as of the date of this Ordinance, the Council hereby adopts the Revised Rates, which amend and supersede the utility

COPY

rates set forth in Ordinances 12-01 (water rates) and 12-02 (sewer rates).

Section 3 . That the Chief Executive Officer shall administer the provisions of this Ordinance and shall cause the same to be implemented into the Westfield Code of Ordinances and all rate schedules.

Section 4. This Ordinance shall be in full force and effect in accordance with Indiana Law, upon its passage by the City Council, its publication in accordance with law and upon the passage of any applicable waiting period, all as provided by the laws of the State of Indiana. All ordinances or parts thereof in conflict herewith are hereby ordered amended or repealed. In the event any portion of this Ordinance is later deemed invalid all remaining portions shall remain in place. All acts taken pursuant to the adoption of this Ordinance are hereby ratified.

ALL OF WHICH IS ORDAINED THIS 12 DAY OF Aug 2013.

WESTFIELD CITY COUNCIL

Voting For	Voting Against	Abstain
Jim Ake	Jim Ake	Jim Ake
John Dippel	John Dippel	John Dippel
Steven Hoover	Steven Hoover	Steven Hoover
Robert L. Horkay	Robert L. Horkay	Robert L. Horkay
Robert J. Smith	Robert J. Smith	Robert J. Smith
Cindy L. Spoljaric	Cindy L. Spoljaric	Cindy L. Spoljaric
Robert W. Stokes	Robert W. Stokes	Robert W. Stokes

ATTEST:

Cindy J. Gossard, Clerk Treasurer

"I affirm, under the penalties of perjury, that I have taken reasonable care to redact each Social Security Number in this document, unless required by law"

Signed

I hereby certify that ORDINANCE 13-20 was delivered to the Mayor of Westfield on the 13 day of Aug, 2013, at 9:30 A m.

Cindy J. Gossard, Clerk-Treasurer

I hereby APPROVE ORDINANCE 13-20 this 13 day of August, 2013.

J. Andrew Cook, Mayor

I hereby VETO ORDINANCE 13-20 this _____ day of _____, 2013.

J. Andrew Cook, Mayor

ATTEST:

Cindy J. Gossard, Clerk Treasurer

This document prepared by
Brian J. Zaiger, Esq.
KRIEG DEVAULT, LLP
(317) 238-6266

City of Westfield
Water Service Rates and Charges - Per Board of Works Administrative Amendments

All Metered Users: Monthy Rate = Base Charge + Usage Charges

Residential

	2012	2013	2014	2015	2016
Monthly Base Charge	$ 8.75	$ 9.63	$ 10.11	$ 10.41	$ 10.62

Monthly Usage Per 1,000 Gallons	2012	2013	2014	2015	2016
First 5,000 gallons	$ 3.00	$ 3.50	$ 3.68	$ 3.79	$ 3.87
Next 5,000 gallons	3.50	3.50	3.68	3.79	3.87
Next 15,000 gallons	5.00	5.00	5.25	5.41	5.52
Over 25,000 gallons	3.00	3.00	3.15	3.24	3.30

Non Residential

Monthly Base Charges:

Meters		Area Ratio	2012 Actual	2013	2014	2015	2016
5/8' - 3/4"	Inch or less	1	$ 8.75	$ 9.63	$ 10.11	$ 10.41	$ 10.62
1	Inch Meter	2.5	8.75	22.00	23.10	23.79	24.27
1.25	Inch Meter	4.0	8.75	35.20	36.96	38.06	38.83
1.5	Inch Meter	5.8	8.75	51.04	53.59	55.19	56.31
2	Inch Meter	10.0	8.75	88.00	92.40	95.16	97.08
3	Inch Meter	23.0	8.75	202.40	212.52	218.87	223.28
4	Inch Meter	40.0	8.75	352.00	369.60	380.64	388.32
6	Inch Meter	91.0	8.75	800.80	840.84	865.96	883.43
8	Inch Meter	161.8	8.75	1,423.84	1,495.03	1,539.69	1,570.75

Monthly Usage Per 1,000 Gallons	2012	2013	2014	2015	2016
First 5,000 gallons	$ 3.00	$ 3.50	$ 3.68	$ 3.79	$ 3.87
Next 5,000 gallons	3.50	3.50	3.68	3.79	3.87
Next 15,000 gallons	5.00	5.00	5.25	5.41	5.52
Over 25,000 gallons	3.00	3.00	3.15	3.24	3.30

Public Fire Protection Service Fee Per Month

Inside City

Meters		Area Ratio	2012 Actual	2013	2014	2015	2016
5/8 - 3/4	Inch Meter	1.0	$2.76	$3.11	$3.27	$3.37	$3.44
1	Inch Meter	2.5	2.76	3.11	3.27	3.37	3.44
1.25	Inch Meter	4.0	2.76	3.11	3.27	3.37	3.44
1.5	Inch Meter	5.8	2.76	3.11	3.27	3.37	3.44
2	Inch Meter	10.0	2.76	3.11	3.27	3.37	3.44
3	Inch Meter	23.0	2.76	3.11	3.27	3.37	3.44
4	Inch Meter	40.0	2.76	3.11	3.27	3.37	3.44
6	Inch Meter	91.0	2.76	3.11	3.27	3.37	3.44

Outside City

Meters		Area Ratio	2012 Actual	2013	2014	2015	2016
5/8 - 3/4	Inch Meter	1.0	$5.66	$3.11	$3.27	$3.37	$3.44
1	Inch Meter	2.5	5.66	3.11	3.27	3.37	3.44
1.25	Inch Meter	4.0	5.66	3.11	3.27	3.37	3.44
1.5	Inch Meter	5.8	5.66	3.11	3.27	3.37	3.44
2	Inch Meter	10.0	5.66	3.11	3.27	3.37	3.44
3	Inch Meter	23.0	5.66	3.11	3.27	3.37	3.44
4	Inch Meter	40.0	5.66	3.11	3.27	3.37	3.44
6	Inch Meter	91.0	5.66	3.11	3.27	3.37	3.44

Sprinkler Systems

Monthly Service Fee

Line Size	2012	2013	2014	2015	2016
2 inches	$15.76	$17.34	$18.20	$18.75	$19.12
3 inches	31.64	34.80	36.54	37.64	38.39
4 inches	47.40	52.14	54.74	56.39	57.51
6 inches	79.03	86.94	91.28	94.02	95.90
8 inches	142.30	156.54	164.36	169.29	172.68
10 inches	283.56	311.92	327.51	337.34	344.08

Private Fire Hydrants

	2012	2013	2014	2015	2016
Monthly Service Fee	$ 79.03	$ 86.94	$ 91.28	$ 94.02	$ 95.90

Administrative Account Change Fee. For customers choosing to change information on their accounts, these customers shall be assessed a fee for such change in the amount of $20.00 (In lieu of Meter Connection Fee or Meter Deposit Fee).

Lawn Irrigation Permit. Any customer who chooses to install a lawn irrigation service, must obtain a Lawn Irrigation Permit through the utility in the amount of $250.00. An Encroachment Permit may also be required.

Fire Service Application. Any customer who plans on installing a fire service must complete a Fire Service Application. The New Fire Service Application Fee shall be $250.00.

Change in Existing Fire Service. Any customer who plans to modify or change an existing Fire Service must complete an Application for Existing Fire Service. The fee for a change in an existing fire service shall be $250.00.

Meter Testing Charge. Any customer who requests a meter test will be permitted one meter testing at no charge. Any customer requesting a second meter test within 12 months of the previous test or sequential test will be charged a fee per the schedule below. Should the meter test determine the meter to be malfunctioning, the fee shall be waived and an adjustment will be assessed to the account by the Customer Service Division based on historical data. Fees for testing shall be:

5/8" to 2" Meter Test: $37.50
Greater than 2": Actual Cost

After Hours Turn On/Turn Off. Any customer who requests that water service be turned on or turned off, at no fault of the utility, outside of normal business hours shall pay an After Hours Turn On/Turn Off Fee. The customer shall pay an After Hours service call charge of $45.00 per hour, with a minimum charge of one hour.

After Hours Service Call. Any customer who requests service outside of normal business hours, at no fault of the utility, shall be assessed an After Hours Service Fee. The customer shall pay an After Hours service call charge of $45.00 per hour, with a minimum charge of one hour.

Credit Card. Any customer who conducts a credit card transaction via a credit card shall be assessed a transaction fee charge as set or determined by a third party vendor.

Customer Account Deposit. Any existing or new customers rendering services, that have a history of poor credit ratings with the utility or have a documented poor credit rating, shall deposit an amount not to exceed an amount equal to 3 monthly water bills based on 5,000 gallons usage. Administration of Customer Account Deposits will be administered pursuant to IC 39-9-23-28.

City of Westfield

Waste Water Rates and Charges -- Per Board of Works Administrative Amendments

RESIDENTIAL SEWER RATES

Total monthly charges consist of Base + Usage

		2012	2013	2014	2015	2016
Base Charge		$ 13.51	$ 14.73	$ 15.32	$ 15.78	$ 16.10
Proposed Minimum Usage Charges	0-5000 gallons	$ 29.35	$ 32.00	$ 33.30	$ 34.30	$ 35.00
Total of Minimum Charges		*$ 42.86*	*$ 46.73*	*$ 48.62*	*$ 50.08*	*$ 51.10*
All Usage over 5000 gallons	Rate per 1,000 gallons	$ 5.87	$ 6.40	$ 6.66	$ 6.86	$ 7.00

Summer Sewer Savings Program

For the months of June-September, usage billed will be based upon the lesser of actual or winter average water usage. Winter average water usage shall be calculated using the 125% of each customer's average for the previous November - February. If no reliable history is available, the winter average will equal 9,000. In no event will the sewer usage billed be less than 5,000 which is the minimum charge.

Monthly Rate for Unmetered Residential (Residential Base + Usage for 9000 gallons)		$ 66.34	$ 72.33	$ 75.26	$ 77.52	$ 79.10

NON-RESIDENTIAL SEWER RATES

Non-Residential Users - Base Meter Charge

		2012 Actual	2013	2014	2015	2016
5/8 - 3/4	Inch Meter	$ 13.51	$ 14.73	$ 15.32	$ 15.78	$ 16.10
1	Inch Meter	13.51	36.82	38.29	39.44	40.23
1 1/4	Inch Meter	13.51	36.82	38.29	39.44	40.23
1 1/2	Inch Meter	13.51	36.82	38.29	39.44	40.23
2	Inch Meter	13.51	36.82	38.29	39.44	40.23
3	Inch Meter	13.51	36.82	38.29	39.44	40.23
4	Inch Meter	13.51	36.82	38.29	39.44	40.23
6	Inch Meter	13.51	36.82	38.29	39.44	40.23
8	Inch Meter	13.51	36.82	38.29	39.44	40.23

Non-Residential Users - Total Minimum Charge (Minimum Usage + Base Meter Charge)

		Min Gallons	2012 Actual	2013	2014	2015	2016
5/8 - 3/4	Inch Meter	5,000	$ 42.86	$ 46.73	$ 48.62	$ 50.08	$ 51.10
1	Inch Meter	12,000	42.86	113.62	118.21	121.76	124.23
1 1/4	Inch Meter	12,000	42.86	113.62	118.21	121.76	124.23
1 1/2	Inch Meter	12,000	42.86	113.62	118.21	121.76	124.23
2	Inch Meter	12,000	42.86	113.62	118.21	121.76	124.23
3	Inch Meter	12,000	42.86	113.62	118.21	121.76	124.23
4	Inch Meter	12,000	42.86	113.62	118.21	121.76	124.23
6	Inch Meter	12,000	42.86	113.62	118.21	121.76	124.23
8	Inch Meter	12,000	42.86	113.62	118.21	121.76	124.23

All Usage over Meter Size Minimum	2012	2013	2014	2015	2016
Rate per 1,000 gallons	$ 5.87	$ 6.40	$ 6.66	$ 6.86	$ 7.00

Other Charges.

All customers shall be subject to the following charges:

Reconnection Charge.....$24.00

Returned Check Charge $27.00

Administrative Account Charge $20.00
Fee for customers choosing to change
information on their account.

After Hours Service Call. Any customer who requests service outside of normal business hours, at no fault of the utility, shall be assessed an After Hours Service Fee. The customer shall pay an After Hours service call charge of $45.00 per hour, with a minimum charge of one hour.

Credit Card. Any customer who conducts a credit card transaction via a credit card shall be assessed a transaction fee charge as set or determined by a third party vendor.

SUPPLEMENTAL EXHIBIT TB-S5

ORDINANCE 13-27

ORDINANCE OF THE CITY OF WESTFIELD AMENDING ORDINANCE 13-20

WHEREAS, The City of Westfield, ("City") is a duly formed municipal corporation within the State of Indiana, governed by its duly elected Mayor and Common Council ("Council"); and,

WHEREAS, it is the duty and the responsibility of the Council to manage the utility rates for the City owned municipal utilities; and

WHEREAS, the Westfield Board of Public Works ("BPW") through the authority granted to it by Ordinance 13-07, has implemented certain changes to the rates that were adopted by the Council in Ordinances 12-01 (water rates) and 12-02 (sewer rates) in order to mitigate unintended rate shock on certain utility customers resulting from implementation of the 12-01 and 12-02 rates; and

WHEREAS, under the authority granted to it by Ordinance 13-07, the BPW began charging these revised rates effective January 1, 2013; and

WHEREAS, the BPW and the Council had formally amended the rates adopted by the Council in Ordinances 12-01 (water rates) and 12-02 (sewer rates) through adoption of Ordinance 13-20; and

WHEREAS, through excusable error, an incorrect version of an attachment was included on the adopted Ordinance 13-20.

NOW, THEREFORE, BE IT ORDAINED by the Westfield City Common Council meeting in session as follows:

Section 1. The Council has previously adopted Ordinance 13-20 adopting changes to utility rates as modified by the Westfield Board of Works on or about August 13, 2013

Section 2. That the Council has been aware that a portion of an exhibit detailing the Public Fire Protection fee per Month, Sprinkler Systems and Private Fire Hydrants was incorrect.

Section 3 . That the conflicting language is hereby ordered to comply with Exhibit "A", attached hereto and incorporated by reference herein. No other changes are authorized or intended.

Section 4. This Ordinance shall be in full force and effect in accordance with Indiana Law, upon its passage by the City Council, its publication in accordance with law and upon the passage of any applicable waiting period, all as provided by the laws of the State of Indiana. All ordinances or parts thereof in conflict herewith are hereby ordered amended or repealed. In the event any portion of this Ordinance is later deemed invalid all remaining portions shall remain in place. All acts taken pursuant to the adoption of this Ordinance are hereby ratified.

ALL OF WHICH IS ORDAINED THIS 15 DAY OF Oct 2013.

WESTFIELD CITY COUNCIL

Voting For	**Voting Against**	**Abstain**
Jim Ake	Jim Ake	Jim Ake
Councilor	Councilor	Councilor
Steven Hoover	Steven Hoover	Steven Hoover
Robert L. Horkay	Robert L. Horkay	Robert L. Horkay
Robert J. Smith	Robert J. Smith	Robert J. Smith
Cindy L. Spoljaric	Cindy L. Spoljaric	Cindy L. Spoljaric
Robert W. Stokes	Robert W. Stokes	Robert W. Stokes

ATTEST:

Cindy J. Gossard, Clerk Treasurer

I hereby certify that ORDINANCE 13-27 was delivered to the Mayor of Westfield

on the 15 day of Oct, 2013, at 7:30 A m.

Cindy J. Gossard, Clerk-Treasurer

I hereby APPROVE ORDINANCE 13-27

this 15 day of October, 2013.

J. Andrew Cook, Mayor

I hereby VETO ORDINANCE 13-27

this _____ day of _____, 2013.

J. Andrew Cook, Mayor

ATTEST:

Cindy J. Gossard, Clerk Treasurer

This document prepared by
Brian J. Zaiger, Esq.
KRIEG DEVAULT, LLP
(317) 238-6266

City of Westfield
Water Service Rates and Charges
(Continued)

Public Fire Protection Service Fee Per Month

Meters		Area Ratio	2013	2014	2015	2016
5/8 - 3/4	Inch Meter	1.0	$3.11	$3.27	$3.37	$3.44
1	Inch Meter	2.5	7.78	8.18	8.43	8.60
1.25	Inch Meter	4.0	12.44	13.08	13.48	13.76
1.5	Inch Meter	5.8	18.04	18.97	19.55	19.95
2	Inch Meter	10.0	31.10	32.70	33.70	34.40
3	Inch Meter	23.0	71.53	75.21	77.51	79.12
4	Inch Meter	40.0	124.40	130.80	134.80	137.60
6	Inch Meter	91.0	283.01	297.57	306.67	313.04

Page 2

Sprinkler Systems

Monthly Service Fee

Line Size	2013	2014	2015	2016
2 inches	$17.34	$18.20	$18.75	$19.12
3 inches	34.80	36.54	37.64	38.39
4 inches	52.14	54.74	56.39	57.51
6 inches	86.94	91.28	94.02	95.90
8 inches	156.54	164.36	169.29	172.68
10 inches	311.92	327.51	337.34	344.08

Private Fire Hydrants

	2013	2014	2015	2016
Monthly Service Fee	$ 86.94	$ 91.28	$ 94.02	$ 95.90

SUPPLEMENTAL EXHIBIT TB-S6

ORDINANCE 13- ___

Exhibit A – Water Rates & Charges – Page 1 of 2

City of Westfield
Water Service Rates and Charges

All Metered Users: Monthy Rate = Base Charge + Usage Charges

Residential

	2013	2014	2015	2016
Monthly Base Charge	$ 9.63	$ 10.11	$ 10.41	$ 10.62

Monthly Usage Per 1,000 Gallons	2013	2014	2015	2016
First 5,000 gallons	$ 3.50	$ 3.68	$ 3.79	$ 3.87
Next 5,000 gallons	3.50	3.68	3.79	3.87
Next 15,000 gallons	5.00	5.25	5.41	5.52
Over 25,000 gallons	3.00	3.15	3.24	3.30

Non Residential

Monthly Base Charges:

Page 1

Meters		Area Ratio	2013	2014	2015	2016
5/8' - 3/4"	Inch or less	1	$ 9.63	$ 10.11	$ 10.41	$ 10.62
1	Inch Meter	2.5	22.00	23.10	23.79	24.27
1.25	Inch Meter	4.0	35.20	36.96	38.06	38.83
1.5	Inch Meter	5.8	51.04	53.59	55.19	56.31
2	Inch Meter	10.0	88.00	92.40	95.16	97.08
3	Inch Meter	23.0	202.40	212.52	218.87	223.28
4	Inch Meter	40.0	352.00	369.60	380.64	388.32
6	Inch Meter	91.0	800.80	840.84	865.96	883.43
8	Inch Meter	161.8	1,423.84	1,495.03	1,539.69	1,570.75

Monthly Usage Per 1,000 Gallons	2013	2014	2015	2016
First 5,000 gallons	$ 3.50	$ 3.68	$ 3.79	$ 3.87
Next 5,000 gallons	3.50	3.68	3.79	3.87
Next 15,000 gallons	5.00	5.25	5.41	5.52
Over 25,000 gallons	3.00	3.15	3.24	3.30

Exhibit A – Water Rates & Charges – Page 2 of 2

City of Westfield
Water Service Rates and Charges
(Continued)

Public Fire Protection Service Fee Per Month

Meters		Area Ratio	2013	2014	2015	2016
5/8 - 3/4	Inch Meter	1.0	$3.11	$3.27	$3.37	$3.44
1	Inch Meter	2.5	7.78	8.18	8.43	8.60
1.25	Inch Meter	4.0	12.44	13.08	13.48	13.76
1.5	Inch Meter	5.8	18.04	18.97	19.55	19.95
2	Inch Meter	10.0	31.10	32.70	33.70	34.40
3	Inch Meter	23.0	71.53	75.21	77.51	79.12
4	Inch Meter	40.0	124.40	130.80	134.80	137.60
6	Inch Meter	91.0	283.01	297.57	306.67	313.04

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Sprinkler Systems

Monthly Service Fee

Line Size	2013	2014	2015	2016
2 inches	$17.34	$18.20	$18.75	$19.12
3 inches	34.80	36.54	37.64	38.39
4 inches	52.14	54.74	56.39	57.51
6 inches	86.94	91.28	94.02	95.90
8 inches	156.54	164.36	169.29	172.68
10 inches	311.92	327.51	337.34	344.08

Private Fire Hydrants

	2013	2014	2015	2016
Monthly Service Fee	$ 86.94	$ 91.28	$ 94.02	$ 95.90

Non-recurring Charges. The following non-recurring charges shall be charged by the utility throughout all of the utility's service areas:

Reconnection Charge. All customers shall be subject to a reconnection charge to reconnect disconnected service of $24.00.

Return Check Charge. All customers shall be subject to a return check charge for checks returned for insufficient funds of $27.00.

Administrative Account Change Fee. For customers choosing to change information on their accounts, these customers shall be assessed a fee for such change in the amount of $20.00 (in lieu of Meter Connection Fee or Meter Deposit Fee).

Fire Service Application. Any customer who plans on installing a fire service must complete a Fire Service Application. The New Fire Service Application Fee shall be $250.00.

Change in Existing Fire Service. Any customer who plans to modify or change an existing Fire Service must complete an Application for Existing Fire Service. The fee for a change in an existing fire service shall be $250.00.

Meter Testing Charge. Any customer who requests a meter test will be permitted one meter testing at no charge. Any customer requesting a second meter test within 12 months of the previous test or sequential test will be charged a fee per the schedule below. Should the meter test determine the meter to be malfunctioning, the fee shall be waived and an adjustment will be assessed to the account by the Customer Service Division based on historical data. Fees for testing shall be:

5/8" to 2" Meter Test: $37.50
Greater than 2": Actual Cost

After Hours Turn On/Turn Off. Any customer who requests that water service be turned on or turned off, at no fault of the utility, outside of normal business hours shall pay an After Hours Turn On/Turn Off Fee. The customer shall pay an After Hours service call charge of $45.00 per hour, with a minimum charge of one hour.

After Hours Service Call. Any customer who requests service outside of normal business hours, at no fault of the utility, shall be assessed an After Hours Service Fee. The customer shall pay an After Hours service call charge of $45.00 per hour, with a minimum charge of one hour.

Credit Card. Any customer who conducts a credit card transaction via a credit card shall be assessed a transaction fee charge as set or determined by a third party vendor.

Customer Account Deposit. Any existing or new customers rendering services, that have a history of poor credit ratings with the utility or have a documented poor credit rating, shall deposit an amount not to exceed an amount equal to 3 monthly water bills based on 5,000 gallons usage. Administration of Customer Account Deposits will be administered pursuant to IC 39-9-23-28.

Exhibit B – Sewer Rates & Charges

City of Westfield
Waste Water Rates and Charges -- Per Board of Works Administrative Amendments

RESIDENTIAL SEWER RATES
Total monthly charges consist of Base + Usage

		2013	2014	2015	2016
Base Charge		$ 14.73	$ 15.32	$ 15.78	$ 16.10
Proposed Minimum Usage Charges	0-5000 gallons	$ 32.00	$ 33.30	$ 34.30	$ 35.00
Total of Minimum Charges		*$ 46.73*	*$ 48.62*	*$ 50.08*	*$ 51.10*
All Usage over 5000 gallons	Rate per 1,000 gallons	$ 6.40	$ 6.66	$ 6.86	$ 7.00

Summer Sewer Savings Program

For the months of June-September, usage billed will be based upon the lesser of actual or winter average water usage. Winter average water usage shall be calculated using the 125% of each customer's average for the previous November - February. If no reliable history is available, the winter average will equal 9,000. In no event will the sewer usage billed be less than 5,000 which is the minimum charge.

	2013	2014	2015	2016
Monthly Rate for Unmetered Residential (Residential Base + Usage for 9000 gallons)	$ 72.33	$ 75.26	$ 77.52	$ 79.10

NON-RESIDENTIAL SEWER RATES

Page 1

Non-Residential Users - Base Meter Charge

		2013	2014	2015	2016
5/8 - 3/4	Inch Meter	$ 14.73	$ 15.32	$ 15.78	$ 16.10
1	Inch Meter	36.82	38.29	39.44	40.23
1 1/4	Inch Meter	36.82	38.29	39.44	40.23
1 1/2	Inch Meter	36.82	38.29	39.44	40.23
2	Inch Meter	36.82	38.29	39.44	40.23
3	Inch Meter	36.82	38.29	39.44	40.23
4	Inch Meter	36.82	38.29	39.44	40.23
6	Inch Meter	36.82	38.29	39.44	40.23
8	Inch Meter	36.82	38.29	39.44	40.23

Non-Residential Users - Total Minimum Charge (Minimum Usage + Base Meter Charge)

		Min Gallons	2013	2014	2015	2016
5/8 - 3/4	Inch Meter	5,000	$ 46.73	$ 48.62	$ 50.08	$ 51.10
1	Inch Meter	12,000	113.62	118.21	121.76	124.23
1 1/4	Inch Meter	12,000	113.62	118.21	121.76	124.23
1 1/2	Inch Meter	12,000	113.62	118.21	121.76	124.23
2	Inch Meter	12,000	113.62	118.21	121.76	124.23
3	Inch Meter	12,000	113.62	118.21	121.76	124.23
4	Inch Meter	12,000	113.62	118.21	121.76	124.23
6	Inch Meter	12,000	113.62	118.21	121.76	124.23
8	Inch Meter	12,000	113.62	118.21	121.76	124.23

All Usage over Meter Size Minimum	2013	2014	2015	2016
Rate per 1,000 gallons	$ 6.40	$ 6.66	$ 6.86	$ 7.00

Customer Account Deposit. Any existing or new customers rendering services that have a history of poor credit ratings with the utility or have a documented poor credit rating shall deposit an amount not to exceed an amount equal to 3 monthly wastewater bills based on 5,000 gallon usage. Administration of Customer Account Deposits will be administered pursuant to IC 39-9-23-28.

Other Charges.

All customers shall be subject to the following charges:

Reconnection Charge.....$24.00

Returned Check Charge $27.00

Administrative Account Charge $20.00
Fee for customers choosing to change
Information on their account.

After Hours Service Call. Any customer who requests service outside of normal business hours, at no fault of the utility, shall be assessed an After Hours Service Fee. The customer shall pay an After Hours service call charge of $45.00 per hour, with a minimum charge of one hour.

Credit Card. Any customer who conducts a credit card transaction via a credit card shall be assessed a transaction fee charge as set or determined by a third party vendor.

SUPPLEMENTAL EXHIBIT TB-S7

ORDINANCE 13-28

ORDINANCE APPROVING STIPULATION AND SETTLEMENT AGREEMENT REGARDING THE SALE OF THE WESTFIELD WATER AND SEWER UTILITIES

WHEREAS, The City of Westfield, ("City") is a duly formed municipal corporation within the State of Indiana, governed by its duly elected Mayor and Common Council ("Council"); and,

WHEREAS, it is the duty and the responsibility of the Council to manage and maintain the water and sewer utilities owned by the City, and

WHEREAS, Ordinance 12-32 authorized a sale of the water and sewer assets with certain expectations and conditions, and;

WHEREAS, the adversarial proceeding conducted by the Indiana Regulatory Commission has resulted in a proposed Stipulation and Settlement Agreement ("Agreement") that may impact certain expectations and conditions as contained in Ordinance 12-32 but does not amend the purchase price and remains in the best interests of the City.

NOW, THEREFORE, BE IT ORDAINED by the Westfield City Common Council meeting in session as follows:

Section 1. That the Council now has reviewed and been advised of the proposed Agreement as well as the impact it may have on the sale of the water and sewer utility as anticipated by the Council.

Section 2. That Council finds that the Agreement does not negatively impact the fiscal benefits of the sale and further finds that the Agreement is in the best interests of the City and hereby authorizes the City's execution of the Agreement and the amendment of the Asset Purchase Agreement and any other document necessary to accomplish the sale pursuant to the Agreement, including the elimination of lawn irrigation permit fees.

Section 3. This Ordinance shall be in full force and effect in accordance with Indiana law, upon the passage of any applicable waiting periods, all as provided by the laws of the State of Indiana. All ordinances or parts thereof that are in conflict herewith are hereby ordered repealed. All acts undertaken to develop this Ordinance are hereby ratified.

ALL OF WHICH IS ORDAINED THIS 15 DAY OF Oct 2013.

WESTFIELD CITY COUNCIL

Voting For	**Voting Against**	**Abstain**
Jim Ake	Jim Ake	Jim Ake
Councilor	Councilor	Councilor
Steven Hoover	Steven Hoover	Steven Hoover
Robert L. Horkay	Robert L. Horkay	Robert L. Horkay
Robert J. Smith	Robert J. Smith	Robert J. Smith
Cindy Spoljaric	Cindy Spoljaric	Cindy Spoljaric
Robert W. Stokes	Robert W. Stokes	Robert W. Stokes

ATTEST:

Cindy Gossard, Clerk Treasurer

I hereby certify that ORDINANCE 13-28 was delivered to the Mayor of Westfield on the 15 day of Oct, 2013, at 7:30 A m.

Cindy Gossard, Clerk-Treasurer

I hereby APPROVE ORDINANCE 13-28 this 15 day of October, 2013.

J. Andrew Cook, Mayor

I hereby VETO ORDINANCE 13-28 this _____ day of _____, 2013.

J. Andrew Cook, Mayor

This document prepared by
Brian J. Zaiger, Esq.
KRIEG DEVAULT, LLP
(317) 238-6266

STATE OF INDIANA

INDIANA UTILITY REGULATORY COMMISSION

JOINT PETITION OF CITIZENS WATER OF WESTFIELD, LLC, CITIZENS WASTEWATER OF WESTFIELD, LLC AND THE CITY OF WESTFIELD, INDIANA FOR APPROVALS IN CONNECTION WITH THE PROPOSED TRANSFER OF CERTAIN WATER UTILITY ASSETS TO CITIZENS WATER OF WESTFIELD, LLC AND THE PROPOSED TRANSFER OF CERTAIN WASTEWATER UTILITY ASSETS TO CITIZENS WASTEWATER OF WESTFIELD, LLC, INCLUDING: (1) APPROVAL OF THE ACQUISITION BY CITIZENS WATER OF WESTFIELD, LLC AND CITIZENS WASTEWATER OF WESTFIELD, LLC OF CERTAIN WATER AND WASTEWATER UTILITY ASSETS; (2) APPROVAL OF ACCOUNTING AND RATE BASE TREATMENT OF THE WATER AND WASTEWATER ASSETS; (3) APPROVAL OF THE ISSUANCE OF DEBT AND EQUITY BY CITIZENS WATER OF WESTFIELD, LLC AND CITIZENS WASTEWATER OF WESTFIELD, LLC; (4) APPROVAL OF INITIAL RATES AND RULES FOR WATER AND WASTEWATER SERVICE; (5) TO THE EXTENT NECESSARY, APPROVAL OF CERTAIN OPERATING AND AFFILIATE AGREEMENTS; (6) APPROVAL OF DEPRECIATION RATES; (7) APPROVAL OF A CERTIFICATE OF TERRITORIAL AUTHORITY FOR THE PROVISION OF WASTEWATER UTILITY SERVICE BY CITIZENS WASTEWATER OF WESTFIELD, LLC TO CUSTOMERS LOCATED IN RURAL AREAS; AND (8) ANY OTHER APPROVALS NEEDED IN CONNECTION THEREWITH	CAUSE NO. 44273

STIPULATION AND SETTLEMENT AGREEMENT

This Stipulation and Settlement Agreement ("Settlement Agreement") is made as of this 15th day of October, 2013 and entered into by and among the City of Westfield ("Westfield"), Citizens Water of Westfield, LLC ("Citizens Water of Westfield"), Citizens Wastewater of

Westfield, LLC ("Citizens Wastewater of Westfield"), and the Indiana Office of Utility Consumer Counselor ("OUCC") (collectively the "Settling Parties"). Westfield, Citizens Water of Westfield and Citizens Wastewater of Westfield are sometimes referred to collectively herein as the "Joint Petitioners." Citizens Water of Westfield and Citizens Wastewater of Westfield are sometimes referred to collectively herein as the Citizens Joint Petitioners.

WHEREAS, on November 20, 2012, in Cause No. 44273 the Joint Petitioners filed their Verified Joint Petition requesting approvals from the Indiana Utility Regulatory Commission ("Commission") relating to the proposed acquisition of certain Westfield water and wastewater utility assets by Citizens Water of Westfield and Citizens Wastewater of Westfield pursuant to Asset Purchase Agreements that were admitted into evidence as Joint Petitioners' Exhibit ADJ-2 ("Water Asset Purchase Agreement") and ADJ-3 ("Wastewater Asset Purchase Agreement") (collectively the "Asset Purchase Agreements");

WHEREAS, the Settling Parties have engaged in communications and exchanged information related to the relief requested by Joint Petitioners in the Verified Joint Petition and other matters; and

WHEREAS, as a result of communication and negotiations, the Settling Parties agree that the Terms and Conditions set forth in this Settlement Agreement represent a fair, just and reasonable resolution of the issues raised in this Cause;

NOW THEREFORE, subject to the Commission's approval of this Settlement Agreement in its entirety without modification, or imposition of any other term or condition that is unacceptable to any Settling Party, the Settling Parties agree as follows:

A. NET ORIGINAL COST OF CERTAIN UTILITY PLANT AND FAIR VALUE INCREMENT

1. The Settling Parties stipulate and agree that the net original cost of Utility Plant that will be conveyed to Citizens Water of Westfield and Citizens Wastewater of Westfield, respectively, as it existed as of December 31, 2011, as set forth on Part (a) of Schedule 12.10(b) of each Asset Purchase Agreement, is deemed to be $12,470,000 for the water utility and $30,530,000 for the wastewater utility net of contributions of plant or cash (contributions-in-aid of construction or "CIAC") and net of accumulated depreciation. The foregoing stipulation is for purposes of this Settlement Agreement and for ratemaking purposes in the future. The Settling Parties further agree that the foregoing stipulation will not constitute an acceptance by any party of any other party's methodology for defining and accounting of items as contributions-in-aid of construction or contributed property. The Settling Parties further agree that no determination will be made in this proceeding regarding whether Citizens Water of Westfield's or Citizens Wastewater of Westfield's contributions-in-aid of construction ("CIAC") should be amortized or how any such amortization would affect ratemaking.

2. Within 60 days of the Closing Date, Citizens Water of Westfield and Citizens Wastewater of Westfield shall each file in this Cause a report listing the Utility Plant conveyed to Citizens Water of Westfield and Citizens Wastewater of Westfield respectively pursuant to the applicable Asset Purchase Agreement. The report shall also identify the Utility Plant conveyed that existed as of December 31, 2011 and included in the Utility Plant for purposes of Part (a) of Schedule 12.10(b) of the applicable Asset Purchase Agreement. Citizens Water of Westfield and Citizens Wastewater of Westfield shall have one year from the date of closing within which to prepare their opening balance sheets, which shall be provided to the OUCC within 10 days of completion.

3. The Settling Parties agree that the acquisitions are reasonable and in the public interest. The Settling Parties stipulate and agree that in addition to any return Citizens Water of Westfield and Citizens Wastewater of Westfield are authorized in future rate cases to earn on their respective utility plant, each utility should be allowed to earn a return on, but not of, a fair value increment in the amount of $6,960,000 for the water utility and $17,040,000 for the wastewater utility. The Settling Parties agree that no determination shall be made in this proceeding as to a methodology to be used to establish arate of return to be applied to the fair value increment agreed to herein.

4. Citizens Water of Westfield and Citizens Wastewater of Westfield will each amortize its fair value increment over 40 years from the date of closing. Until the end of the foregoing amortization period, Citizens Water of Westfield and Citizens Wastewater of Westfield will each be authorized to earn a return on, but not of, the unamortized portion of its fair value increment.

5. With respect to the fair value increments agreed to in this Cause, the OUCC acknowledges Citizens Water of Westfield and Citizens Wastewater of Westfield may seek a fair rate of return in future rate cases. However, the Settling Parties agree that if either utility seeks a finding that the fair value of the Utility Plant set forth on Part (a) of Schedule 12.10(b) of the applicable Asset Purchase Agreement as of December 31, 2011 exceeds the amounts stipulated to in Paragraph A.3 above, the OUCC shall not be precluded from providing evidence as to any fair value of the utility's rate base. Notwithstanding the preceding sentence, the Settling Parties agree that before depreciation and amortization, (a) the sum of the net original cost of Utility Plant that will be conveyed to Citizens Water of Westfield as of December 31, 2011, as set forth on Part(a) of Schedule 12.10(b) of the Water Asset Purchase Agreement and the fair value

increment for Citizens Water of Westfieldt will not be greater than $21,581,800 or less than $19,430,000; and (b) the sum of the net original cost of Utility Plant that will be conveyed to Citizens Wastewater of Westfield, respectively, as of December 31, 2011, as set forth on Part(a) of Schedule 12.10(b) of the Wastewater Asset Purchase Agreement, and the fair value increment for Citizens Wastewater of Westfield will not be greater than $52,838,200 or less than $47,570,000.

B. RATE PROVISIONS

1. The Settling Parties recommend that the Commission authorize, as just and reasonable, Citizens Water of Westfield's and Citizens Wastewater of Westfield's implementation of the schedules rates and charges as approved by the Westfield City Council and effective on the date of closing. Westfield will include all applicable rate ordinances in its supplemental testimony to be filed in support of the Settlement Agreement.

2. Citizens Water of Westfield agrees not to file for a Distribution System Improvement Charge prior to January 1, 2018.

3. Prior to January 1, 2017, Citizens Water of Westfield and Citizens Wastewater of Westfield may not implement new rates other than the rates referenced in Paragraph B.1 above except in the case of an emergency as set forth in I.C. §8-1-2-113 including for instance rate increases necessary to make make bond payments to avoid a default. .

4. At closing, Westfield will assign its cell tower rental contracts to Citizens Water of Westfield. In subsequent general rate case proceedings, Citizens Water of Westfield will recognize cell tower rental revenue and use such revenue to offset the Utility's revenue requirement.

C. PUBLIC INTEREST OF TRANSACTIONS

1. The Settling Parties recommend that the Commission find that Citizens Water of Westfield and Citizens Wastewater of Westfield have the technical, managerial, operational and financial capabilities to own and operate successfully the Westfield water and wastewater utilities and therefore approve, as in the public interest, the proposed acquisitions as reflected in the Water and Wastewater Asset Purchase Agreements.

2. The Settling Parties recommend that the Commission authorize, as in the public interest, the issuance of equity and debt (debt to be issued at an interest rate not to exceed 5.5 percent) as proposed by the Citizens Joint Petitioners to fund the acquisitions. Citizens Water of Westfield and Citizens Wastewater of Westfield each will file a written report in this Cause within thirty (30) days of any debt issuance it makes to fund the acquisitions that provides the debt amount, interest rate, terms and conditions and other information the Citizens Joint Petitioners deem relevant.

3. The Settling Parties recommend that the Commission issue to Citizens Wastewater of Westfield a Certificate of Territorial Authority to provide wastewater service within any "rural area" that Westfield serves, i.e., areas in Washington Township outside the incorporated city limits, which do not include the area served by Intervenor JLB Development, Inc. as authorized by the Commission in Cause Nos. 39868 and 43916.

4. The Settling Parties recommend that the Commission consent to Hamilton County granting the Citizens Joint Petitioners permits or franchises or licenses for the use of county-owned property in connection with the provision of water and wastewater utility service.

D. APPROVAL OF OPERATING AND RAW WATER PURCHASE AGREEMENTS

1. Within 30 days of closing, Citizens Water of Westfield and Citizens Wastewater of Westfield both agree to have separate Management and Operating Agreements with Citizens Energy Group ("CEG") and file such agreements, each of which will include a list and definition of services, which list will be similar to the list included in the service agreement between Citizens Gas of Westfield, LLC and CEG, and which it will file with the Commission along with any updates or amendments and provide copies of the same to the OUCC. Citizens Water currently purchases raw water from the City of Westfield. Joint Petitioners have requested that this agreement be transferred from the City of Westfield to Citizens Water of Westfield. The OUCC agrees the proposed transfer of the Raw Water Purchase Agreement should be approved.

E. DEPRECIATION RATES

1. The Settling Parties recommend the Commission authorize Citizens Water of Westfield to use, for ratemaking purposes, a two (2) percent depreciation rate for water utility plant in service until such time as the Commission orders a different depreciation rate for ratemaking purposes. However, the depreciation rate recommended by this paragraph shall, once approved, remain effective until at least implementation of rates following Citizens Water of Westfield's first rate case.

2. The Settling Parties recommend the Commission authorize Citizens Wastewater of Westfield to use, for ratemaking purposes, a two and one-half (2.5) percent depreciation rate for wastewater utility plant in service until such time as the Commission orders a different depreciation rate for ratemaking purposes. However, the depreciation rate recommended by this

paragraph shall, once approved, remain effective until at least implementation of rates following Citizens Wastewater of Westfield's first rate case..

F. MISCELLANEOUS PROVISIONS

1. Subject to the modifications discussed below, the Settling Parties recommend the Commission authorize Citizens Water of Westfield and Citizens Wastewater of Westfield to implement the Terms and Conditions for water and wastewater utility service proposed by the Citizens Joint Petitioners in their case-in-chief testimony until such time as the Commission approves revised Terms and Conditions for service. Citizens Wastewater of Westfield will modify its Terms and Conditions by eliminating language that indicates the utility may compel homeowners to connect to the utility system. Citizens Water of Westfield shall modify its tariff and Terms and Conditions by eliminating any reference to the Lawn Irrigation Permit Fee.

2. For purposes of the Joint Petitioners' requests for approval of financing, the OUCC agrees the capital plans of Citizens Water of Westfield and Citizens Wastewater of Westfield provide sufficient support for the requested authority for financing.

3. Within thirty days of closing, Westfield shall refund customer deposits held by Westfield as of the closing date to those respective customers or turned over to Citizens Joint Petitioners to be held as deposits on the respective customers' accounts.

G. PRESENTATION OF THE SETTLEMENT AGREEMENT TO THE COMMISSION

1. The Settling Parties shall support this Settlement Agreement before the Commission and request that the Commission expeditiously accept and approve the Settlement Agreement. Evidence shall be offered into the record of this proceeding without objection and

subject to agreement on the settlement testimony to be offered, the Settling Parties hereby waive cross-examination of each others' witnesses. The Settling Parties propose to submit this Settlement Agreement and the supporting evidence conditionally, and if the Commission fails to approve this Settlement Agreement in its entirety without any change or with condition(s) unacceptable to any Party, the Settlement Agreement and supporting evidence shall be withdrawn and the proceedings in Cause No. 44273 shall resume at the point they were suspended by the filing of this Settlement Agreement.

2. The Settling Parties shall prepare and file an agreed order with the Commission. This Settlement Agreement is contingent upon the filing of said order. If the Settling Parties do not submit an agreed order in this proceeding, the Settlement Agreement and supporting evidence shall be withdrawn and the proceedings in Cause No. 44273 shall resume at the point they were suspended by the filing of this Settlement Agreement.

3. A Final Order approving this Settlement Agreement shall be effective immediately, and the agreements contained herein shall be unconditional, effective and binding on all Settling Parties as an Order of the Commission.

H. The Settling Parties shall jointly agree or coordinate on the form, wording and timing of any public/media announcements of this Settlement Agreement and the terms thereof. No Party shall release any information to the public or media prior to the aforementioned announcement or coordination. However, the parties may post on their respective websites without delay this executed stipulation and any settlement documents filed with the Commission. The Settling Parties may respond individually without prior approval of the other Settling Parties to questions from the public or media, provided that such responses are consistent with such announcement and do not disparage any of the Settling Parties.

I. EFFECT AND USE OF SETTLEMENT AGREEMENT

1. It is understood that this Settlement Agreement is reflective of a negotiated settlement and neither the making of this Settlement Agreement nor any of its provisions shall constitute an admission by any Party to this Settlement Agreement in this or any other litigation or proceeding. It is also understood that each and every term of this Settlement Agreement is in consideration and support of each and every other term.

2. This Settlement Agreement shall not constitute and shall not be used as precedent by any person in any other proceeding or for any other purpose, except to the extent necessary to implement or enforce the terms of this Settlement Agreement.

3. This Settlement Agreement is solely the result of compromise in the settlement process and except as provided herein, is without prejudice to and shall not constitute a waiver of any position that any of the Parties may take with respect to any or all of the items resolved here and in any future regulatory or other proceedings.

4. The Settlling Parties agree that the evidence in support of this Settlement Agreement constitutes substantial evidence sufficient to support this Settlement Agreement and provides an adequate evidentiary basis upon which the Commission can make any findings of fact and conclusions of law necessary for the approval of this Settlement Agreement, as filed.

5. The communications and discussions during the negotiations and conferences and any materials produced and exchanged concerning this Settlement Agreement all relate to offers of settlement and shall be privileged and confidential, without prejudice to the position of any Party, and are not to be used in any manner in connection with any other proceeding or otherwise.

6. The undersigned Settling Parties have represented and agreed that they are fully authorized to execute the Settlement Agreement on behalf of their designated clients, and their successors and assigns, who shall be bound thereby.

7. The Settling Parties shall not appeal or seek rehearing, reconsideration or a stay of the Final Order approving this Settlement Agreement in its entirety and without change or condition(s) unacceptable to any Party (or related orders to the extent such orders are specifically implementing the provisions of this Settlement Agreement). The Settling Parties shall support or not oppose this Settlement Agreement in the event of any appeal or a request for a stay by a person not a party to this Settlement Agreement if this Settlement Agreement is the subject matter of any other state or federal proceeding.

8. The provisions of this Settlement Agreement shall be enforceable by any Party before the Commission and thereafter in any state court of competent jurisdiction as necessary.

9. This Settlement Agreement may be executed in two (2) or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

ACCEPTED and AGREED as of the 15th day of October, 2013.

CITY OF WESTFIELD, INDIANA

_____

Name: Todd Burtron
Its: Chief of Staff

INDIANA OFFICE OF UTILITY CONSUMER COUNSELOR

_____

Name: A. David Stippler
Its: Utility Consumer Counselor

CITIZENS WATER OF WESTFIELD, LLC

_____

Name: Michael D. Strohl
Its: President

CITIZENS WASTEWATER OF WESTFIELD, LLC

_____

Name: Michael D. Strohl
Its: President

VERIFICATION

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

Signed: _____ Dated: 10-14-2013
Todd Burtron

CERTIFICATE OF SERVICE

The undersigned hereby certifies that a copy of the foregoing was delivered or emailed, postage prepaid, in the United States Mail, this 15th day of October, 2013, to the following:

Dan LeVay
Indiana Office of Utility Consumer Counselor
National City Center
115 W. Washington Street
Suite 1500 South
Indianapolis, IN 46204

Mark W. Cooper
Attorney at Law
1449 N. College Ave.
Indianapolis, IN 46202

Scott Franson
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Indianapolis, IN 46204

Mike Allen
Citizens Energy Group
2020 N. Meridian St.
Indianapolis, IN 46202

Peter L. Hatton

Attorney for Petitioner
City of Westfield

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