FILED January 11, 2021 INDIANA UTILITY REGULATORY COMMISSION

STATE OF INDIANA INDIANA UTILITY REGULATORY COMMISSION

IN THE MATTER OF THE PETITION OF THE TOWN OF DEMOTTE, INDIANA, FOR APPROVAL OF A REGULATORY ORDINANCE ESTABLISHING A WATER REGULATED TERRITORY AND A SEWER REGULATED TERRITORY.

PETITIONER'S SETTLEMENT TESTIMONY AND EXHIBITS

Settlement Testimony and Exhibits of Mark W. Boer

Agreement for Sewer and Water Service

Ordinance No. 12282020-7

Map of Western Portion of Regulated Territory

Petitioner's Exhibit 12

Petitioner's Exhibit 13

Petitioner's Exhibit 14

Petitioner's Exhibit 15

Respectfully submitted,

J. Christopher Janak, Atty. No. 18499-49 Jeffery A. Earl, Atty. No. 27821-64 BOSE MCKINNEY & EVANS LLP 111 Monument Circle, Suite 2700 Indianapolis, IN 46204 (317) 684-5000 (317) 684-5173 FAX cjanak@boselaw.com jearl@boselaw.com

Counsel for Petitioner, Town of DeMotte, Indiana

STATE OF INDIANA

INDIANA UTILITY REGULATORY COMMISSION

IN THE MATTER OF THE PETITION OF THE TOWN OF DEMOTTE, INDIANA, FOR APPROVAL OF A REGULATORY ORDINANCE ESTABLISHING A WATER REGULATED TERRITORY AND A SEWER REGULATED TERRITORY.

SETTLEMENT TESTIMONY

OF

MARK W BOER

ON BEHALF OF PETITIONER,

THE TOWN OF DEMOTTE, INDIANA

1			I. <u>Introduction</u>
2	1.	Q.	PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.
3		A.	My name is Mark W Boer, and my business address is 112 Carnation Street, SE,
4			DeMotte, Indiana, 46310.
5	2.	Q.	ARE YOU THE SAME MARK BOER WHO FILED DIRECT TESTIMONY
6			AND EXHIBITS IN THIS CAUSE?
7		A.	Yes, I am.
8	3.	Q.	WHAT IS THE PURPOSE OF YOUR SETTLEMENT TESTIMONY?
9		A.	The purpose of my settlement testimony is to sponsor the Agreement for Sewer and
10			Water Service ("Settlement Agreement") executed and agreed to by the Town of
11			DeMotte, Indiana ("DeMotte"), the Northwest Jasper Regional District
12			("NORWEJ"), and Community Utilities of Indiana, Inc. ("CUII") (collectively, the
13			"Settling Parties") and to provide testimony supporting the Settlement Agreement.
14			I will specifically discuss the following topics: (1) the terms of the Settlement
15			Agreement; (2) how the Settlement Agreement was negotiated; and (3) that the
16			Settlement Agreement is in the public interest and should be approved by the
17			Commission.
18	4.	Q.	DO YOU HAVE ANY ATTACHMENTS TO YOUR DIRECT
19			TESTIMONY?
20		A.	Yes. I have attached the following exhibits to my testimony:
21			Petitioner's Exhibit 13 - the Agreement for Sewer and Water Service;
22			Petitioner's Exhibit 14 - Ordinance No. 12282020-7.
23			Petitioner's Exhibit 15 – Map of Western Portion of Regulated Territory.

1			II. <u>The Terms of the Settlement Agreement</u>
2	5.	Q.	PLEASE GENERALLY DESCRIBE THE SETTLEMENT AGREEMENT.
3		A.	The Settlement Agreement reflects the agreement between the Settling Parties
4			regarding how water and sewer utility service will be provided in certain portions
5			of the proposed water and sewer regulated territories in this Cause, specifically in
6			the area near the intersection of Interstate 65 ("I-65") and State Road 10 ("SR 10")
7			(the "Interlocal Service Area"). The Settlement Agreement addresses three primary
8			issues: (1) the provision of water and sewer utility service to the Indiana
9			Department of Transportation's ("INDOT") Kankakee Rest Areas ("INDOT Rest
10			Areas"); (2) CUII's consent to the approval of DeMotte's Ordinance No.
11			10052020-2, as amended by the Settlement Agreement, ("Regulatory Ordinance");
12			and (3) the provision of water and sewer utility service to the Compass Truck Stop.
13			A. Service to the INDOT Rest Areas
14	6.	Q.	WHAT ARE THE TERMS OF THE SETTLEMENT AGREEMENT
15			RELATED TO THE PROVISION OF WATER AND SEWER UTILITY
16			SERVICE TO THE INDOT REST AREAS?
17		А.	In Cause No. 44926, the Commission granted CUII a certificate of territorial
18			authority ("CTA") to provide sewer utility service to the INDOT Rest Areas. To
19			the best of my knowledge, CUII has not yet extended its sewer utility system to
20			serve the INDOT Rest Areas. Prior to the execution of the Interlocal Agreement
21			and the adoption of the Regulatory Ordinance, both of which are discussed in detail
22			in my originally filed Direct Testimony and Exhibits, INDOT requested that

NORWEJ extend its system to provide water utility service to the INDOT Rest Areas.

In the Settlement Agreement, the Settling Parties agreed that Demotte and NORWEJ will extend their respective sewer and water utility systems to serve the INDOT Rest Areas. CUII has agreed to surrender the extension of its sewer CTA granted in Cause No. 44926, which includes the INDOT Rest Areas. In return, DeMotte has agreed to pay CUII \$30,000 to reimburse CUII for its legal fees to obtain the CTA extension.

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7. Q. DO THE PARTIES INTEND THAT CUII WOULD SURRENDER THE CTA GRANTED IN CAUSE NO. 44926 IN THIS CAUSE?

- 11 A. Yes. As stated in the Settlement Agreement, the Settling Parties agreed that the surrender of CUII's CTA for the INDOT Rest Areas could be accomplished in this 12 13 Cause. Although I am not an attorney, my understanding is that Ind. Code § 8-1.5-14 6-9(c) gives the Commission authority resolve all issues presented in a petition to 15 approve a regulatory ordinance, including the enforceability of the regulatory 16 ordinance in a "manner the Commission determines is in the public interest." As I 17 discuss below, allowing DeMotte and NORWEJ to provide sewer and water utility service to the INDOT Rest Areas (as opposed to sewer being provided by CUII and 18 19 water being provided by NORWEJ) is in the public interest.
- Further, my understanding is that Ind. Code § 8-1-2-89 allows the Commission to revoke a CTA when the holder of the CTA has failed to render sewage disposal service in the CTA area. This provision applies to this case because

CUII has not yet extended sewer service to the INDOT Rest Areas (although this
 fact should not imply any deficiency on CUII's part).

3 8. Q. WHY ARE THE PARTIES NOT REQUESTING APPROVAL FOR CUIL TO 4 TRANSFER ITS CTA FOR THE INDOT REST AREAS TO DEMOTTE 5 AND NORWEJ?

DeMotte and NORWEJ do not require a CTA to provide sewer and water utility 6 A. 7 service to the INDOT Rest Areas. First, the INDOT Rest Areas are located within 8 the service territory that was established for the Jasper County Regional Water and 9 Sewer District (the "District") prior to CUII being granted a sewer CTA to serve 10 those areas. The District granted DeMotte and NORWEJ the right to provide sewer 11 and water utilty service in the portion of its service territory located in Interlocal 12 Service Area through the Interlocal Agreement. Second, the INDOT Rest Areas are 13 located within four miles of DeMotte's corporate boundaries, and, therefore, 14 DeMotte has the statutory authority under Ind. Code §§ 36-9-2-14 and 36-9-23-2 15 to regulate or provide, respectively, water utility service within four miles of its 16 corporate boundaries and sewer utility service within ten miles of its corporate boundaries. 17

18 9. Q. WHY HAVE THE PARTIES AGREED TO THESE TERMS REGARDING 19 SEWER AND WATER UTILITY SERVICE TO THE INDOT REST 20 AREAS?

A. First, because DeMotte and NORWEJ will be simultaneously extending their
respective sewer and water utility systems to the Interlocal Service Area, including

1	NORWEJ extending its water utility system to serve the INDOT Rest Areas, it
2	would be practical and economical for DeMotte to also extend its sewer utility
3	system to serve the INDOT Rest Areas when NORWEJ extends its water utility
4	system. Second, the plan prevents the duplication of facilities in the area of the
5	INDOT Rest Areas, which promotes the systematic, regionalized plan for sewer
6	and water service that is the goal of the Interlocal Agreement. Third, this portion of
7	the Settlement Agreement is part of the broader give and take of the agreements
8	between DeMotte, NORWEJ, and CUII.

9 10. Q. HAS INDOT BEEN CONSULTED ABOUT THE TERMS OF THE 10 SETTLEMENT AGREEMENT?

Yes. Throughout the process of adopting the Regulatory Ordinance and filing and negotiating the Settlement Agreement in this case, DeMotte and NORWEJ have been simultaneously negotiating with INDOT the terms of the extension of sewer and water mains for DeMotte and NORWEJ to provide sewer and water service to the INDOT Rest Areas. INDOT has been kept apprised of the terms of the Settlement Agreement as they relate to INDOT.

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B. Approval of the Regulatory Ordinance

18 **11. Q.** WHAT ARE THE TERMS OF THE SETTLEMENT RELATED TO CUII's

- 19 CONSENT TO THE PROPOSED REGULATORY ORDINANCE?
- A. Upon review of the map attached as Exhibit A to the proposed Regulatory Ordinance, CUII determined that the map included a portion of its existing certificated service area that is located west of I-65 and north of SR 10. Although

Town of DeMotte, Indiana IURC Cause No. 45444 <u>Petitioner's Exhibit 12</u> Settlement Testimony and Exhibits of Mark W. Boer

1		the language of the Regulatory Ordinance would exclude this territory, the
2		exclusion was not accurately reflected in the original map. Therefore, the Settling
3		Parties have agreed that DeMotte will amend its Regulatory Ordinance to
4		specifically exclude CUII's existing certificated service territory (with the
5		exception of the INDOT Rest Areas). The Settling Parties further clarified that the
6		proposed Sewer and Water Regulated Territories will include the Compass Truck
7		Stop and the INDOT Rest Areas, but will exclude CUII's other existing CTA areas.
8		With these amendments and clarifications, CUII has agreed that it will not oppose
9		DeMotte's request for approval of the amended Regulatory Ordinance.
9 10	12. Q.	DeMotte's request for approval of the amended Regulatory Ordinance. HAS DEMOTTE AMENDED ITS REGULATORY ORDINANCE AS
	12. Q.	
10	12. Q. A.	HAS DEMOTTE AMENDED ITS REGULATORY ORDINANCE AS
10 11	-	HAS DEMOTTE AMENDED ITS REGULATORY ORDINANCE AS REQUIRED BY THE SETTLEMENT AGREEMENT?
10 11 12	-	HAS DEMOTTE AMENDED ITS REGULATORY ORDINANCE AS REQUIRED BY THE SETTLEMENT AGREEMENT? Yes. Section 12 of the Regulatory Ordinance allows DeMotte to amend the Water
10 11 12 13	-	HAS DEMOTTE AMENDED ITS REGULATORY ORDINANCE AS REQUIRED BY THE SETTLEMENT AGREEMENT? Yes. Section 12 of the Regulatory Ordinance allows DeMotte to amend the Water and Sewer Regulated Territories by amending the attached maps, subject to the

17 attached a copy of the ordinance to my Settlement Testimony as <u>Petitioner's Exhibit</u>

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<u>14</u>.

113. Q.HAVE YOU ALSO ATTACHED A SEPARATE COPY OF THE MAP OF2THE WESTERN PORTION OF THE PROPOSED REGULATED3TERRITORY?

A. Yes, I have attached a copy of the map as <u>Petitioner's Exhibit 15</u>. The only
difference between this map and the one attached to Ordinance No. 12282020-7 is
that our engineers have included a legend to assist the Commission and the parties
in identifying the colored lines on the map. I would note, however, that the proposed
main extensions shown on the map are preliminary as DeMotte and NORWEJ are
still in discussions with INDOT regarding the location of the sewer and water main
extensions to serve the INDOT Rest Areas.

11C. Service to the Compass Truck Stop1214. Q.WHAT ARE THE TERMS OF THE SETTLEMENT RELATED TO THE13PROVISION OF WATER AND SEWER UTILITY SERVICE TO THE14COMPASS TRUCK STOP?

A. DeMotte and NORWEJ have agreed that CUII will have the exclusive right, pursuant to the Settlement Agreement, to provide sewer and water utility service to the Compass Truck Stop on behalf of DeMotte and NORWEJ for a period of not less than 12 years (the "Exclusive Period"). During the Exclusive Period while CUII is providing sewer and water utility service to the Compass Truck Stop, CUII will collect its own rates and charges from the Compass Truck Stop customers as approved by the IURC and amended from time to time.

Town of DeMotte, Indiana IURC Cause No. 45444 <u>Petitioner's Exhibit 12</u> Settlement Testimony and Exhibits of Mark W. Boer

1			At the conclusion of the Exclusive Period, DeMotte and NORWEJ have the
2			option to either (1) extend the Exclusive Period for CUII to provide service to the
3			Compass Truck Stop or (2) connect the Compass Truck Stop to DeMotte's and
4			NORWEJ's sewer and water utility systems and take over the provision of service.
5			Should the latter occur, CUII agrees to transfer any facilities that were constructed
6			on the Compass Truck Stop to DeMotte and/or NORWEJ at no cost, and DeMotte
7			and NORWEJ agree to disconnect service from CUII to the Compass Truck Stop
8			at a location designated by CUII.
9	15.	Q.	WHY DID THE PARTIES CHOOSE A 12-YEAR TERM FOR THE
10			EXCLUSIVE PERIOD?
11		A.	Under Ind. Code § 8-1-2-89(i), had CUII obtained an expansion of its CTA to serve
12			the Compass Truck Stop, it would have acquired an exclusive right to provide
13			service within the expanded CTA area for a period of 12 years even if DeMotte
14			subsequently annexed the CTA area. Therefore, the Settling Parties believe that 12
15			years is an appropriate term for DeMotte to grant CUII the exclusive right to serve
16			the Compass Truck Stop in return for CUII foregoing a request to expand its CTA
17			and not objecting to the approval of DeMotte's Regulatory Ordinance.
18	16.	Q.	DOES DEMOTTE HAVE THE AUTHORITY TO GRANT CUII AN
19			EXCLUSIVE RIGHT TO SERVE THE COMPASS TRUCK STOP?
20		A.	Yes, if the Commission approves the Regulatory Ordinance, which provides
21			DeMotte the exclusive authority to provide or regulate water and sewer utility

service within the water and sewer Regulated Territories. DeMotte and NORWEJ also have this authority pursuant to the terms of the Interlocal Agreement.

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3 17. Q. WHY HAVE THE PARTIES AGREED TO THESE TERMS REGARDING 4 SEWER AND WATER UTILITY SERVICE TO THE INDOT REST 5 AREAS?

A. The developer of the Compass Truck Stop is at an advanced stage of developing 6 7 and constructing the property and requires sewer and water utility service as soon 8 as possible. The developer originally approached CUII about extending service as 9 CUII's water and sewer utility systems are located adjacent to the Compass Truck 10 Stop and CUII can expeditiously make the required connections. Conversely, 11 DeMotte and NORWEJ would have to extend their water and sewer utility systems 12 from within DeMotte's corporate boundaries, as described by Petitioner's witness 13 Mr. Knip in his Direct Testimony, which would take at least several months. The 14 12-year Exclusive Period ensures that CUII will have sufficient time to collect 15 revenues from the Compass Truck Stop customers to compensate it for extending 16 its utility systems to connect the Compass Truck Stop customers. In addition, the 12-year Exclusive Period allows DeMotte and NORWEJ sufficient time to analyze 17 18 and consider whether connecting their respective utility systems to serve the 19 Compass Truck Stop or continuing to allow CUII to provide service will best 20 achieve the goals and purposes of the Interlocal Agreement. Finally, this portion of 21 the Settlement Agreement is part of the broader give and take of the agreements 22 between DeMotte, NORWEJ, and CUII.

1			III. <u>The Settlement Agreement Negotiations</u>
2	18.	Q.	HOW WAS THE SETTLEMENT AGREEMENT NEGOTIATED?
3		A.	The Settling Parties, through their respective counsel, engaged in extensive
4			discussions regarding the provision of utility service in the Interlocal Service Area
5			and, specifically, to the Compass Truck Stop and the INDOT Rest Areas. Over
6			the course of the negotiations, the Settling Parties exchanged several drafts of
7			what eventually became the Settlement Agreement.
8	19.	Q.	WERE THE NEGOTIATONS CONDUCTED AT "ARM'S LENTGH"?
9		A.	Yes. CUII is not a party to the Interlocal Agreement and is not affiliated in any way
10			with DeMotte or NORWEJ. As such, CUII, like DeMotte and NORWEJ, primarily
11			considered its own interests in negotiating the Settlement Agreement. I would add,
12			however, that in my opinion, throughout this negotiation, all parties kept primarily
13			in mind how the existing and new customers in the Interlocal Service Area and the
14			INDOT Rest Areas could most efficiently and effectively be provided sewer and
15			water utility service. I am extremely grateful to CUII for its willingness to work
16			with DeMotte and NORWEJ to further the public policy of regionalization and the
17			purpose and intent of the Interlocal Agreement to ensure the safe and efficient
18			provision of sewer and water utility service to the Interlocal Service Area. I believe
19			the negotiation and resolution of this Settlement Agreement, along with the
20			Interlocal Agreement and Regulatory Ordinance, is a model of how utilities,
21			municipalities, counties, and regional entities can work together to regionalize
22			sewer and water utility service.

120. Q.HAS THE SETTLEMENT AGREEMENT BEEN APPROVED BY2DEMOTTE AND NORWEJ?

A. Yes. DeMotte's Town Council and NORWEJ's Board of Directors each approved
the Settlement Agreement during their December 28, 2020 meetings. I have
attached a copy of the fully executed agreement to my Settlement Testimony as
Petitioner's Exhibit 13.

IV. <u>The Settlement Agreement is in the Public Interest</u>

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8 21. Q. IN YOUR OPINION IS THE SETTLEMENT AGREEMENT IN THE 9 PUBLIC INTEREST?

10 A. Yes. The Settlement Agreement furthers the public policy favoring the 11 regionalization of water and sewer utility service and implements the desire and purpose of the Interlocal Agreement to ensure that safe, efficient, and affordable 12 13 water and sewer utility service is available to support development in the Interlocal 14 Service Area. The Settlement Agreement maximizes the efficiency of providing 15 service to the Interlocal Service Area by allowing CUII to connect to the Compass 16 Truck Stop, which is located adjacent to CUII's system and needs sewer and water 17 utility service as soon as possible, and allowing DeMotte and NORWEJ to 18 simultaneously extend both sewer and water lines to provide service to the INDOT 19 Rest Areas. Further, the Settlement Agreement protects CUII's ability to recover 20 its investment in infrastructure to connect to the Compass Truck Stop while 21 providing flexibility to DeMotte and NORWEJ in determining how customers in 22 the Interlocal Service Area should be served in the future.

1 V. <u>Conclusion</u>

2 22. Q. DOES THIS CONCLUDE YOUR TESTIMONY?

3 A. Yes.

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.

<u>Aal w Boer</u> Mark W Boer

STATE OF INDIANA

INDIANA UTILITY REGULATORY COMMISSION

IN THE MATTER OF THE PETITION OF THE TOWN OF DEMOTTE, INDIANA, FOR APPROVAL OF A REGULATORY ORDINANCE ESTABLISHING A WATER REGULATED TERRITORY AND A SEWER REGULATED TERRITORY.

CAUSE NO. 45444

AGREEMENT FOR SEWER AND WATER SERVICE

This Agreement for Sewer and Water Service ("Agreement") is entered into by and between the Town of DeMotte, Indiana, ("DeMotte"), Northwest Jasper Regional District ("NORWEJ"), and Community Utilities of Indiana, Inc. ("CUII") (each, individually, a "Party" and collectively the "Parties").

RECITALS

- A. On October 5, 2020, DeMotte and NORWEJ entered into an Interlocal Agreement with Jasper County, Indiana, the Jasper County Regional Water and Sewer District, and the Jasper County Redevelopment Commission, with the desire to provide a systematic, regionalized solution for sewer and water service in the area in and around the Interstate 65 ("I-65") interchange with State Road 10 ("SR 10") in Jasper County, Indiana (the "Interlocal Service Area").
- B. The Interlocal Agreement authorizes and grants to DeMotte and NORWEJ all powers necessary to extend, operate, and maintain sewer and water facilities within the Interlocal Service Area.
- C. Also on October 5, 2020, DeMotte adopted Ordinance No. 10052020-2, which is a regulatory ordinance creating sewer and water regulated territories in certain areas outside of DeMotte's corporate boundaries, including the Interlocal Service Area (the "Regulatory Ordinance").
- D. The Regulatory Ordinance states that upon approval by the Indiana Utility Regulatory Commission ("Commission"), DeMotte shall have the exclusive authority to provide or regulate water and sewer utility service in the water and sewer regulated territories, including the Interlocal Service Area.
- E. On October 19, 2020, DeMotte filed a Verified Petition with the Commission in Cause No. 45444 for approval of the Regulatory Ordinance.

- F. DeMotte and NORWEJ have developed preliminary engineering plans for the extension of their respective sewer and water utility systems to the Interlocal Service Area.
- G. Prior to the execution of the Interlocal Agreement and DeMotte's adoption of the Regulatory Ordinance, the developers of a new truck stop in the Interlocal Service Area ("Compass") requested that CUII connect the new truck stop to CUII's water and sewer utility systems.
- H. On July 22, 2020, CUII sent a letter to DeMotte indicating CUII's intention to apply to expand its water and sewer certificate of territorial authority ("CTA") areas to provide water and sewer utility service to an area described in Exhibit A (the "Compass Truck Stop"). The Compass Truck Stop lies within the jurisdictional boundaries of NORWEJ. If CUII's CTA expansion were to be granted by the Commission prior to the Commission approving DeMotte's Regulatory Ordinance, the CTA would guarantee CUII the right to provide water and sewer utility service to the Compass Truck Stop for at least twelve (12) years.
- I. The developer of the Compass Truck Stop has indicated a desire for water and sewer connections to be completed as soon as possible, both of which are needed prior to the ability for the Commission to determine either DeMotte's regulatory ordinance or a CTA expansion that would be filed by CUII. CUII's water and sewer utility systems are adjacent to the proposed truck stop's location, whereas DeMotte and NORWEJ would need to extend their respective sewer and water utility systems from DeMotte to the proposed location. As such, CUII is better suited to provide water and sewer utility service to the Compass Truck Stop within the developer's requested timeline.
- J. Prior to the execution of the Interlocal Agreement and the adoption of the Regulatory Ordinance, the Indiana Department of Transportation ("INDOT") requested that NORWEJ extend its system to provide water utility service to INDOT's Kankakee Rest Areas, which are located along I-65 in the Interlocal Service Area.
- K. In Cause No. 44926, the Commission previously granted CUII's request to expand its sewer CTA area to provide sewer utility service to the Kankakee Rest Areas. CUII has not yet extended its sewer system to serve the Kankakee Rest Areas.
- L. Because DeMotte and NORWEJ plan to simultaneously extend their respective sewer and water utility systems to the Interlocal Service Area, it would be practical and economical for DeMotte to extend its sewer utility system to provide sewer utility service to the Kankakee Rest Areas at the same time that NORWEJ extends its water utility system to the rest areas, especially considering the need to connect the two rest areas underneath I-65.
- M. The Parties wish to work together to effectuate the purpose of the Interlocal Agreement to provide a systematic, regionalized solution for sewer and water service in the Interlocal Service Area.

N. The Parties wish to avoid the potential of costly litigation should they file simultaneous requests (in the form of DeMotte's request for approval of its Regulatory Ordinance and CUII's request to expand its CTA) to provide water and sewer utility service in the Interlocal Service Area.

NOW, THEREFORE, in consideration of the mutual covenants set forth below, and other good and valuable consideration, the receipt and sufficiency of which are hereby mutually acknowledged, the Parties agree as follows:

ARTICLE 1 – SERVICE TO INDOT KANKAKEE REST AREAS

- 1.1 The Parties agree that DeMotte and NORWEJ shall extend their respective sewer and water utility systems to provide sewer and water utility service to the Kankakee Rest Areas.
- 1.2 CUII agrees to surrender the extension of its CTA area granted in Cause No. 44926, which includes the Kankakee Rest Areas.
- 1.3 CUII agrees to take such action with the Commission as may be necessary to surrender the extension of its CTA area granted in Cause No. 44926. The parties agree that this surrender can be accomplished by CUII's intervening in Cause No. 45444 and seeking such surrender in conjunction with the approval of DeMotte's Regulatory Ordinance as provided herein.
- 1.4 DeMotte agrees to pay CUII the sum of thirty thousand dollars (\$30,000) to reimburse CUII for its legal fees to obtain the CTA extension in Cause No. 44926. DeMotte will reimburse CUII upon receipt of an order from the Commission acknowledging CUII's surrender of, or otherwise terminating, the CTA granted in Cause No. 44926.

ARTICLE 2 – CONSENT TO REGULATORY ORDINANCE

- 2.1 DeMotte will amend its Regulatory Ordinance to exclude the territory that is covered by CUII's existing CTAs except for the territory covered by the CTA granted in Cause No. 44926. CUII agrees that it will not oppose DeMotte's request for approval of its Regulatory Ordinance as so amended in Cause No. 45444.
- 2.2 CUII acknowledges and agrees that the water and sewer regulated territories created by DeMotte's Regulatory Ordinance include the proposed location of the Compass Truck Stop and the Kankakee Rest Areas.
- 2.3 DeMotte acknowledges and agrees that the water and sewer regulated territories created by its Regulatory Ordinance as amended will exclude CUII's existing CTA areas, with the exception of CTA expansion areas approved in Cause No. 44926, which CUII will surrender.
- 2.4 The Parties agree to take such action with the Commission as may be necessary to obtain the approval of DeMotte's Regulatory Ordinance.

ARTICLE 3 – SERVICE TO THE COMPASS TRUCK STOP

- 3.1 CUII agrees that it will not seek an extension of its CTA to provide water and sewer utility service to the Compass Truck Stop.
- 3.2 DeMotte and NORWEJ agree that CUII will have the exclusive right to provide sewer service to the Compass Truck Stop on behalf of DeMotte and water service on behalf of NORWEJ for a period of no less than twelve (12) years (the "Exclusive Period"). As compensation for providing such services on behalf of DeMotte and NORWEJ, CUII shall collect from customers located in the Compass Truck Stop CUII's rates and charges for water and sewer service as approved by the IURC, as the same may be changed from time to time.
- 3.3 The Parties agree that at the conclusion of the Exclusive Period, DeMotte and NORWEJ shall have the option to extend the Exclusive Period for CUII to provide service or to connect DeMotte's and NORWEJ's sewer and water utility systems to the Compass Truck Stop and take over the provision of sewer and water utility service. Any facilities constructed or to-be-constructed on the current Compass Truck Stop (e.g. a water storage tank) shall be transferred at no cost to DeMotte and/or NORWEJ if DeMotte and/or NORWEJ interconnect and directly serve the Compass Truck Stop with either sewer or water service. Demotte and/or NORWEJ in the course of installing their service lines to and connecting customers in the Compass Truck Stop will disconnect service from the CUII system to the Compass Truck Stop area at a location designated by CUII at the time of disconnection. Work performed on CUII's lines, which are to be continued in service by CUII is subject to observation and approval by a CUII designated representative.

ARTICLE 4 – MISCELLANEOUS PROVISIONS

- 4.1 <u>Effective Date</u>. This Agreement shall take effect upon the date of its execution by both Parties.
- 4.2 <u>Applicable Law</u>. This Agreement and the respective rights of the Parties shall be subject to Indiana Law.
- 4.3 <u>Modifications</u>. This Agreement may not be modified except by a written amendment, making specific reference to this Agreement, approved and executed by each Party in the same manner as this Agreement. Any amendment or modification of this Agreement shall take effect immediately upon its execution by both Parties unless the amendment or modification specifically designates another effective date.
- 4.4 <u>Notices</u>. Any notices, requests, demands, claims, and other communications related to this Agreement shall be in writing and shall be deemed duly given (a) when delivered personally to the recipient; (b) one (1) business day after being sent to the recipient by reputable overnight courier service (charges prepaid); (c) one (1) business day after being sent to the recipient by facsimile transmission or electronic mail; or (d) four (4) business days after being mailed to the recipient by certified or registered mail, return receipt

requested and postage prepaid. All notices, requests, demands, claims or other communications related to this Agreement shall be addressed to the intended recipient as set forth below:

To DeMotte:	Town of DeMotte, Indiana 112 Carnation Street SE DeMotte, IN 46310 Attention: Town Council President
With Copy to:	Bose McKinney & Evans LLP 111 Monument Circle, Suite 2700 Indianapolis, IN 46204 Attention: J. Christopher Janak <u>cjanak@boselaw.com</u> and Jeffery A. Earl <u>jearl@boselaw.com</u>
To CUII:	Community Utilities of Indiana, Inc. 500 W. Monroe, Suite 3600 Chicago, IL 60661
With Copy to:	Barnes & Thornburg LLP 11 South Meridian Street Indianapolis, IN 46204 Attention Nicholas Kile <u>nicholas.kile@btlaw.com</u> and Lauren Box <u>lauren.box@btlaw.com</u>

or at such other addresses as the Parties may indicate in writing to each other.

- 4.5 <u>Execution and Counterparts</u>. This Agreement may be executed in multiple counterparts, each of which shall be an original and all of which shall constitute one and the same instrument.
- 4.6 <u>Entire Agreement</u>. This Agreement sets forth the entire agreement between the Parties and fully supersedes any prior agreements or understandings between the Parties pertaining to the subject matter of the Agreement.
- 4.7 <u>Authority of the Parties</u>. Each Party and signatory to this Agreement has authority to enter into this Agreement and at all times has full authority to perform this Agreement.

[Signature Pages Follow]

IN WITNESS WHEREOF, the Parties have duly executed this Agreement pursuant to all requisite authorizations as of the dates set forth below:

TOWN OF DEMOTTE, INDIANA

Afran Vamle

Jeff Cambe, President of Town Council for Town of DeMotte, Indiana

Date: Dicember 28, 2020

NORTHWEST JASPER REGIONAL DISTRICT

01-) Andrew Andree, President of the Board of Trustees

Andrew Andree, President of the Board of Truste

Date: December 28, 2020

COMMUNITY UTILITIES OF INDIANA, INC.

Steven M. Lubertozzi, President

Date:

IN WITNESS WHEREOF, the Parties have duly executed this Agreement pursuant to all requisite authorizations as of the dates set forth below:

TOWN OF DEMOTTE, INDIANA

Jeff Cambe, President of Town Council for Town of DeMotte, Indiana

Date:

NORTHWEST JASPER REGIONAL DISTRICT

Andrew Andree, President of the Board of Trustees

Date:

COMMUNITY UTILITIES OF INDIANA, INC.

Sten hute

Steven M. Lubertozzi, President

Date: December 28, 2020

ORDINANCE NO. 12282020-7

AN ORDINANCE AMENDING THE WATER REGULATED TERRITORY AND THE SEWER REGULATED TERRITORY CREATED BY ORDINANCE NO. 10052020-2

WHEREAS, on October 5, 2020, the Town Council of the Town of DeMotte, Indiana, (the "Town") adopted Ordinance No. 10052020-2, *An Ordinance Establishing a Water Regulated Territory and a Sewer Regulated Territory for the Town of DeMotte, Indiana, for the Purpose of Providing or Regulating the Provision of Water and Sewer Utility Service within Certain Areas Outside of the Town's Corporate Boundaries*; and

WHEREAS, Ordinance No. 10052020-2 created a Water Regulated Territory and a Sewer Regulated Territory, which are depicted on the maps attached to the ordinance as Exhibit A; and

WHEREAS, as defined in Ordinance No. 10052020-2, the Water Regulated Territory and the Sewer Regulated Territory exclude "any customer currently being served by another water utility" and "any customer currently being served by another sewer utility;" and

WHEREAS, the Town has filed a request with the Indiana Utility Regulatory Commission ("Commission") in Cause No. 45444 for approval of Ordinance No. 10052020-2; and

WHEREAS, the Town, the Northwest Jasper Regional District ("NORWEJ"), and Community Utilities of Indiana, Inc. ("CUII") (collectively, the "Settling Parties") have entered into an Agreement for Sewer and Water Service ("Settlement Agreement"), which delineates the terms of the provision of sewer and water utility service in the area of the interchange of Interstate 65 ("I-65") and State Road 10 ("SR 10") and otherwise resolves the Settling Parties issues in Cause No. 45444; and

WHEREAS, in the course of negotiating the Settlement Agreement, CUII identified a certain portion of its certificated service area in Jasper County west of I-65 and north of SR 10 (the "CUII CTA Area"), which is located within the boundaries of DeMotte's Water and Sewer Regulated Territories depicted on the map attached to Ordinance No. 10052020-2, and which is not clearly excluded on the map; and

WHEREAS, as a term of the Settlement Agreement, DeMotte agreed to amend Ordinance No. 10052020-2 to specifically exclude the CUII CTA Area; and

WHEREAS, Section 12 of Ordinance No. 10052020-2 allows the Town to amend the Water and Sewer Regulated Territories established by the Ordinance by amending the Water Regulated Territory Map or the Sewer Regulated Territory Map, subject to the approval of the Commission.

NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF DEMOTTE, INDIANA, that:

The Water Regulated Territory Map and the Sewer Regulated Territory Section 1. Map attached as Exhibit A to Ordinance No. 10052020-2 are hereby amended as depicted on Exhibit A to this Ordinance.

Section 2. The Town shall pursue any and all necessary approvals for the implementation, effectiveness, and enforcement of this Ordinance, including, but not limited to, seeking approval of Ordinance No. 10052020-2, as amended by this Ordinance, by the Commission under Ind. Code ch. 8-1.5-6.

This Ordinance shall be in full force and effect from and after its adoption, Section 3. and any required regulatory approval.

This Ordinance in no way prevents the further amendment of the Water Section 4. Regulated Territory or the Sewer Regulated Territory as set forth in Section 12 of Ordinance No. 10052020-2.

So adopted this 28th day of December, 2020.

TOWN COUNCIL OF THE TOWN OF DEMOTTE, INDIANA

Jeffery Cambe

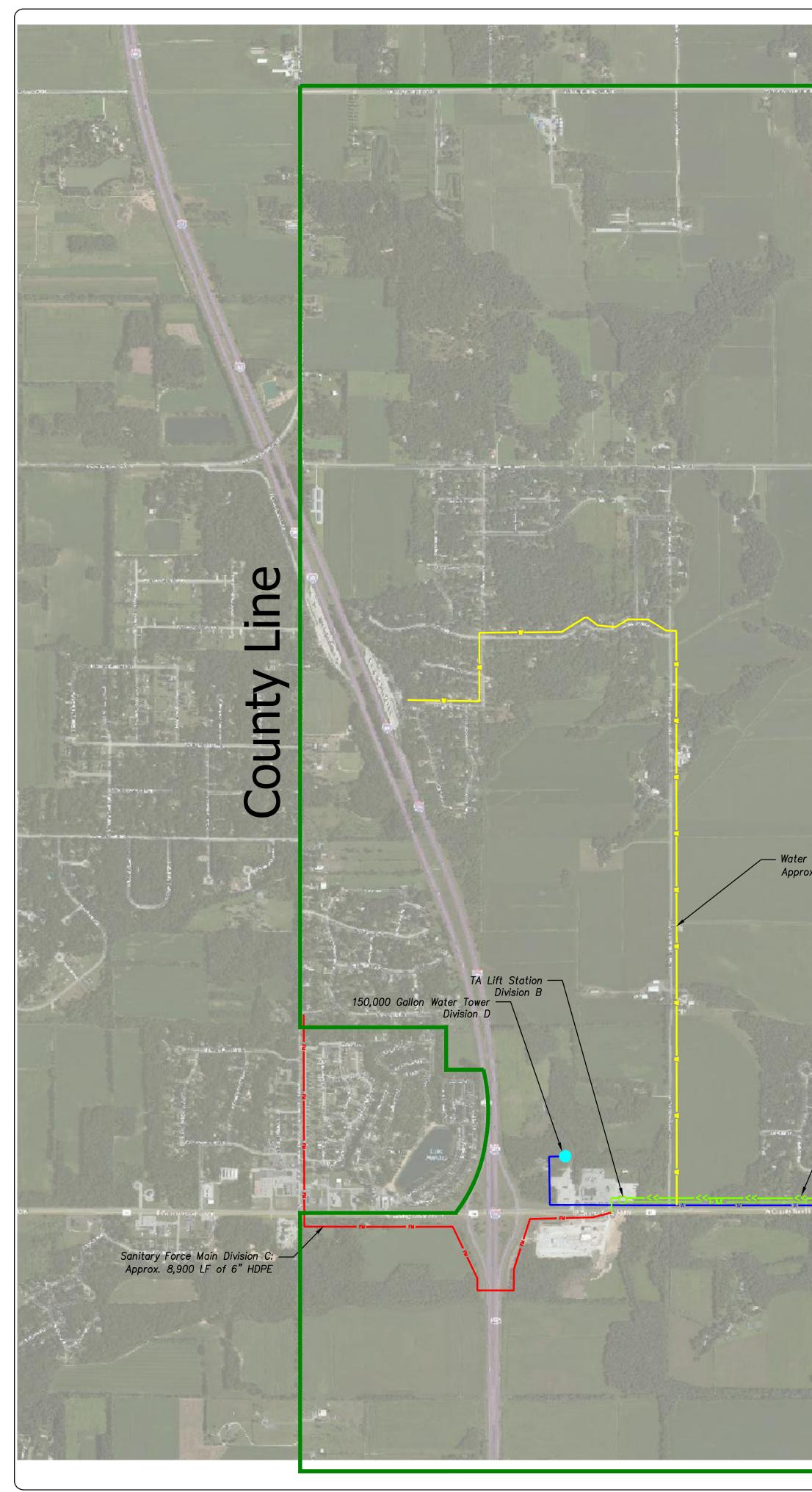
Mark Boer

Dale Eeningenbur

Alana Bauman

ATTEST:

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Sanitary Force Main Division A: — 13,350 LF of 8" HDPE

Water Main Division C: Approx. 14,600 LF of 10" PVC

> — Gravity Sewer Division B: Approx. 3,900 LF of 12" SDR 26

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Sanitary Force Main Division B: — Approx. 1,065 LF of 8" HDPE

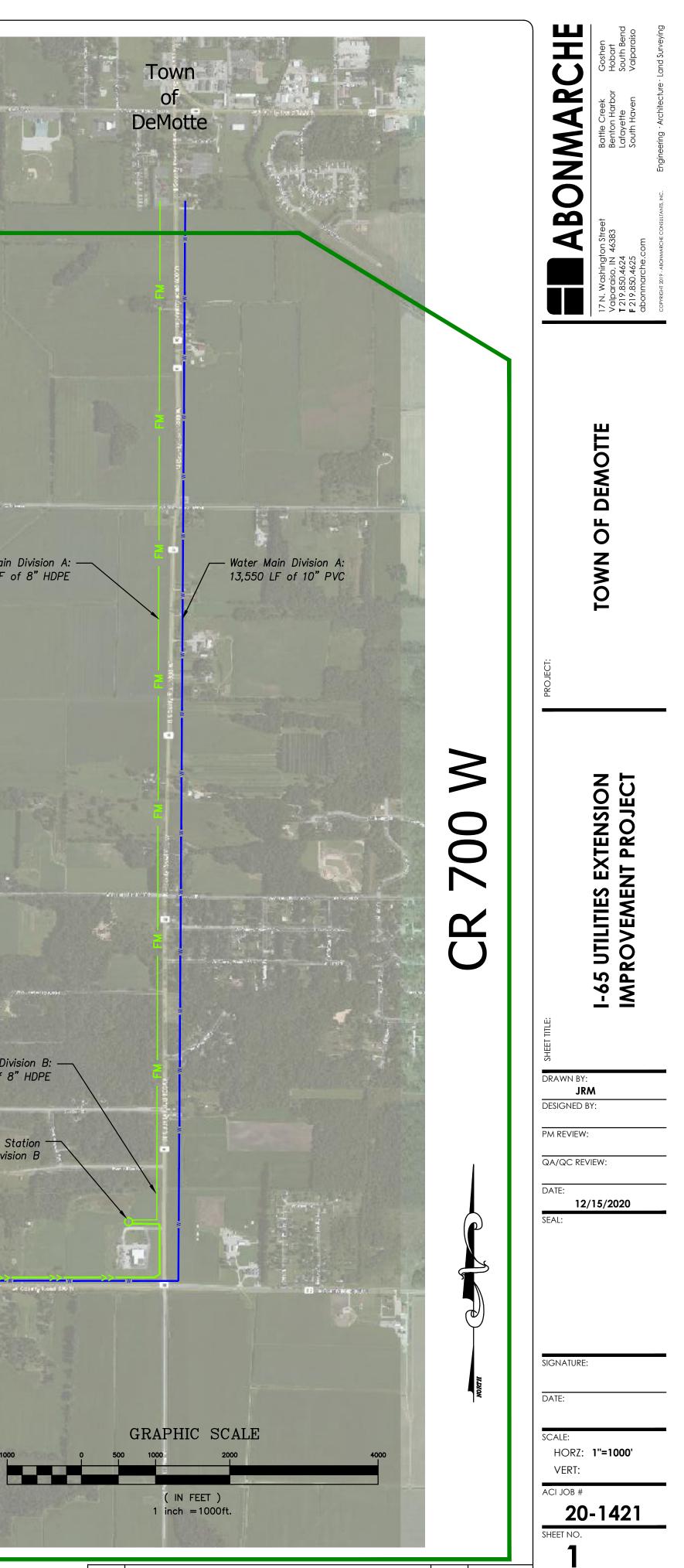
Gravity Sewer Division B: _____ Approx. 4,700 LF of 12" SDR 26

Castongia's Lift Station — Division B

Sanitary Force Main Division B: Approx. 13,000 LF of 6" HDPE

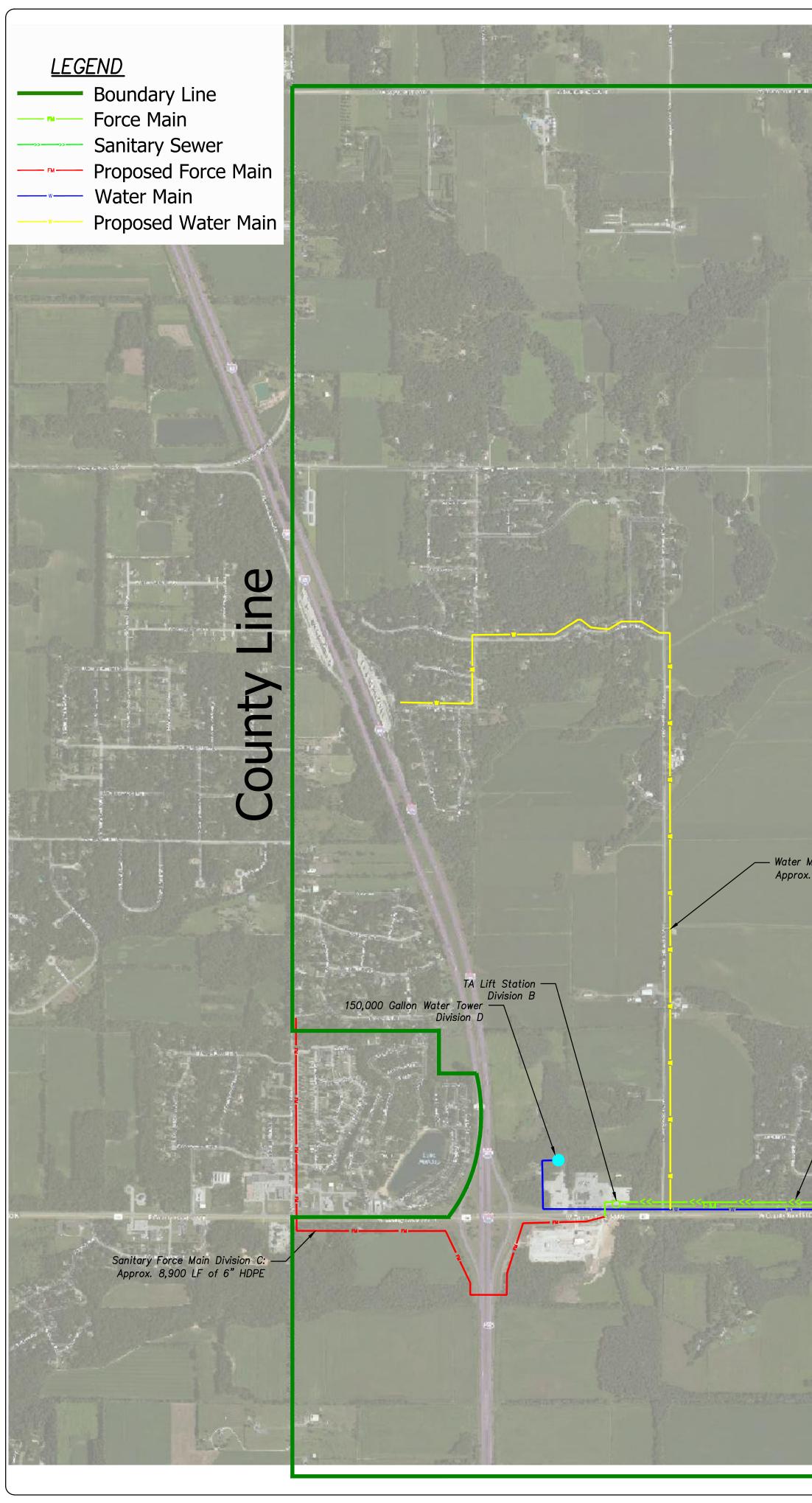
Water Main Division B: — Approx. 21,000 LF of 10" PVC

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Sanitary Force Main Division A: — 13,350 LF of 8" HDPE

Water Main Division C: Approx. 14,600 LF of 10" PVC

> — Gravity Sewer Division B: Approx. 3,900 LF of 12" SDR 26

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Sanitary Force Main Division B: — Approx. 1,065 LF of 8" HDPE

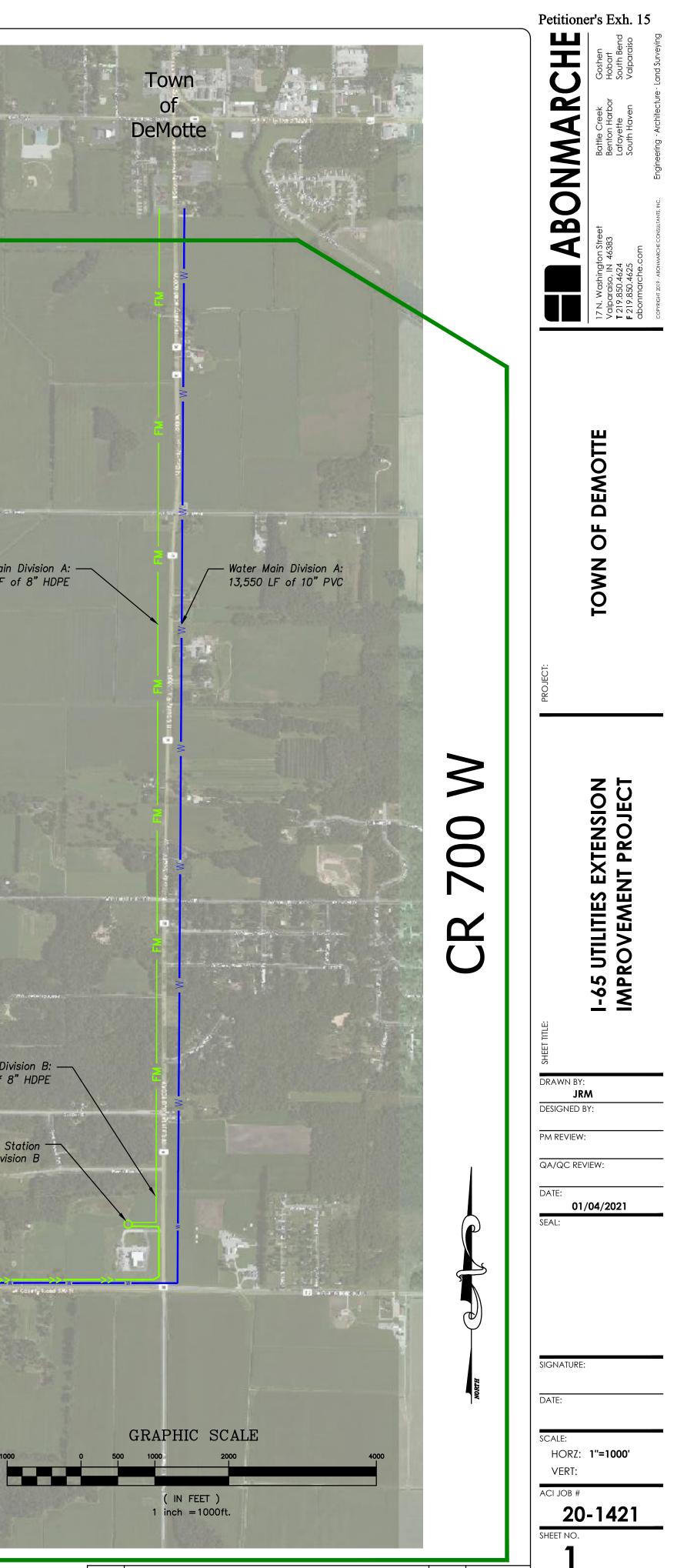
Gravity Sewer Division B: — Approx. 4,700 LF of 12" SDR 26

Castongia's Lift Station — Division B

Sanitary Force Main Division B: Approx. 13,000 LF of 6" HDPE

Water Main Division B: — Approx. 21,000 LF of 10" PVC

CR 800 N



CERTIFICATE OF SERVICE

I certify that on January 11, 2021, this document was electronically filed with the Indiana

Utility Regulatory Commission and was served electronically on the parties below:

Indiana Office of Utility Consumer Counselor Dan LeVay Scott Franson <u>dlevay@oucc.in.gov</u> <u>sfranson@oucc.in.gov</u> <u>infomgt@oucc.in.gov</u>

Community Utilities of Indiana, Inc. Nicholas Kile Lauren Box Barnes & Thornburg LLP <u>nicholas.kile@btlaw.com</u> <u>lauren.box@btlaw.com</u>

Jeffery A. Earl, Atty. No. 27821-64