

Bradley K. Kage
Attorney at Law



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RECEIVED

JUL 17 2012

INDIANA UTILITY
REGULATORY COMMISSION

July 13, 2012

Indiana Utility Regulatory Commission
PNC Center
Suite 1500 East
Indianapolis, IN 46204

RE: Town of Vernon, Indiana

Dear Sir or Madam:

Enclosed is the Town of Vernon's Petition for Approval of Rate and the supporting attached documents.

Thank you in advance!

Sincerely,

A handwritten signature in black ink, appearing to read "BK Kage".

Bradley Kage

BK/mr

Enclosures as mentioned

cc: Jean Rockey

STATE OF INDIANA
INDIANA UTILITY REGULATORY COMMISSION

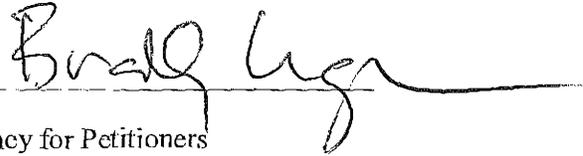
PETITION FOR APPROVAL OF RATE)
AND CHARGE DIFFERENCE BETWEEN)
PROPERTY WITHIN AND PROPERTY) CAUSE NO.
OUTSIDE THE CORPORATE BOUNDARIES)
OF Vernon, IN {MUNICIPALITY})

Pursuant to Indiana Code § 8-1.5-3-8.3(c), Petitioner, Town of Vernon
Indiana, {Municipality} by
counsel, respectfully petitions the Indiana Utility Regulatory Commission ("Commission") for approval of
the rate and charge difference between property within and property outside the corporate boundaries of
Town of Vernon, IN {Municipality}. In support of its Petition, Petitioner states:

1. The ordinance setting rates and charges for property within and property outside the municipality's corporate boundaries took effect on (date) 1/1/11
2. Attached as "Exhibit A" is a copy of the Ordinance.
3. The works that is the subject of the Ordinance is a (select one):
 - a. water utility works _____
 - b. wastewater utility works _____
 - c. both water and wastewater utility works x _____
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 municipality and to property located within the corporate boundaries is 18%
5. If the percentage difference in #4 above varies based upon the amount of consumption, please provide a chart illustrating the various consumption levels in 1,000 gallon increments with the corresponding percent surcharge and attach to this Petition.
6. Petitioner considers Ind. Code § 8-1.5-3-8.3(c), among other statutes, to be applicable to the relief requested by this Petition.
7. Bradley Kage is counsel of record for Petitioners in this matter and is duly authorized to accept service of papers in this cause on behalf of Petitioners.

WHEREFORE Town of Vernon, IN{Municipality} requests that the Commission issue an Order approving the percentage rate and charge difference between property within and property outside the corporate boundaries of Town of Vernon {Municipality} and for other just and reasonable relief.

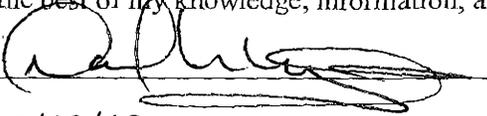
Respectfully submitted,



Attorney for Petitioners

Verification

I, Daniel Wright, affirm under penalties for perjury that the foregoing representations are true to the best of my knowledge, information, and belief.

Signed  {Representative of Municipality}

Date 7/12/12

Attorney Contact Information

Bradley Kage
Attorney at Law
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P.O. Box 328
North Vernon, IN 47265-0328
Telephone: (812) 346-6566
Attorney #5539-40

ATTACHMENT A

TOWN OF VERNON, INDIANA
ORDINANCE NO. 95

BE IT ORDAINED this 12th day of December, 1990, by the Common Town Council of Vernon, Indiana pursuant to IND. CODE 8-1.5-3-9.1 as follows:

The Vernon, Indiana Water Department is hereby removed from the jurisdiction of the Indiana Utility Regulatory Commission for the approval of rates and charges and of the municipal issuance of stocks, bonds, notes, or other evidence of indebtedness.

This ordinance shall take effect pursuant to the terms of IND. CODE 8-1.5-3-9.1.

SO ORDAINED THIS 12TH DAY OF DECEMBER, 1990.



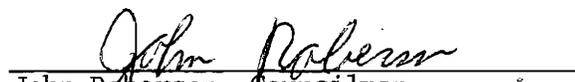
Stephen Heitzman, Mayor
Town of Vernon, Indiana



Ron Spaulding, Councilman
Town of Vernon, Indiana



Debra Marsh, Councilwoman
Town of Vernon, Indiana



John Roberson, Councilman
Town of Vernon, Indiana

TOWN OF VERNON, INDIANA
SEWER RATE ORDINANCE
ORDINANCE NO. 145

**AN ORDINANCE, AMENDING ORDINANCE NO. 109, AND
ORDINANCE NO. 137
ESTABLISHING A SCHEDULE OF RATES
AND CHARGES TO BE COLLECTED BY THE TOWN OF
VERNON, INDIANA FROM THE OWNERS OF PROEPRTY
SERVED BY THE SEWAGE WORKS OF SAID TOWN
AND OTHER MATTERS CONNECTED THEREWITH**

WHEREAS, the Town of Vernon, Indiana has conducted a study of its current rates and charges and determined that these rates and charges are not sufficient to pay expenses of maintenance and operation, and to provide funds for necessary replacements and improvements, and to pay existing debt service requirements; and

WHEREAS, it is necessary to establish a schedule of rates and charges for the Town so as to produce sufficient revenue to pay expenses of maintenance and operation and to provide funds for necessary replacements and improvements, and to pay the principal and interest on outstanding revenue bonds in accordance with the applicable bond ordinances.

NOW, THEREFORE,

THE TOWN COUNCIL OF THE TOWN OF VERNON, INDIANA ORDAIN AS FOLLOWS:

ARTICLE I

DEFINITIONS

101. "Board" shall mean the Town Council of the Town of Vernon, Indiana, acting as the Municipal Works Board.
102. "Town" shall mean the Town of Vernon, Indiana.
103. "Debt service costs" shall mean the average annual principal and interest payments on all outstanding revenue bonds or other long-term capital debt.
104. "Operation and maintenance costs" include all costs, direct and indirect, necessary to provide adequate wastewater collection and transport on a continuing basis.
105. "Other Service Charges" shall mean tap charges, connection charges, area charges, and other identifiable charges other than user charges, debt service charges and excessive strength surcharges.
106. "Person" shall mean any natural person or public or private corporation or any other entity whatever.
107. "Replacement costs" shall mean the expenditures for obtaining and installing equipment, accessories and/or appurtenances which are necessary during the useful life of the sewage works equipment to maintain the capacity and performance for which such works were designed and constructed.
108. "Shall" is mandatory. "May" is permissive.
109. "User Classes" shall mean the division of sewage service customers by source, function, and cost characteristics.
 - A. Users Within Corporate Limits. A user who introduces only normal, domestic sewage into the system. These users are located within the corporate limits of the municipal corporation and are therefore served by existing sewer facilities.
 - B. Users Outside Corporate Limits. A user who introduces only normal domestic sewage into the system. These users are located outside the corporate limits of the municipal corporation and will be served by new sewer collection facilities requiring additional capital outlay by the Town.
 - C. Other Users. A user who either introduces other than normal domestic sewage into the system or due to other factors requires the Town to expend resources in excess of the costs expended to serve another user class which they may otherwise be included within.

ARTICLE II

AUTHORITY

201. Every person whose premises are served by said sewage utility shall be charged for the services provided. These charges are established for each user class, as defined, in order that the sewer utility shall recover, from each user and user class, revenue which is proportional to its use of the system. User charges are levied to defray the cost of operation and maintenance. Debt service charges are levied to recover the capital costs of installing the system. These charges shall be uniform in magnitude within a user class. No free service shall be provided to any user including governmental. Annexation shall not be a prerequisite for service.
202. User charges are subject to the rules and regulations adopted by the United States Environmental Protection Agency, published in the Federal Register, (40 CFR 35.2140). Replacement costs, which may be recovered through the system of user charges shall be based upon the expected service life of the sewage works equipment.

ARTICLE III

SCHEDULE OF RATES AND CHARGES

301. For the use of and the service rendered by said sewage utility, rates and charges shall be collected from the owners of each and every lot, parcel of real estate or building that is connected with the Town sanitary system or otherwise discharges sanitary sewage, water or other liquids either directly or indirectly, into the sanitary sewage system of the Town. Such rates and charges include User Charges, Debt Service Costs and other service charges, which rates and charges shall be payable as hereinafter provided and shall be in an amount determinable as follows (except that interim rates shall be assessed to users outside corporate limits as prescribed in Section 302):

	Rate Per 1,000 Gallons	Minimum Monthly Usage	Minimum Monthly Usage
<u>Users Within Corporate Limits</u>			
First 3,333 Gallons	\$ 11.53	3,000 Gallons	\$34.59
Next 6,667 Gallons	\$ 10.75		
Next 6,667 Gallons	\$ 9.17		
Next 33,333 Gallons	\$ 7.63		
Over 50,000 Gallons	\$ 6.86		
<u>Users Outside Corporate Limits</u>			
First 3,333 Gallons	\$ 13.60	3,000 Gallons	\$40.80
Next 6,667 Gallons	\$ 12.68		
Next 6,667 Gallons	\$ 10.83		
Next 33,333 Gallons	\$ 9.02		
Over 50,000 Gallons	\$ 8.09		

Other Users

At such time as users who meet the criteria to be included in this class, as defined herein, are identified, a study of the costs to serve these users shall be made and appropriate rates shall be determined.

SCHEDULE OF RATES AND CHARGES (Continued)

Users Within Corporate Limits

The minimum charge shall be \$32.94 for the first 3,000 gallons/month.

For all usage in excess of 3,000 gallons/month, the charge shall be computed in accordance with the prescribed tariff.

Users Outside Corporate Limits

The minimum charge shall be \$38.85 for the first 3,000 gallons per month. For all usage in excess of 3,000 gallons/month, the charge shall be computed in accordance with the prescribed schedule.

Users of Non-Metered Water

Within Corporate Limits: The monthly charge shall be a flat rate of \$45.44 per month.

Outside Corporate Limits: The monthly charge shall be a flat rate of \$57.28 per month.

302. For each new connection to the sewage system there shall be assessed to the user a connection fee of \$500.00, plus a capacity fee in accordance with Ordinance 110.
303. The sewer flow charges shall be based on the quantity of water as measured by the water meter used on or in the premises subject to such sewer charges. Charges for unmetered residential users shall be based on the average volume of metered residential users. Water meters shall be read once each _____, or at the option of the Council at other intervals.

ARTICLE IV

401. A user charge system of sewage collection and disposal should accomplish two primary objectives. They are:
- 1) The charges should be proportional to cost of service among user groups and within user groups. All users should pay the same except where it can be established that the cost of providing service is not the same for all users or for all classes of users.
 - 2) The charges should be sufficient to provide revenues adequate to pay for the operation and maintenance of the system, the retirement of debt and the establishment of reasonable reserves for contingencies.
402. The methodology will be that described in the User Charge System developed pursuant to 40 CFR 35.2140.

ARTICLE V

ADMINISTRATIVE AND BILLING

501. The quantity of water discharged into the sanitary sewer system and obtained from sources other than the utility that serves the Town shall be determined by the Board in such a manner as the Board shall reasonably elect and the sewage service shall be billed at the above appropriate rates; further, as is provided by Ordinance, the Board may make proper allowances after determining the sewage billed for quantities of water shown on the records to be consumed, but which are also shown to the satisfaction of the Town that such quantities do not enter the sanitary sewage system.
- (a) In the event two or more residential lots, parcels of real estate, or buildings discharging sanitary sewage water or other liquids into the Town's sanitary sewage system, either directly or indirectly, are users of water and the quantity of water is measured by a single water meter, then in each such case for billing purposes, the quantity of water used shall be averaged for each user and the base charge and the flow rates and charges shall apply to each of the number of residential lots, parcels of real estate or buildings served through the single water meter.
- (b) In the event two or more dwelling units such as mobile homes, apartments or housekeeping rooms discharging sanitary sewage, water or other liquids into the Town's sanitary sewage system, either directly or indirectly, are users of water and the quantity of water is measured by a single water meter, then in such case, billing shall be for a single service in the manner set out elsewhere herein, except that the minimum bill shall be not less than the number of such dwelling units times the applicable minimum bill per month, based on meter size. In the case of mobile home courts, the number of dwelling units shall be computed and interpreted as the total number of mobile home spaces available for rent plus any other dwelling units serviced through the meter. A dwelling unit shall be interpreted as a room or rooms or any other space or spaces in which cooking facilities are provided.

502. Such rates and charges shall be prepared, billed and collected by the Town in the manner provided by law and Ordinance.

(a) The rates and charges for all users shall be prepared and billed monthly.

(b) The rates and charges may be billed to the tenant or tenants occupying the properties served, unless otherwise requested in writing by the owner, but such billing shall in no way relieve the owner from the liability in the event payment is not made as herein required. The owners of properties served, which are occupied by a tenant or tenants, shall have the right to examine the collection records of the Town for the purpose of determining whether bills have been paid by such tenant or tenants, provided that such examination shall be made at the office at which said records are kept and during the hours that such office is open for business.

(c) As is provided by statute, all rates and charges not paid when due are hereby declared to be delinquent and a penalty of ten percent (10%) of the amount of the rates or charges shall thereupon attach thereto. The past due date shall be the _____ day of the month after the period of service. Bills will be dated and mailed each month.

(d) The Town shall, at least annually, in conjunction with a regular billing, notify the user of the rate.

503. Any user who disputes any billing by the Town may file with the Board a written request and review of consideration within ten days after such billing is received by the user, setting forth in detail the facts supporting the user's request for reconsideration. The appeal shall, if reasonably possible, be heard by the Board within 30 days of the date of filing. Further appeal is available through the Circuit Court of Jennings County under appeal procedures provided under the Indiana Administrative Adjudication Act.

504. On a biennial basis, within a reasonable period of time following the normal accounting period, the Town shall cause a study to be made for the purpose of reviewing the proportionality of rates and charges for sewage services on a continuing basis.

Said studies shall be conducted by officers or employees of the Town, or by a firm of certified public accountants or engineers as the Town shall determine to be best under the circumstances.

505. For service rendered to any department or agency of the Town, the Town shall be subject to the sewer charges provided herein.

506. The Town shall make and enforce such ordinances, by-laws and regulations as may be deemed necessary for the safe, economical and efficient management of the Town's sewage system and pumping stations for the construction and use of house sewers and connections to the sewage system and for the regulation, collection, rebating and refunding of such rates and charges.

ARTICLE VI

SEVERABILITY

601. The invalidity of any section, clause, sentence or provision of the Ordinance shall not affect the validity of any other part of this Ordinance which can be given effect without such invalid part or parts.

ARTICLE VII

EFFECTIVE DATES

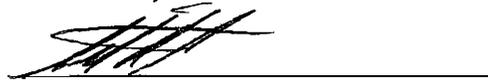
701. The rates and charges as herein set forth shall become effective on January 1, 2011.

PASSED AND ADOPTED by the Town Council of the Town of Vernon, Indiana, County of Jennings, State of Indiana, on the 2nd day of December, 2010.



MAYOR

TOWN COUNCIL:



ATTEST:


CLERK-TREASURER

TOWN OF VERNON

WATER RATE ORDINANCE

ORDINANCE NO. 138

An Ordinance amending Ordinance No. 24, Ordinance No. 64, Ordinance No. 78, Ordinance No. 99 and Ordinance No. 126 establishing rates and charges for the use of and services rendered by the municipal water distribution system of the Town of Vernon

WHEREAS, the Town Council now finds that the existing rates and charges for the use of and services rendered by the water system of the Town of Vernon are too low and insufficient to enable the Town to pay for the increased cost of purchased water from its supplier, in addition to operating costs, and that the existing rates and charges should be increased;

NOW THEREFORE BE IT ORDAINED BY THE TOWN COUNCIL OF THE CIVIL OF TOWN OF VERNON, JENNINGS COUNTY, INDIANA:

Section 1. That for the use of and the services rendered by the Town of Vernon Water Utility, rates and charges shall be collected for the use of and services rendered by said water utility from the owners of each and every lot, parcel of real estate or building that is connected with or use such works by or through any party of the water utility system of the Town of Vernon, Indiana, or that in any way uses or is served by such works, which rates and charges shall be payable as hereinafter provided and shall be in an amount determinable as follows:

Metered User Block Schedule

<u>Consumption Per Month</u>	<u>Users Within Corporate Limits Rate Per 1,000 Gal.</u>	<u>Users Outside Corporate Limits Rate Per 1,000 Gal.</u>
First 3,333 Gallons	\$5.71*	\$8.26*
Next 6,667 Gallons	\$5.35*	\$7.73*
Next 6,667 Gallons	\$4.61*	\$6.68*
Next 33,333 Gallons	\$3.92*	\$5.65*
Over 50,000 Gallons	\$3.54*	\$5.12*

The minimum usage for a standard 5/8 inch residential meter is 3,000 gallons and the minimum charge is \$17.13 plus \$1.68 per 1,000 gallons (wholesale tracking factor) for those users within the corporate limits and \$24.78 plus \$1.68 per 1,000 gallons (wholesale tracking factor) for those users outside the corporate limits.

Metered User Minimum Schedule

<u>Meter Size</u>	<u>Minimum Usage</u>	<u>Users Within Corporate Limits Monthly Minimum Charge</u>	<u>Users Outside Corporate Limits Monthly Minimum Charge</u>
3/4" Meter or Less	3,000 Gal.	\$ 17.13*	\$ 24.78*
1" Meter	7,500 Gal.	\$ 41.33*	\$ 59.75*
1-1/4" Meter	12,000 Gal.	\$ 63.92*	\$ 92.43*
1-1/2" Meter	17,400 Gal.	\$ 88.31*	\$127.75*
2" Meter	30,000 Gal.	\$137.71*	\$198.94*
3" Meter	69,000 Gal.	\$283.37*	\$409.22*
4" Meter	123,000 Gal.	\$474.53*	\$685.70*

* Wholesale Tracking Factor

Plus \$1.68 per 1,000 gallons of water.

The water tracking factor set forth in this schedule is applicable where clearly denoted and shall be occasioned solely by changes in the wholesale cost of water, in accordance with 170IAC6-5-1.

Temporary Users - Conduit

Water furnished to temporary users, such as contractors, shall be charged on the basis of the metered rates herein before set forth as estimated and established by the Waterworks Superintendent.

Temporary Users - Vehicle

Water furnished to temporary users, such as bulk haulers, shall be charged on the basis of the metered rates herein before set forth as estimated and established by the Waterworks Superintendent.

Fire Service Per Annum

Rate Per Hydrant

Municipal Hydrants

\$60.00

Connection Charge

All connections will be Two Hundred Fifty Dollars (\$250.00) payable to the Town and the user will pay the actual cost of labor, materials, power machinery, transportation and overhead incurred for installing the tap.

Each user at the time he is connected with the waterworks system shall pay a charge to cover the costs of: excavating and tapping the main; furnishing and installing service pipe from the main to the lot line; furnishing and installing corporation and stop cocks; and furnishing and installing meter crock (if outside), yoke and meter. The Town will install the meters and each meter will be the property of the Town.

Reconnection Charge

Rate Per Reconnection

\$50.00

When the service is turned off for nonpayment of bill, or whenever for any reason beyond the control of the water utility, a reestablishment of service is required by any one customer, this charge will be made by the water utility to cover the cost of discontinuance and reestablishment of service. The charge, together with any arrears due the water utility, shall be paid by the customer before service will be reestablished.

Collection and Deferred Payment Charges

All bills for water services not paid within fifteen days from the due date thereof, as stated in such bills, shall be subject to the collection or deferred payment charge of 10% on the first \$3.00 and 3% on the excess over \$3.00.

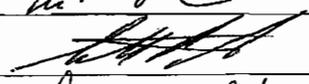
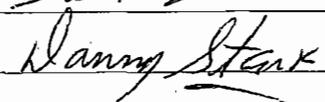
Section 2. All ordinances and parts of ordinances in conflict herewith are hereby repealed; provided, however, that the existing schedule of water rates and charges shall remain in full force and effect until this schedule of rates and charges becomes effective.

Section 3. This ordinance shall be in full force and effect from and after twenty (20) days after its passage.

Passed and adopted by the Town Council of the Town of Vernon on the 20 day of May, 2008.


MAYOR

TOWN COUNCIL:

Attest:


CLERK-TREASURER

Bradley K. Kage
Attorney at Law



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Telephone: (812) 346-6566
Fax: (812) 352-8676
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RECEIVED

JUL 26 2012

INDIANA UTILITY
REGULATORY COMMISSION

July 24, 2012

Ms. Dana Lynn
Indiana Utility Regulatory Commission
PNC Center
101 West Washington Street, Suite 1500 E
Indianapolis, IN 46204

RE: Town of Vernon

Dear Ms. Lynn:

Enclosed is a copy of the additional ordinance for the Town of Vernon.

Thank you!

Sincerely,

A handwritten signature in black ink, appearing to be 'BK' followed by a stylized flourish.

Bradley Kage

BK/mr

Encl/1

ORDINANCE NO. 110**AN ORDINANCE ADOPTING A POLICY GOVERNING SEWER EXTENSIONS AND IMPROVEMENTS AND THE ESTABLISHMENT OF CERTAIN SEWER FEES FOR THE TOWN OF VERNON'S WASTEWATER SYSTEM****SECTION 1 - DEFINITIONS**

Applicant is a person, firm, corporation, partnership who has the authority to act on behalf of the owner(s) or developer(s) of a new development or existing sewer service connection.

Capital Improvement is land and/or facilities for the collection, treatment or disposal of sewage or sewage by products.

Town Council is the Common Council of the Town of Vernon, Indiana.

Collector Sewer is the sewer line to which sewer laterals are connected. Collector sewer lines shall be at least 8" in diameter.

County is that area outside the Town of Vernon Corporation limits but within Jennings County.

Development is the construction of improvements to land which requires modification of existing sewer service connection or the construction of new sewer service connections to the sanitary sewer system.

Dwelling Unit means one or more habitable rooms which are occupied or which are intended or designed to be occupied by one family with facilities for living, sleeping, cooking and eating and includes a mobile home.

Existing Sewer Service means all existing physical sewer service connections to the sanitary sewer system.

Force Main is a pressurized sewer line from a sewage pump station.

Interceptor or Trunk Sewer is the sewer line to which trunk sewers are connected. Interceptor or Trunk sewer lines shall be at least 12" in diameter.

Major Improvements are improvements to wastewater treatment plants, interceptor sewers, trunk sewers, or sewage pump stations which benefit the entire sewer system specified in the Master Sewer Plan.

Minor Improvements are improvements required to connect a proposed development or subdivision plat to existing sewer system facilities in compliance with the Town of Vernon's specifications.

Non Residential Development means all development other than residential development and includes commercial and industrial development.

Pump Station is a facility which pumps wastewater into a gravity pipe through a force main.

Residential Development means the construction of improvements to property used for the construction of a dwelling unit or dwelling units.

2

Residential Equivalent Unit (REU) is the basis for comparing sewer customers. One (1) REU is equal to a sewer flow contribution of 400 gallons per day.

Sewer Board is the Town Council of Vernon, Indiana.

Sewer Lateral is the sewer line that connects a building sewer to the collect sewer. Sewer laterals shall be 6" in diameter unless waived by Sewer Board action.

Sewer System Capacity Fee is a fee charged to an applicant who is authorized to connect to the Town of Vernon system or who is authorized to increase the capacity of an existing sewer connection.

Sewer Service is a utility service provided by the Town of Vernon for a specific applicant upon approval of an application.

Sewer Service Connection is the connection between a customer's building sewer to the collector sewer including the sewer lateral pipe up to the fitting on the collector sewer to which the sewer lateral pipe connects.

Significant User is as defined in the Town of Vernon's Sewer Use Ordinance.

Wastewater Treatment Plant (WWTP) is the site where wastewater is collected from the sanitary sewer system and treated to acceptable standards.

SECTION 2 - STATEMENT OF POLICY

2.0 It is the policy of the Town of Vernon to provide for the orderly growth of the Town of Vernon sanitary sewer system.

2.1 Sanitary sewer service will be available to:

- a. Properties within the Town of Vernon;
- b. Properties outside of the Town of Vernon subject to the approval vote of the Town Council.

2.2 All improvements to the Town of Vernon sewer system or any privately or publicly owned sewer system connected to the Town of Vernon's sewer system shall be constructed in accordance with the City of North Vernon's specifications.

2.3 The construction of Minor Improvements shall be at the sole cost of the applicant for sewer service. The Town Council, at its sole discretion, may require an increase in the capacity of all or part of the improvements when such increase in capacity is consistent with the adopted Master Sewer Plan. Only the incremental cost associated with the increase capacity requirements specified by the Town Council shall be paid by the Town of Vernon. Nothing contained herein shall be construed to be paid by the Town of Vernon. Nothing contained herein shall be construed to require the Town Council to increase the capacity of the proposed Minor Improvements.

3

2.4 The construction of Major Improvements shall be at the sole discretion of the Town of Vernon subject to planning considerations and finance availability. Major Improvements made to the Vernon sanitary sewer system may be financed with revenue generated by all customers of the utility upon approval of the Common Council of Vernon.

SECTION 3 - ESTABLISHMENT OF SEWER SYSTEM CAPACITY FEE

3.0 A Sewer System Capacity Fee is hereby created and is required to be paid to the Town of Vernon prior to the connection of any new sewer service to the Vernon Wastewater system.

3.1 The Sewer System Capacity Fee shall be as set forth in Table A entitled "Sewer System Capacity Fee Schedule" and attached hereto.

3.2 The Town Council shall review the Sewer System Capacity Fee Schedule at least once every two (2) years.

SECTION 4 - USE OF SEWER SYSTEM CAPACITY FEE

4.0 The Sewer System Capacity Fee shall only be used for payment of such fees to the City of North Vernon. The Sewer System Capacity Fee shall be paid to the City of North Vernon.

4.1 Expansion of the Town of Vernon's sewer collection, pumping or treatment systems is considered:

- 1.) The expansion of existing systems or construction of new systems in order to provide transport or treatment capacity (either hydraulic processing or waste load treatment capacity); or,
- 2.) The upgrade of existing systems to meet federal, state or local treatment requirements.

SECTION 5 - ESTABLISHMENT OF SEWER TAP FEE

5.1 A Sewer Tap Fee is hereby established and is required to be paid to the Town of Vernon prior to the installation or connection of any new sewer service to Vernon's wastewater collecting system.

5.2 Any person connecting to the sewage works shall, prior to being issued a permit to make a connection, pay a tap fee to the Town of Vernon in the amount of \$500.00 per lateral connection to the public sewer.

5.3 The Town Council shall review the Sewer Tap Fee Schedule at least once every two (2) years.

SECTION 6 - USE OF SEWER TAP FEE

6.0 Sewer Tap Fee revenue shall be paid to the City of North Vernon in the amount of \$250.00 per connection and the remainder to the Town of Vernon.

6.1 Sewer Tap Fees shall be deposited into the appropriate operating revenue account. Although Sewer Tap Fees may be deposited into the sewer operating fund account, Sewer Tap Fees shall be reported as a separate revenue source for the purpose of revenue accounting.

SECTION 7 - APPLICATION FOR SEWER SERVICE

7.0 Sewer service applications for a sewer lateral line 6" and smaller in diameter may be approved by the Town Council provided the sewer customer is not a Significant User.

7.1 Sewer service applications for a sewer lateral line 6" in diameter; a Significant User; or requiring Major Improvements of the sewer system shall be approved by the Town Council.

7.2 A change in occupancy or use that increases the flow quantity or quality discharged into the sanitary sewer shall be reviewed by the Town Council. An application as prescribed herein shall be filed.

7.3 An applicant for sewer service shall file a letter of intent that contains the following information:

- a. Name and address of customer or owner and the name and telephone number of the person to contact regarding the application.
- b. Legal description of the property.
- c. Identify the type and size of the development. State the type such as residential, commercial, institutional, or industrial; the number of proposed units or number of employees; and the total sewer demand or usage.
- d. A plan shall be submitted to include the following:
 - Tract boundary and acreage;
 - Proposed street and lot locations;
 - Proposed land users and zoning designations;
 - Location of requested water and sewer service;
 - Adjacent existing roads;
 - North arrow.

7.4 Upon determination that sewer service cannot be provided to the applicant, the Town Council shall provide written notification thereof and the reasons for denial of sanitary sewer service.

7.5 Upon the Town Council's determination that sewer service can be provided to the applicant, the Sewer System Capacity Fee and the Sewer Tap Fee shall be calculated provided sufficient information has been received. The Town Council shall notify the applicant in writing of authorization for sewer service, the total sewer fee amount due, and any conditions pertaining to the sewer service authorization.

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7.6 Where an extension of service is necessary to serve a development (Residential or Nonresidential), the Sewer Board shall make the following findings of fact and these findings shall be reflected in the minutes for the meeting for which the extension of service was approved. For approval, all three criteria must be met.

- a. There have been or are proposed major changes of an economic, physical, or social nature within the designated service areas which were not planned or constructed when the existing utilities were constructed.
- b. The proposed extension of the utilities is in compliance with the Master Plan as adopted by the Town Council.
- c. The proposed extension will not adversely affect the performance capabilities of the sewer utility system.

7.7 If the Sewer Board fails to make the findings of fact as outlined above, the Town Council shall notify the applicant in writing as to the reasons for denying the request for extension of utility service.

SECTION 8 - PAYMENT OF FEES

8.0 No building sewer shall be connected to the sewer service until all sewer fees established by this Ordinance have been paid.

8.1 If the approved sanitary sewer connection is not made within one (1) year of the date of authorization, or if the building permit is revoked or expires, the authorization for the sanitary sewer service shall be considered terminated.

8.2 An applicant may make application to the Town of Vernon for a refund of sewer fees paid provided that:

- 1.) 120 days has passed from the original payment of the fees; and,
- 2.) The written authorization for sanitary sewer connection is returned to the Town Council; and,
- 3.) The applicant provides a written statement that future sewer connection rights are held; and,
- 4.) That Applicant is not indebted to the Town of Vernon.

8.3 Upon approval of the Town Council, the sewer fees previously paid may be refunded to the Applicant.

SECTION 9 - EXEMPTIONS

9.0 The following developments are exempt from the payment of the Sewer System Capacity Fee:

1.) Any development for which the final Subdivision Plat of Record or Project was recorded on or before the effective date of this Ordinance to the extent that the original owner/developer obtained approval of the development, whether platted or not, prior to June 1, 1995, from the Town Council. The exemption shall remain in effect until June 1, 1998. This exemption is available only to the original owner/developer. It does not run with the land nor can it be transferred or conveyed in any manner to any subsequent owner.

2. Any Building Permit application filed on or before June 1, 1995.

SECTION 10 - APPEALS

10.0 A decision made by the Town Council under this Ordinance may be appealed to the Town Council by submitting a written appeal within ten (10) days from the date of the decision. The written appeal should be addressed to the Mayor of Vernon, Indiana. In considering the appeal, the Town Council may affirm, modify, extend or overrule its prior decision in a manner that is consistent with the provisions of this Ordinance.

SECTION 11 - SEVERABILITY

11.0 If any section, subsection, paragraph, clause, phrase or provision of this Ordinance is for any reason held to be invalid, ineffective or unconstitutional by the final decision of any court of competent jurisdiction, the remainder thereof shall remain in force and effect, it being expressly hereby found and declared that the remainder of this Ordinance would have been adopted despite the invalidity of such section, subsection, paragraph, clause, phrase or provision.

Adopted by the Common Council of the Town of Vernon, Indiana, this 17 day of July, 1995.

Mayor Allie Hazelwood

Clerk - M Jean Rokey

Council Bob Spawling

Council Bennie Barber

TABLE A
SEWER SYSTEM CAPACITY FEE SCHEDULE

SEWER USER	AMOUNT
Residential Users	
Single Family	\$600/unit
Multi-Family	\$525/living unit
Hotel/Motel, Lodging Houses	\$600 plus \$525/unit
Mobile Homes	\$600/trailer site
Commercial & Industrial Users	
Water meter < 1"	\$800
Water meter 1 1/2"	\$1,600
Water meter > 1 1/2"	As determined by the Sewer Board for the specific Application

Capacity Fee for water services not listed are based on \$600 per 400 gallons per day (REU) or part thereof, contributed to the sewer system.