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INDIANA UTILITY  
REGULATORY COMMISSION

September 13, 2012

E. Curtis Gassert, Director  
Indiana Utility Regulatory Commission  
Water/Wastewater Division  
101 West Washington Street, Suite 1500 East  
Indianapolis, IN 46204-3419

RE: Petition for Approval of Rate and Charge Difference for the City of New Albany

Dear Mr. Gassert:

Pursuant to General Administrative Order 2012-02 and on behalf of the City of New Albany and the New Albany Sewer Board, please find enclosed the City's Petition for Approval of Rate and Charge Difference between property within the City and outside the corporate boundaries.

Should you have any questions or concerns please call.

Sincerely,



Shane L. Gibson  
New Albany Utility Attorney

STATE OF INDIANA

INDIANA UTILITY REGULATORY COMMISSION

PETITION FOR APPROVAL OF RATE )  
AND CHARGE DIFFERENCE BETWEEN )  
PROPERTY WITHIN AND PROPERTY )  
OUTSIDE THE CORPORATE BOUNDARIES ) CASE NO. \_\_\_\_\_  
OF THE CITY OF NEW ALBANY, AND ITS )  
UTILITY SEWER BOARD )

Pursuant to Indiana Code § 8-1.5-3-8.3(C), Petitioner, the City of New Albany and the New Albany Sewer Board, by counsel, respectfully petition the Indiana Utility Regulatory Commission (“Commission”) for approval of the rate and charge difference between property within and property outside the corporate boundaries of the City of New Albany, Indiana (“City”). In support of this Petition, Petitioner states:

1. The current ordinance rates and charges for property within and property outside the City’s corporate boundaries were adopted on April 15, 2010.
2. Attached as “Exhibit A” is a copy of the current ordinance setting rates and charges in effect for the City.
3. The works that are subject of this petition and the ordinance is wastewater utility.
4. The percentage difference between the rates and charges imposed on users of the works for service to property located outside the corporate boundaries of the City and to the property located within the corporate boundaries is fifty percent (50%).
5. The fifty percent (50%) figure is across the board regardless of the amount of consumption for those outside the corporate boundaries.
6. Petitioner considers and states that Indiana Code § 8-1.5-3-8.3(c), among other statutes, to be applicable to the relief being requested in this Petition.
7. Shane L. Gibson is counsel of record for Petitioners in this matter and is duly authorized to accept service of papers in this matter on behalf of the Petitioners.

Wherefore, the City of New Albany and the New Albany Sewer Board respectfully request that the Commission issue an Order approving the percentage rate and charge difference between property within and property outside the corporate boundaries of the City of New Albany, Indiana and for any other just and reasonable relief.

Respectfully submitted,  
City of New Albany, Indiana and  
New Albany Sewer Board



Shane L. Gibson, #21642-22  
Utility Attorney  
Gibson Law Office, LLC  
810 East Market Street  
New Albany, IN 47150  
[shane@shanegibsonlaw.com](mailto:shane@shanegibsonlaw.com)  
Attorney for Petitioners

VERIFICATION

I, Shane L. Gibson, affirm under the penalties of perjury that the foregoing representations are true and to the best of my knowledge, information, and belief.

Signed:  \_\_\_\_\_, Attorney for City of New Albany and New Albany Sewer Board.

Dated: September 13, 2012

Attorney Contact Information:

Shane L. Gibson  
Utility Attorney  
Gibson Law Office, LLC  
810 East Market Street  
New Albany, IN 47150  
Telephone: 812-542-9930  
Fax: 812-948-6252  
[shane@shanegibsonlaw.com](mailto:shane@shanegibsonlaw.com)  
Attorney for Petitioners

STATE OF INDIANA

INDIANA UTILITY REGULATORY COMMISSION

PETITION FOR APPROVAL OF RATE )  
AND CHARGE DIFFERENCE BETWEEN )  
PROPERTY WITHIN AND PROPERTY )  
OUTSIDE THE CORPORATE BOUNDARIES ) CASE NO. \_\_\_\_\_  
OF THE CITY OF NEW ALBANY, AND ITS )  
UTILITY SEWER BOARD )

**APPEARANCE**

1. Name of Petitioner: City of New Albany and New Albany Sewer Board

2. Attorney Information:

GIBSON LAW  
810 East Market Street  
New Albany, IN 47150  
[shane@shanegibsonlaw.com](mailto:shane@shanegibsonlaw.com)

Shane L. Gibson, #21642-22  
Telephone: (812) 542-9930  
Fax: (812) 948-6292

  
Shane L. Gibson, Attorney for Petitioner

Bill No. G-10-05(B)

Ordinance No. G-10-13

**AN ORDINANCE AMENDING ORDINANCE NO. G-06-29 AND  
ESTABLISHING A SCHEDULE OF RATES AND CHARGES FOR  
USERS OF THE SEWAGE WORKS OF THE CITY OF NEW ALBANY**

WHEREAS, the City of New Albany, Indiana (hereinafter the "City"), has heretofore constructed and has in operation certain sanitary sewage collection and treatment facilities (the "Sewage Works") that are under the operational control of the City of New Albany Sanitary Sewer Board (the "Sewer Board") in accordance with the provisions of Ind. Code § 36-9-23, *et seq.* (the "Act"); and,

WHEREAS, the City has financed various improvement projects to keep its Sewage Works in compliance with the rules and regulations established by the Indiana Department of Environmental Management ("IDEM") and the United States Environmental Protection Agency (the "USEPA"), and the City has issued Sewage Works revenue bonds (collectively the "Bonds") to finance such projects; and,

WHEREAS, the Act provides that this City Council, as the municipal legislative body, is obligated to establish by ordinance a just and equitable schedule of fees for the services rendered by the Sewage Works, and that such rates and charges shall be sufficient to pay the expenses of operation, repair, and maintenance of the Sewage Works, together with the requirements of the any sinking fund used to pay debt service on outstanding obligations of the Sewage Works, including without limitation the Bonds; and,

WHEREAS, the existing sewage rates and charges are set forth in Ordinance No. G-06-29, adopted on August 30, 2006 (now codified at New Albany City Code § 51.101), with a debt service surcharge enacted by Ordinance No. G-99-331 adopted on June 17, 1999; and,

WHEREAS, the City has caused a *Rate Report* dated January 28, 2010, of the Sewage Works to be completed by the firm of Crowe Horwath LLP, of Indianapolis, Indiana, which report has been amended by an *Alternative Rate Scenario* report dated February 18, 2010, and further by an *Alternate A and B Rate Scenarios* report dated March 29, 2010, which reports are incorporated herein by reference; and,

WHEREAS, on February 18, 2010, the Sewer Board adopted its Resolution No. 2-2010, which resolution is incorporated herein by reference, recommending that this City Council adjust the schedule of rates and charges to users of the Sewage Works in a manner consistent with the conclusions of the Rate Report, as amended by the Alternative Rate Scenario report, and further including a three percent (3.00%) annual increase effective on January 1 of four (4) successive years commencing on January 1, 2013; and,

WHEREAS, this Ordinance was introduced before this City Council at its regular meeting on February 18, 2010, and on March 11, 2010, this City Council conducted a public hearing regarding this Ordinance following notice and publication as required by the provisions of Ind. Code § 36-9-23-26(a); and,

WHEREAS, this City Council now finds, based upon the recommendation of the Sewer Board and in accordance with the conclusions of the rate reports prepared by the Utility's financial advisor, that

the existing rates and charges of the Sewage Works established pursuant to Ordinance No. G-06-29 are insufficient to enable the City to meet the requirements for rates and charges set forth in the Act, and that it is in the best interests of the Utility and its customers for a new schedule of rates and charges to be implemented in accordance with the *Alternate B Rate Scenario* described at page 8 of the report dated March 29, 2010.

NOW, THEREFORE, BE IT ORDAINED BY THIS COMMON COUNCIL OF THE CITY OF NEW ALBANY, INDIANA, as follows:

Section 1. Rates Effective Upon Adoption of this Ordinance. The provisions of Ordinance No. G-06-29 (now codified at New Albany City Code § 51.101) enacting the Monthly Flow Charge, the Unmetered Charge per Month, and the Wholesale Flow Charge, shall be amended and restated as follows:

Monthly Flow Charge:

Flow charge per 100 cubic feet	\$6.20
Minimum charge (200 cubic feet)	\$12.40

Unmetered Charge per Month (700 cubic feet):

Residential Dwelling Inside City Limits	\$43.40
Residential Dwelling Outside City Limits <sup>1</sup>	\$65.10

Wholesale Flow Charge:

Town of Georgetown Flow Charge per 1,000 gallons <sup>2</sup>	\$3.83
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Excess Strength Surcharge:

BOD and/or TSS	\$0.33
TSS	\$0.33
Oil and Grease	\$0.33

Debt Service Surcharge:

Residents of Jacqueline Estates, Winchester Estates, and Shagbark Subdivisions	\$30.00
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<sup>1</sup> Users outside the City Limits are charged based on their monthly usage plus a fifty percent (50.00%) surcharge.

<sup>2</sup> This Ordinance shall not otherwise amend the provisions of the City's contract with the Town of Georgetown.

*Section 2.* Rates Effective January 1, 2012. The rates established by this Ordinance shall be further amended and restated effective as of January 1, 2012, as follows:

Monthly Flow Charge:

Flow charge per 100 cubic feet	\$7.46
Minimum charge (200 cubic feet)	\$14.92

Unmetered Charge per Month (700 cubic feet):

Residential Dwelling Inside City Limits	\$52.22
Residential Dwelling Outside City Limits	\$78.33

Wholesale Flow Charge:

Town of Georgetown Flow Charge per 1,000 gallons	\$4.60
--	--------

Excess Strength Surcharge:

BOD and/or TSS	\$0.33
TSS	\$0.33
Oil and Grease	\$0.33

Debt Service Surcharge:

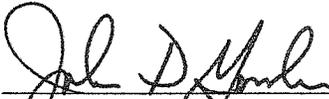
Residents of Jacqueline Estates, Winchester Estates, and Shagbark Subdivisions	\$30.00
--	---------

*Section 3.* Effect of Ordinance. All provisions of Ordinance No. G-99-331, and all provisions of Ordinance No. G-06-29, not expressly amended by this Ordinance shall remain in full force and effect.

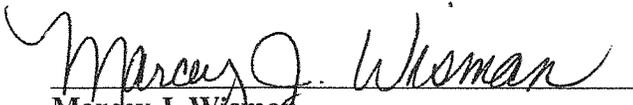
*Section 4.* Effective Date. This Ordinance shall be in full force and effect upon its passage and execution by the Mayor.

SO ORDAINED by this Common Council of the City of New Albany, Indiana, this 15 day of April, 2010.

**COMMON COUNCIL OF THE  
CITY OF NEW ALBANY, INDIANA**

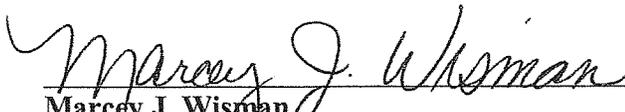
  
\_\_\_\_\_  
**John Gonder, President**

*Attested by:*

  
\_\_\_\_\_  
**Marcey J. Wisman,  
New Albany City Clerk**

**CERTIFICATE OF PRESENTATION TO MAYOR**

The undersigned hereby certifies that on the 23 day of April, 2010, the above Ordinance was PRESENTED by me, as the duly elected Clerk of the City of New Albany, Indiana, to the Mayor of the City of New Albany, Indiana.

  
\_\_\_\_\_  
Marcey J. Wisman,  
New Albany City Clerk

**APPROVAL BY MAYOR**

The undersigned, as of this 23 day of April, 2010, and as the duly elected Mayor of the City of New Albany, Indiana, hereby APPROVES the above Ordinance as authorized by the provisions of IC 36-4-6-16 and as evidenced by my signature affixed below.

  
\_\_\_\_\_  
DOUGLAS B. ENGLAND, Mayor of the  
City of New Albany, Indiana

Attested by:

  
\_\_\_\_\_  
Marcey J. Wisman,  
New Albany City Clerk

**NEW ALBANY MUNICIPAL SEWAGE WORKS**  
New Albany, Indiana

**ALTERNATE A AND B**  
**RATE SCENARIOS**

March 29, 2010



**NEW ALBANY MUNICIPAL SEWAGE WORKS**  
New Albany, Indiana

Statement of Revenue Requirements  
Alternate A

	Per 1/28/10 Report *	2010 and 2011	2012 and Thereafter
Operation and Maintenance Expenses (Exhibit F*)	\$ 6,212,532	\$ 6,212,532	\$ 6,212,532
Estimated Increase in Operating Contract	-	-	221,342
Estimated Decrease in Operating Expenses (A)	(1,000,000)	(1,000,000)	(1,000,000)
Estimated Annual Debt Service Payment (Exhibit C*) or (Exhibit E)	4,729,222	4,805,196	5,251,492
Annual Operating Fund Balance Funding (B)	901,614	1,352,421	-
Estimated Annual Extensions and Replacements (Exhibit G*) or (Exhibit C)	3,506,400	450,000	3,132,667
Annual Bond Anticipation Note (BAN) Payment (C)	713,388	-	-
Annual Debt Service Reserve Funding (D)	-	461,247	461,247
<b>Total Revenue Requirements</b>	<u>15,063,156</u>	<u>12,281,396</u>	<u>14,279,280</u>
Less: Adjusted Operating Receipts (Exhibit F*)	(9,145,865)	(9,145,865)	(9,145,865)
Annual EDIT Contribution (Exhibit E*)	(570,000)	(875,000)	(570,000)
Additional EDIT Contribution	(350,000)	(350,000)	(350,000)
Annual Riverboat Fund Contribution	<u>(350,000)</u>	<u>(350,000)</u>	<u>(350,000)</u>
<b>Deficit</b>	<u>(4,647,291)</u>	<u>(1,560,531)</u>	<u>(3,863,415)</u>
Divide by: Adjustable Sewage Collections	<u>9,100,435</u>	<u>9,100,435</u>	<u>9,100,435</u>
<b>Percentage Rate Increase Required</b>	<u>51%</u>	<u>18%</u>	<u>43%</u>
<b>Incremental Rate Increase</b>			<u>21%</u>

(A) The State Revolving Fund (SRF) Program would require a detailed analysis of the expense decrease and an agreement that operation and maintenance expenses will be monitored. If the decreases do not occur as expected in 2010 and 2011, then the Utility would be required to increase the proposed 2012 rate. Any decrease in the operating expenses attributed to a decrease in the EMC fee would require a new signed contract with EMC or written agreement from EMC to the reduced amount.

\* As presented in the Rate Report dated January 28, 2010 prepared by Crowe Horwath LLP.

NEW ALBANY MUNICIPAL SEWAGE WORKS  
New Albany, Indiana

Statement of Revenue Requirements

	Per 1/28/10 <u>Report *</u>	2010 and <u>2011</u>	2012 and <u>Thereafter</u>
<b>(B) <u>Calculation of Annual Operating Fund Balance Funding</u></b>			
Deficient Amount in Operating Fund (Exhibit B*)	\$ 2,704,842	\$ 2,704,842	
Divide by: Number of Years to Build Up	3	2	
Annual Operating Fund Balance Funding	<u>\$ 901,614</u>	<u>\$ 1,352,421</u>	
<p>Note: The funding of the Operating Fund Balance will also serve to build up a sufficient amount to pay for the Georgetown proposed settlement amount to the extent a payment is required.</p>			
<b>(C) <u>Calculation of Bond Anticipation Note (BAN) Annual Payment</u></b>			
Total Debt Service on BAN	\$ 1,426,776		
Divide by: Number of Years to Make Payment	2		
Annual BAN Payment	<u>\$ 713,388</u>		
<b>(D) <u>Calculation of Debt Service Reserve Funding</u></b>			
Estimated Maximum Annual Debt Service		\$ 5,251,492	\$ 5,251,492
Less: Cash Fund Debt Service Reserve (Exhibit B*)		(1,981,969)	(1,981,969)
Add: BAN payment on March 1, 2010		1,342,944	1,342,944
Total Debt Service Reserve Funding		<u>4,612,467</u>	<u>4,612,467</u>
Divided by: Number of Years to Build Up		10	10
Annual Debt Service Reserve Funding		<u>\$ 461,247</u>	<u>\$ 461,247</u>

\* As presented in the Rate Report dated January 28, 2010 prepared by Crowe Horwath LLP.

**NEW ALBANY MUNICIPAL SEWAGE WORKS**  
New Albany, Indiana

Schedule of Present and Proposed Rates and Charges  
Alternate A

	Present Rate	Proposed Rates	
		2010	2012
Flow Charge per Month per 100 Cubic Feet	\$ 5.04	\$ 5.95	\$ 7.21
Minimum Charge (200 Cubic Feet)	\$10.08	\$ 11.90	\$ 14.42
<u>Unmetered Charge per Month (700 Cubic Feet)</u>			
Residential Dwelling Inside the City Limits	\$35.28	\$ 41.65	\$ 50.47
Residential Dwelling Outside the City Limits	52.99	62.51	75.74
<u>Wholesale Flow Charge</u>			
Town of Georgetown			
Flow Charge per 1,000 Gallons	\$ 3.11	\$ 3.67	\$ 4.45
Excess Strength Surcharge			
BOD and/or COD	\$ 0.33	\$ 0.33	\$ 0.33
TSS	0.33	0.33	0.33
Oil and Grease	0.33	0.33	0.33
<u>Debt Service Surcharge (2)</u>			
Residents of Jacqueline Estates, Winchester Estates and Shagbark Subdivisions	\$30.00	\$ 30.00	\$ 30.00

Residents outside the City Limits using both City Water and City Sewers are charged their monthly usage plus a 50% surcharge.

- (1) Present rates and charges were passed by the City Council on August 30, 2006.  
(2) Debt Service Surcharge was established by the City Council on June 7, 1999.

**NEW ALBANY MUNICIPAL SEWAGE WORKS**  
New Albany, Indiana

Typical Monthly Bill Analysis - Alternate A  
Inside City

<u>Cubic Feet</u>	<u>Present Charge</u>	<u>Proposed Charge</u>		<u>Proposed Charge</u>		<u>Total Difference</u>
		<u>2010</u>	<u>Difference</u>	<u>2012</u>	<u>Difference</u>	
100	\$ 10.08	\$ 11.90	\$ 1.82	\$ 14.42	\$ 2.52	\$ 4.34
200	10.08	11.90	1.82	14.42	2.52	4.34
300	15.12	17.85	2.73	21.63	3.78	6.51
400	20.16	23.80	3.64	28.84	5.04	8.68
500	25.20	29.75	4.55	36.05	6.30	10.85
600	30.24	35.70	5.46	43.26	7.56	13.02
700	35.28	41.65	6.37	50.47	8.82	15.19
800	40.32	47.60	7.28	57.68	10.08	17.36
900	45.36	53.55	8.19	64.89	11.34	19.53
1,000	50.40	59.50	9.10	72.10	12.60	21.70
1,100	55.44	65.45	10.01	79.31	13.86	23.87
1,200	60.48	71.40	10.92	86.52	15.12	26.04
1,300	65.52	77.35	11.83	93.73	16.38	28.21
1,400	70.56	83.30	12.74	100.94	17.64	30.38
1,500	75.60	89.25	13.65	108.15	18.90	32.55
1,600	80.64	95.20	14.56	115.36	20.16	34.72
1,700	85.68	101.15	15.47	122.57	21.42	36.89
1,800	90.72	107.10	16.38	129.78	22.68	39.06
1,900	95.76	113.05	17.29	136.99	23.94	41.23
2,000	100.80	119.00	18.20	144.20	25.20	43.40

**NEW ALBANY MUNICIPAL SEWAGE WORKS**  
New Albany, Indiana

Typical Monthly Bill Analysis - Alternate A  
Outside City

<u>Cubic Feet</u>	<u>Present Charge</u>	<u>Proposed Charge</u>		<u>Proposed Charge</u>		<u>Total Difference</u>
		<u>2010</u>	<u>Difference</u>	<u>2012</u>	<u>Difference</u>	
100	\$ 15.12	\$ 17.86	\$ 2.74	\$ 21.64	\$ 3.78	\$ 6.52
200	15.12	17.86	2.74	21.64	3.78	6.52
300	22.68	26.79	4.11	32.46	5.67	9.78
400	30.24	35.72	5.48	43.28	7.56	13.04
500	37.80	44.65	6.85	54.10	9.45	16.30
600	45.36	53.58	8.22	64.92	11.34	19.56
700	52.92	62.51	9.59	75.74	13.23	22.82
800	60.48	71.44	10.96	86.56	15.12	26.08
900	68.04	80.37	12.33	97.38	17.01	29.34
1,000	75.60	89.30	13.70	108.20	18.90	32.60
1,100	83.16	98.23	15.07	119.02	20.79	35.86
1,200	90.72	107.16	16.44	129.84	22.68	39.12
1,300	98.28	116.09	17.81	140.66	24.57	42.38
1,400	105.84	125.02	19.18	151.48	26.46	45.64
1,500	113.40	133.95	20.55	162.30	28.35	48.90
1,600	120.96	142.88	21.92	173.12	30.24	52.16
1,700	128.52	151.81	23.29	183.94	32.13	55.42
1,800	136.08	160.74	24.66	194.76	34.02	58.68
1,900	143.64	169.67	26.03	205.58	35.91	61.94
2,000	151.20	178.60	27.40	216.40	37.80	65.20

**NEW ALBANY MUNICIPAL SEWAGE WORKS**  
New Albany, Indiana

Statement of Revenue Requirements  
Alternate B

	Per 1/28/10 Report *	2010 and 2011	2012 and Thereafter
Operation and Maintenance Expenses (Exhibit F*)	\$ 6,212,532	\$ 6,212,532	\$ 6,212,532
Estimated Increase in Operating Contract	-	-	221,342
Estimated Decrease in Operating Expenses (A)	(1,000,000)	(1,000,000)	(1,000,000)
Estimated Annual Debt Service Payment (Exhibit C*) or (Exhibit E)	4,729,222	4,805,196	5,251,492
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Less: Adjusted Operating Receipts (Exhibit F*)	(9,145,865)	(9,145,865)	(9,145,865)
Annual EDIT Contribution (Exhibit E*)	(570,000)	(875,000)	(570,000)
Annual Tax Increment Financing (TIF) Contribution	<u>(240,000)</u>	<u>(240,000)</u>	<u>(240,000)</u>
Deficit	(5,107,291)	(2,020,531)	(4,323,415)
Divide by: Adjustable Sewage Collections	<u>9,100,435</u>	<u>9,100,435</u>	<u>9,100,435</u>
Percentage Rate Increase Required	<u>56%</u>	<u>23%</u>	<u>48%</u>
Incremental Rate Increase			<u>20%</u>

(A) The State Revolving Fund (SRF) Program would require a detailed analysis of the expense decrease and an agreement that operation and maintenance expenses will be monitored. If the decreases do not occur as expected in 2010 and 2011, then the Utility would be required to increase the proposed 2012 rate. Any decrease in the operating expenses attributed to a decrease in the EMC fee would require a new signed contract with EMC or written agreement from EMC to the reduced amount.

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NEW ALBANY MUNICIPAL SEWAGE WORKS  
New Albany, Indiana

Statement of Revenue Requirements

	Per 1/28/10 <u>Report *</u>	2010 and <u>2011</u>	2012 and <u>Thereafter</u>
<b>(B) <u>Calculation of Annual Operating Fund Balance Funding</u></b>			
Deficient Amount in Operating Fund (Exhibit B*)	\$ 2,704,842	\$ 2,704,842	
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<p>Note: The funding of the Operating Fund Balance will also serve to build up a sufficient amount to pay for the Georgetown proposed settlement amount to the extent a payment is required.</p>			
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**NEW ALBANY MUNICIPAL SEWAGE WORKS**  
New Albany, Indiana

Schedule of Present and Proposed Rates and Charges  
Alternate B

	Present Rate	Proposed Rates	
		2010	2012
Flow Charge per Month per 100 Cubic Feet	\$ 5.04	\$ 6.20	\$ 7.46
Minimum Charge (200 Cubic Feet)	\$10.08	\$ 12.40	\$ 14.92
<u>Unmetered Charge per Month (700 Cubic Feet)</u>			
Residential Dwelling Inside the City Limits	\$35.28	\$ 43.40	\$ 52.22
Residential Dwelling Outside the City Limits	52.99	65.10	78.33
<u>Wholesale Flow Charge</u>			
Town of Georgetown			
Flow Charge per 1,000 Gallons	\$ 3.11	\$ 3.83	\$ 4.60
Excess Strength Surcharge			
BOD and/or COD	\$ 0.33	\$ 0.33	\$ 0.33
TSS	0.33	0.33	0.33
Oil and Grease	0.33	0.33	0.33
<u>Debt Service Surcharge (2)</u>			
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**NEW ALBANY MUNICIPAL SEWAGE WORKS**  
New Albany, Indiana

Typical Monthly Bill Analysis - Alternate B  
Inside City

<u>Cubic Feet</u>	<u>Present Charge</u>	<u>Proposed Charge</u>		<u>Proposed Charge</u>		<u>Total Difference</u>
		<u>2010</u>	<u>Difference</u>	<u>2012</u>	<u>Difference</u>	
100	\$ 10.08	\$ 12.40	\$ 2.32	\$ 14.92	\$ 2.52	\$ 4.84
200	10.08	12.40	2.32	14.92	2.52	4.84
300	15.12	18.60	3.48	22.38	3.78	7.26
400	20.16	24.80	4.64	29.84	5.04	9.68
500	25.20	31.00	5.80	37.30	6.30	12.10
600	30.24	37.20	6.96	44.76	7.56	14.52
700	35.28	43.40	8.12	52.22	8.82	16.94
800	40.32	49.60	9.28	59.68	10.08	19.36
900	45.36	55.80	10.44	67.14	11.34	21.78
1,000	50.40	62.00	11.60	74.60	12.60	24.20
1,100	55.44	68.20	12.76	82.06	13.86	26.62
1,200	60.48	74.40	13.92	89.52	15.12	29.04
1,300	65.52	80.60	15.08	96.98	16.38	31.46
1,400	70.56	86.80	16.24	104.44	17.64	33.88
1,500	75.60	93.00	17.40	111.90	18.90	36.30
1,600	80.64	99.20	18.56	119.36	20.16	38.72
1,700	85.68	105.40	19.72	126.82	21.42	41.14
1,800	90.72	111.60	20.88	134.28	22.68	43.56
1,900	95.76	117.80	22.04	141.74	23.94	45.98
2,000	100.80	124.00	23.20	149.20	25.20	48.40

**NEW ALBANY MUNICIPAL SEWAGE WORKS**  
New Albany, Indiana

Typical Monthly Bill Analysis - Alternate B  
Outside City

<u>Cubic Feet</u>	<u>Present Charge</u>	<u>Proposed Charge</u>		<u>Proposed Charge</u>		<u>Total Difference</u>
		<u>2010</u>	<u>Difference</u>	<u>2012</u>	<u>Difference</u>	
100	\$ 15.12	\$ 18.60	\$ 3.48	\$ 22.38	\$ 3.78	\$ 7.26
200	15.12	18.60	3.48	22.38	3.78	7.26
300	22.68	27.90	5.22	33.57	5.67	10.89
400	30.24	37.20	6.96	44.76	7.56	14.52
500	37.80	46.50	8.70	55.95	9.45	18.15
600	45.36	55.80	10.44	67.14	11.34	21.78
700	52.92	65.10	12.18	78.33	13.23	25.41
800	60.48	74.40	13.92	89.52	15.12	29.04
900	68.04	83.70	15.66	100.71	17.01	32.67
1,000	75.60	93.00	17.40	111.90	18.90	36.30
1,100	83.16	102.30	19.14	123.09	20.79	39.93
1,200	90.72	111.60	20.88	134.28	22.68	43.56
1,300	98.28	120.90	22.62	145.47	24.57	47.19
1,400	105.84	130.20	24.36	156.66	26.46	50.82
1,500	113.40	139.50	26.10	167.85	28.35	54.45
1,600	120.96	148.80	27.84	179.04	30.24	58.08
1,700	128.52	158.10	29.58	190.23	32.13	61.71
1,800	136.08	167.40	31.32	201.42	34.02	65.34
1,900	143.64	176.70	33.06	212.61	35.91	68.97
2,000	151.20	186.00	34.80	223.80	37.80	72.60

**NEW ALBANY MUNICIPAL SEWAGE WORKS**  
New Albany, Indiana

Five Year Capital Improvement Plan  
Provided by Tim Marinaro  
City Engineer

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>Total</u>
Lift Stations and Construction Upgrades						
McLean Lift Station Upgrade		\$ 350,000				\$ 350,000
Jacobs Creek Lift Station Upgrade			\$ 225,000			225,000
Basin 14 Lift Station Upgrade	\$ 1,300,000 #					1,300,000
Mount Tabor Lift Station Upgrade		1,300,000 #				1,300,000
Interceptor and Relief Sewers						
Basin 4 Interceptor		1,300,000 #				1,300,000
Jacobs Creek/Lewis Branch Interceptor	750,000 #					750,000
Basin 27 Interceptor	750,000 #					750,000
Basin 39 Northeast Interceptor to Basin 39				\$ 510,000		510,000
Basin Projects and Upgrades						
Basin 13 Flow Study	200,000					200,000
Installation of Flow Meters	150,000		150,000			300,000
Emergency Pumpstation Projects				500,000	\$ 500,000	1,000,000
Easement Purchases for Projects	100,000	100,000	100,000	100,000	100,000	500,000
I/I Removal and Rehabilitation Division						
Pilot Program (Basin 16)	917,000 #	917,000 #				1,834,000
Phase I Infiltration/Inflow Removal and Rehabilitation			1,803,250	2,704,875	2,704,875	7,213,000
<b>Total Capital Improvement Plan</b>	<b>\$ 4,167,000</b>	<b>\$ 3,967,000</b>	<b>\$ 2,278,250</b>	<b>\$ 3,814,875</b>	<b>\$ 3,304,875</b>	<b>\$ 17,532,000</b>
Less: Amount Funded by 2010 SRF Loan #	<u>(3,717,000)</u>	<u>(3,517,000)</u>				<u>(7,234,000)</u>
<b>Capital Improvement Plan Funded by Cash</b>	<b><u>\$ 450,000</u></b>	<b><u>\$ 450,000</u></b>	<b><u>\$ 2,278,250</u></b>	<b><u>\$ 3,814,875</u></b>	<b><u>\$ 3,304,875</u></b>	<b><u>\$ 10,298,000</u></b>
Three Year Average (2012 -2014)						<u>\$ 3,132,667</u>

**NEW ALBANY MUNICIPAL SEWAGE WORKS**  
New Albany, Indiana

Proposed Sewage Works Revenue Bonds of 2010  
Estimated Sources and Uses of Funds

Sources of Funds:

Par Amount of Bonds	\$ 7,400,000
	<hr/>
Total Sources of Funds	\$ 7,400,000
	<hr/> <hr/>

Uses of Funds:

Construction Costs	
Lift Stations	\$2,600,000
Basin 4 Interceptor	1,300,000
Jacobs Creek/Lewis Branch Interceptor	750,000
Basin 27 Interceptor	750,000
I/I Removal and Rehabilitation	1,834,000
	<hr/>
Subtotal Construction Costs	7,234,000
Bond Counsel (Estimated)	35,000
Local Counsel (Estimated)	20,000
SRF Counsel (Estimated)	15,000
Financial Advisor (Estimated)	85,000
Miscellaneous	11,000
	<hr/>
Total Uses of Funds	\$ 7,400,000
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**NEW ALBANY MUNICIPAL SEWAGE WORKS**  
New Albany, Indiana

Estimated Combined Amortization Schedule

<u>Year</u>	<u>1998, Series A</u> <u>Revenue</u> <u>Bonds</u>	<u>Junior</u> <u>1999, Series C</u> <u>Revenue</u> <u>Bonds</u>	<u>2002</u> <u>SRF</u> <u>Loan</u>	<u>2003</u> <u>Refunding</u> <u>Revenue</u> <u>Bonds</u>	<u>2006</u> <u>Refunding</u> <u>Revenue</u> <u>Bonds</u>	<u>Estimated</u> <u>2006</u> <u>SRF</u> <u>Loan (1)</u>	<u>Estimated</u> <u>2010</u> <u>SRF</u> <u>Loan</u>	<u>Annual</u> <u>Principal and</u> <u>Interest</u>
2010	\$ 290,334	\$ 36,048	\$ 2,282,040	\$ 1,233,956	\$ 742,712	\$ 36,586	\$ 94,720	\$ 4,716,396
2011	291,948	36,048	2,281,868	1,242,206	734,912	28,774	189,440	4,805,196
2012	288,032	36,048	2,284,410	1,433,406	546,912	109,774	518,440	5,217,022
2013	288,792	36,048	2,283,534	1,435,206	540,912	109,700	518,020	5,212,212
2014	294,112	36,048	2,279,304		1,979,912	109,576	518,391	5,217,343
2015	293,654	36,049	2,280,786		1,976,112	110,400	518,532	5,215,533
2016	297,628	36,047	2,277,752		1,976,638	110,148	518,444	5,216,657
2017	295,668	36,048	2,279,298		1,975,276	109,844	518,126	5,214,260
2018	298,182	36,048	2,274,226		1,980,276	110,488	518,578	5,217,798
2019			4,622,704			110,056	517,772	5,250,532
2020			4,623,014			109,572	518,738	5,251,324
2021			4,623,034			110,038	518,420	5,251,492
2022			4,622,632			110,428	517,848	5,250,908
2023			4,622,676			109,740	518,020	5,250,436
2024							517,908	517,908
2025							518,516	518,516
2026							517,818	517,818
2027							517,836	517,836
2028							518,548	518,548
2029							517,928	517,928
<b>Totals</b>	<u>\$ 2,638,350</u>	<u>\$ 324,432</u>	<u>\$ 43,637,278</u>	<u>\$ 5,344,774</u>	<u>\$ 12,453,662</u>	<u>\$ 1,385,124</u>	<u>\$ 9,612,043</u>	<u>\$ 75,395,663</u>

Estimated Maximum Annual Debt Service

\$ 5,251,492

(1) The 2006 SRF Loan would be reamortized using current SRF rates and the principal payment would be delayed for two years.

NEW ALBANY MUNICIPAL SEWAGE WORKS  
New Albany, Indiana

SCHEDULE G-1

Proposed Sewage Works Revenue Bonds of 2010  
State Revolving Fund (SRF) Loan  
Estimated Amortization Schedule

<u>Date</u>	<u>Principal</u>	<u>Coupon (1)</u>	<u>Interest</u>	<u>Period Total</u>	<u>Fiscal Total</u>
9/1/10			\$ 94,720	\$ 94,720	\$ 94,720
3/1/11			94,720	94,720	
9/1/11			94,720	94,720	189,440
3/1/12			94,720	94,720	
9/1/12	\$ 329,000	2.56 %	94,720	423,720	518,440
3/1/13			90,510	90,510	
9/1/13	337,000	2.56	90,510	427,510	518,020
3/1/14			86,196	86,196	
9/1/14	346,000	2.56	86,195	432,195	518,391
3/1/15			81,766	81,766	
9/1/15	355,000	2.56	81,766	436,766	518,532
3/1/16			77,222	77,222	
9/1/16	364,000	2.56	77,222	441,222	518,444
3/1/17			72,563	72,563	
9/1/17	373,000	2.56	72,563	445,563	518,126
3/1/18			67,789	67,789	
9/1/18	383,000	2.56	67,789	450,789	518,578
3/1/19			62,886	62,886	
9/1/19	392,000	2.56	62,886	454,886	517,772
3/1/20			57,869	57,869	
9/1/20	403,000	2.56	57,869	460,869	518,738
3/1/21			52,710	52,710	
9/1/21	413,000	2.56	52,710	465,710	518,420
3/1/22			47,424	47,424	
9/1/22	423,000	2.56	47,424	470,424	517,848
3/1/23			42,010	42,010	
9/1/23	434,000	2.56	42,010	476,010	518,020
3/1/24			36,454	36,454	
9/1/24	445,000	2.56	36,454	481,454	517,908
3/1/25			30,758	30,758	
9/1/25	457,000	2.56	30,758	487,758	518,516
3/1/26			24,909	24,909	
9/1/26	468,000	2.56	24,909	492,909	517,818
3/1/27			18,918	18,918	
9/1/27	480,000	2.56	18,918	498,918	517,836
3/1/28			12,774	12,774	
9/1/28	493,000	2.56	12,774	505,774	518,548
3/1/29			6,464	6,464	
9/1/29	505,000	2.56	6,464	511,464	517,928
Totals	<u>\$ 7,400,000</u>		<u>\$ 2,212,043</u>	<u>\$ 9,612,043</u>	

(1) Interest rate is the current SRF interest rate. Rates are subject to change on April 1.

**NEW ALBANY MUNICIPAL SEWAGE WORKS**  
New Albany, Indiana

Sewage Works Revenue Bonds of 2006  
State Revolving Fund (SRF) Loan  
Estimated Amortization Schedule (1)

<u>Date</u>	<u>Principal</u>	<u>Coupon (2)</u>	<u>Interest</u>	<u>Period Total</u>	<u>Fiscal Total</u>
3/1/10			\$ 22,199	\$ 22,199	
9/1/10			14,387	14,387	\$ 36,586
3/1/11			14,387	14,387	
9/1/11			14,387	14,387	28,774
3/1/12			14,387	14,387	
9/1/12	\$ 81,000	2.56 %	14,387	95,387	109,774
3/1/13			13,350	13,350	
9/1/13	83,000	2.56	13,350	96,350	109,700
3/1/14			12,288	12,288	
9/1/14	85,000	2.56	12,288	97,288	109,576
3/1/15			11,200	11,200	
9/1/15	88,000	2.56	11,200	99,200	110,400
3/1/16			10,074	10,074	
9/1/16	90,000	2.56	10,074	100,074	110,148
3/1/17			8,922	8,922	
9/1/17	92,000	2.56	8,922	100,922	109,844
3/1/18			7,744	7,744	
9/1/18	95,000	2.56	7,744	102,744	110,488
3/1/19			6,528	6,528	
9/1/19	97,000	2.56	6,528	103,528	110,056
3/1/20			5,286	5,286	
9/1/20	99,000	2.56	5,286	104,286	109,572
3/1/21		"	4,019	4,019	
9/1/21	102,000	2.56	4,019	106,019	110,038
3/1/22			2,714	2,714	
9/1/22	105,000	2.56	2,714	107,714	110,428
3/1/23			1,370	1,370	
9/1/23	107,000	2.56	1,370	108,370	109,740
Totals	<u>\$ 1,124,000</u>		<u>\$ 261,124</u>	<u>\$ 1,385,124</u>	

(1) The 2006 SRF Loan would be reamortized using current SRF rates and the principal payment would be delayed for two years.

(2) Interest rate is the current SRF interest rate. Rates are subject to change on April 1.