



## H.J. Umbaugh & Associates

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### Partners

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John M. Seever, CPA  
Principal  
Colette J. Irwin-Knott

July 6, 1995

Wolcottville Town Council  
Post Office Box 325  
Wolcottville, Indiana 46795

RE: Wolcottville (Indiana) Municipal Sewage Works

The attached schedules (listed below) present unaudited and limited financial information for the purpose of discussion and consideration in the preliminary planning stage of a proposed sewer project by appropriate officers and officials of the Town of Wolcottville. The use of these schedules should be restricted to this purpose as the information is subject to future revision and further reports.

- #1 Unaudited Schedule of Selected Financial Information Arising From Cash Transactions
- #2 Unaudited Comparative Schedule of Cash Receipts and Disbursements
- #3 Test Year Operating Expense Adjusted to Pro Forma
- #4 Unaudited Schedule of Project Costs and Funding
- #5 Unaudited Schedule of Estimated Rate Impact on the Proposed Project
- #6 Unaudited Schedule of Debt Service Surcharge

We would appreciate your questions or comments on this information, and would provide additional information upon request.

**WOLCOTTVILLE (INDIANA) MUNICIPAL SEWAGE WORKS****UNAUDITED SCHEDULE OF SELECTED FINANCIAL INFORMATION**  
**ARISING FROM CASH TRANSACTIONS**

(May 31, 1995)

**Fund Balances:**

Operating fund		\$ 37,071
Depreciation fund - cash		15,496
Sinking fund - cash	\$ 14,416	
Sinking fund - investments	<u>45,000</u>	59,416
Sewer deposit fund		150
Construction fund		<u>442</u>
Total		<u>\$112,575</u>

**Bonded Indebtedness:**

None

July 6, 1995

THE ABOVE UNAUDITED AND LIMITED INFORMATION IS PRESENTED FOR THE PURPOSE OF DISCUSSION AND CONSIDERATION OF APPROPRIATE OFFICERS AND OFFICIALS AND IS SUBJECT TO FUTURE REVISION AND FINAL REPORT.

**WOLCOTTVILLE (INDIANA) MUNICIPAL SEWAGE WORKS**

**UNAUDITED COMPARATIVE SCHEDULE OF CASH  
RECEIPTS AND DISBURSEMENTS**

	<u>1993</u>	<u>1994</u>	<u>1/1/95 to 5/31/95</u>	<u>Test Year 6/1/92 to 5/31/95</u>
Operating Receipts:				
Commercial sales	<u>\$ 62,295</u>	<u>\$ 64,344</u>	<u>\$ 28,851</u>	<u>\$ 66,254</u>
Operating Disbursements:				
Collection:				
Labor	2,392	2,658	1,064	2,791
Repairs		2,763		2,763
Materials & supplies		160		160
Other	43	115		
Plant:				
Operating labor	3,867	3,888	1,296	3,888
Fuel or power purchased	4,506	4,638	1,902	4,629
Materials & supplies	4,321	5,110	2,706	6,112
Other	842	1,568	1,465	1,588
General:				
Office salaries	2,100	2,100	700	2,100
Office supplies	843	884	343	1,024
Other	1,617	3,746	456	3,617
Undistributed:				
Insurance	1,424	479	479	479
Other	<u>896</u>	<u>702</u>	<u>234</u>	<u>702</u>
Total operating expenses	<u>22,851</u>	<u>28,811</u>	<u>10,645</u>	<u>29,853</u>
Net operating receipts	<u>39,444</u>	<u>35,533</u>	<u>18,206</u>	<u>36,401</u>
Other Receipts:				
Interest income	1,145	1,958	278	1,562
Sewer deposits	15	135		
Sewer tap fees	<u>300</u>	<u>150</u>		
Total other receipts	<u>1,460</u>	<u>2,243</u>	<u>278</u>	<u>1,562</u>
Other Expenses:				
New construction & equipment	<u>4,405</u>	<u>41,279</u>	<u>2,000</u>	<u>43,279</u>
Increase (decrease) in cash	36,499	(3,503)	16,484	(5,316)
Beginning balance	<u>63,095</u>	<u>99,594</u>	<u>96,091</u>	<u>117,891</u>
Ending balance	<u>\$ 99,594</u>	<u>\$ 96,091</u>	<u>\$ 112,575</u>	<u>\$ 112,575</u>

July 6, 1995

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## WOLCOTTVILLE (INDIANA) MUNICIPAL SEWAGE WORKS

### TEST YEAR OPERATING EXPENSE ADJUSTED TO PRO FORMA

Test year operating expense		\$ 29,853
Adjustments:		
Salaries & wages (1)	\$ 4,212	
General - other - SBA audit expense (2)	(1,128)	
General - other - employee PERF (3)	192	
Undistributed - other - Social Security (4)	<u>292</u>	
Total adjustments		<u>3,568</u>
		<u>\$ 33,421</u>

### EXPLANATION OF ADJUSTMENTS

#### Adjustment (1)

##### Salaries & Wages

Test year salaries & wages		\$ 8,779
Pro forma salaries & wages:		
Superintendent	\$ 4,082	
Clerk-Treasurer	2,205	
Laborers (2)	<u>6,704</u>	
Total pro forma salaries & wages		<u>12,991</u>
Adjustment (1)		<u>\$ 4,212</u>

#### Adjustment (2)

##### General - Other

SBA audit expense		\$ 1,504
Amortized over 4 years		<u>+ 4</u>
Pro forma audit expense		376
Less: Test year audit expense		<u>(1,504)</u>
Adjustment (2)		<u>\$ (1,128)</u>

#### Adjustment (3)

##### General - Other

Employee PERF:		
Pro forma PERF:		
Pro forma covered labor		\$ 12,991
Times: 1995 PERF rate		<u>x 5.75%</u>
Pro forma PERF		747
Less: Test year PERF		<u>(555)</u>
Adjustment (3)		<u>\$ 192</u>

**WOLCOTTVILLE (INDIANA) MUNICIPAL SEWAGE WORKS**

**TEST YEAR OPERATING EXPENSE**  
**ADJUSTED TO PRO FORMA**  
**EXPLANATION OF ADJUSTMENTS (Cont'd)**

**Adjustment (4)**

**Undistributed - Other**

**Social Security:**

Pro forma covered wages	\$ 12,991
Times: 1995 Social Security rate	x 7.65%
Pro forma Social Security	994
Less: Test year Social Security	<u>(702)</u>
Adjustment (4)	<u>\$ 292</u>

July 6, 1995

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**WOLCOTTVILLE (INDIANA) MUNICIPAL SEWAGE WORKS**  
**UNAUDITED SCHEDULE OF PROJECT COSTS AND FUNDING**

	<b>Total</b>	<b>Lake &amp; Town</b>	<b>Lake</b>	<b>Town</b>
<b>Construction:</b>				
Treatment	\$ 717,497	\$ 717,497	\$	\$
Effluent transport	191,900	191,900		
Collection system	1,467,680		1,348,025	119,655
Vacuum collection system	<u>317,814</u>		<u>317,814</u>	
	2,694,891	909,397	1,665,839	119,655
Contingency	<u>80,809</u>	<u>27,269</u>	<u>49,952</u>	<u>3,588</u>
<b>Total construction</b>	<b><u>2,775,700</u></b>	<b><u>936,666</u></b>	<b><u>1,715,791</u></b>	<b><u>123,243</u></b>
<b>Engineering:</b>				
Design	205,180	69,238	126,831	9,111
Inspection	65,000	21,935	40,180	2,885
O & M manual	<u>5,200</u>	<u>5,200</u>		
<b>Total engineering</b>	<b><u>275,380</u></b>	<b><u>96,373</u></b>	<b><u>167,011</u></b>	<b><u>11,996</u></b>
Land	2,000		2,000	
Easements	<u>8,000</u>		<u>8,000</u>	
<b>Totals</b>	<b><u>10,000</u></b>		<b><u>10,000</u></b>	
<b>Bond Issuance &amp; Administrative:</b>				
Local attorney	16,000	5,399	9,890	711
Bond counsel	12,500	4,218	7,727	555
Financial advisory/accounting	16,310	5,513	10,302	495
Administrative	<u>2,510</u>	<u>1,831</u>	<u>679</u>	
<b>Total bond issuance &amp; administrative</b>	<b><u>47,320</u></b>	<b><u>16,961</u></b>	<b><u>28,598</u></b>	<b><u>1,761</u></b>
<b>Total project costs</b>	<b><u>\$3,108,400</u></b>	<b><u>\$1,050,000</u></b>	<b><u>\$1,921,400</u></b>	<b><u>\$ 137,000</u></b>
<b>Project Funding:</b>				
Prepaid project costs	\$ 46,641	\$ 46,641	\$	\$
Funds on hand	<u>53,359</u>	<u>43,359</u>		<u>10,000</u>
Local funds	100,000	90,000		10,000
Connection fees @ \$200	42,400		42,400	
FmHA grant	737,000		700,000	37,000
FmHA loan - Series A	1,698,000	960,000	738,000	
FmHA loan - Series B	<u>531,000</u>		<u>441,000</u>	<u>90,000</u>
<b>Total project funding</b>	<b><u>\$3,108,400</u></b>	<b><u>\$1,050,000</u></b>	<b><u>\$1,921,400</u></b>	<b><u>\$ 137,000</u></b>
<b>Average Annual Debt Service:</b>				
Series A - 39 years @ 5.125%		\$ 57,368	\$ 44,102	\$
Series B - 39 years @ 5.125%			<u>26,354</u>	<u>5,378</u>
<b>Total</b>		57,368	70,456	5,378
10% debt service reserve		<u>5,737</u>	<u>7,046</u>	<u>538</u>
<b>Total debt service reserve</b>		<b><u>\$ 63,105</u></b>	<b><u>\$ 77,502</u></b>	<b><u>\$ 5,916</u></b>

July 6, 1995

THE ABOVE UNAUDITED AND LIMITED INFORMATION IS PRESENTED FOR THE PURPOSE OF DISCUSSION AND CONSIDERATION OF APPROPRIATE OFFICERS AND OFFICIALS AND IS SUBJECT TO FUTURE REVISION AND FINAL REPORT.

## WOLCOTTVILLE (INDIANA) MUNICIPAL SEWAGE WORKS

### UNAUDITED SCHEDULE OF ESTIMATED RATE IMPACT OF THE PROPOSED PROJECT

Test year operating revenue		\$ 66,254
Normalized for additional connections:		
Wolcottville	20	
Witmer Lake	<u>212</u>	
Total new connections	232	
Times: Estimated average monthly bill	<u>x \$ 13.44</u>	
Est. increased revenue per month from new connections	3,118	
Times: 12 months	<u>x 12</u>	
Est. annual increased revenue form new connections		<u>37,416</u>
Normalized test year revenue		103,670
Estimated revenue requirements:		
Pro forma operation & maintenance expense x 2	66,842	
Wolcottville/Witmer Lake annual debt service	57,368	
Wolcottville/Witmer Lake annual reserve	5,737	
Funds for normal capital improvements	<u>3,000</u>	
Total revenue requirements		<u>132,947</u>
		<u>\$ 29,277</u>
Percentage increase required		<u>28.3%</u>
	<u>Current</u>	<u>Proposed</u>
Estimated Rate Impact:		
Monthly minimum 5/8" meter	\$ 7.15	\$ 9.17
Average residential bill (4,000 gallons)	13.44	17.25

July 6, 1995

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**WOLCOTTVILLE (INDIANA) MUNICIPAL SEWAGE WORKS**

**UNAUDITED SCHEDULE OF DEBT SERVICE SURCHARGE**

**Witmer Lake Area:**

Additional debt service requirement	\$ 77,502	
Divided by new connections	+ 212	
Subtotal	365.60	
Divided by 12 months	+ 12	
Monthly debt service surcharge	30.45	
Add: Estimated monthly sewer bill for O & M treatment debt service	<u>17.15</u>	
Total estimated monthly sewer bill	<u>\$ 47.60</u>	(1)

**New Town Connections:**

Additional debt service	\$ 5,916	
Divided by new connections	+ 20	
Subtotal	295.80	
Divided by 12 months	+ 12	
Monthly debt service surcharge	24.65	
Add: Est. monthly sewer bill (for O & M and treatment debt service)	<u>17.15</u>	
Total estimated monthly sewer bill	<u>\$ 41.80</u>	

(1) With \$200 connection fee.

July 6, 1995

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Certified Public Accountants

1500 North Oak Road Plymouth, Indiana 46563 Telephone 219 935-5178 Telecopier 219 935-5928

August 19, 1994

Wolcottville Town Council  
P.O. Box 325  
Wolcottville, IN 46795

Re: Wolcottville (Indiana) Municipal Sewage Works

The attached schedules (listed below) present unaudited and limited financial information for the purpose of discussion and consideration in the preliminary planning stage of a proposed project by appropriate officers and officials of the Town of Wolcottville. The use of these schedules should be restricted to this purpose as the information is subject to future revision and further reports.

- #1 Unaudited Schedule of Estimated Project Costs and Funding
- #2 Unaudited Schedule of Estimated Rate Impact of the Proposed Project
- #3 Unaudited Schedule of Debt Service Surcharge at Witmer Lake

We would appreciate your questions or comments on this information and would provide additional information upon request.

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**WOLCOTTVILLE (INDIANA) MUNICIPAL SEWAGE WORKS**

**UNAUDITED SCHEDULE OF ESTIMATED PROJECT COSTS AND FUNDING**

	<u>Witmer Lake</u>	<u>Witmer Lake Wolcottville</u>	<u>Total</u>
<b>Project Costs:</b>			
Treatment facilities	\$	\$605,500	\$ 605,500
Effluent transportation	247,500	247,500	495,000
Wolcottville collection system		102,000	102,000
Credit for Wolcottville collection	(102,000)		(102,000)
Witmer Lake collection system	<u>1,334,500</u>		<u>1,334,500</u>
Subtotals	1,480,000	955,000	2,435,000
FmHA grants @ 35%	<u>(447,951)</u>	<u>(289,049)</u>	<u>(737,000)</u>
Local share of project	<u>\$1,032,049</u>	<u>\$665,951</u>	<u>\$1,698,000</u>
 <b>Revenue Requirements for Project Costs:</b>			
Annual debt service:			
Principal payments	39	39	39
Interest rate	5.25%	5.25%	5.25%
Annual payment	<u>\$ 62,218</u>	<u>\$ 40,148</u>	<u>\$102,366</u>
 Annual reserve requirement @ 10%	<u>\$ 6,222</u>	<u>\$ 4,015</u>	<u>\$ 10,237</u>

August 19, 1994

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**WOLCOTTVILLE (INDIANA) MUNICIPAL SEWAGE WORKS**

**UNAUDITED SCHEDULE OF ESTIMATED RATE IMPACT  
OF THE PROPOSED PROJECT**

Test year operating revenue (1992)		\$ 62,751
Normalized for additional connections:		
Wolcottville	20	
Witmer Lake	<u>212</u>	
Total new connections	232	
Times: Estimated average monthly bill	<u>x \$ 13.44</u>	
Est. increased revenue per month from new connections	3,118	
Times: 12 months	<u>x 12</u>	
Est. annual increased revenue from new connections		<u>37,416</u>
Normalized test year revenue		100,167
Estimated revenue requirements:		
Pro forma operation & maintenance expense (test year O & M x 2)	77,308	
Wolcottville/Witmer Lake annual debt service	40,148	
Wolcottville/Witmer Lake annual reserve	4,015	
Funds for normal capital improvements	<u>3,000</u>	
Total revenue requirements		<u>124,471</u>
Additional revenue required		<u>\$ 24,304</u>
Percentage increase required		<u>24.26%</u>
Estimated Rate Impact:	<b>Current</b>	<b>Proposed</b>
Monthly minimum 5/8" meter	\$ 7.15	\$ 8.88
Unmetered user	10.45	12.99
Average residential bill (4,000 gallons)	13.44	16.70

August 19, 1994

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**WOLCOTTVILLE (INDIANA) MUNICIPAL SEWAGE WORKS**

**UNAUDITED SCHEDULE OF DEBT SERVICE SURCHARGE AT WITMER LAKE**

Est. debt service for project costs allocated to Witmer Lake		\$ 62,218
Estimated annual reserve requirement		<u>6,222</u>
Total		68,440
Estimated connections at Witmer Lake	212	
Times: 12 months	x <u>12</u>	
Annual connections at Witmer Lake		<u>2,544</u>
Monthly debt service surcharge at Witmer Lake		26.90
Add: Estimated monthly sewer bill for common O & M & debt service		<u>16.34</u>
 Total monthly sewer bill at Witmer Lake		 <u>\$ 43.24</u>

August 19, 1994.

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Colette J. Irwin-Knott

July 27, 1995

Mr. Richard K. Muntz  
Attorney at Law  
109 South Detroit Street  
LaGrange, Indiana 46761

Mr. Mark C. Krcmaric  
Barnes & Thornburg  
600 1st Source Bank Center  
100 North Michigan Street  
South Bend, Indiana 46601-1632

RE: Wolcottville (Indiana) Municipal Sewage Works - Proposed Rural Economic & Community Development Administration (RECDA) Bond Issue

Gentlemen:

As we discussed earlier this week, we have prepared the following information to assist you in drafting the bond ordinance and other related documents for the above referenced financing. Mr. Jim L. Russell of Russell Engineering & Associates, Inc., has assisted the Town in receiving construction bids for the proposed project pursuant to his plans and specifications. The bids are due to expire on September 7, 1995. To allow the Town to keep those bids, it is necessary that the steps to accomplish the financing be completed by the first week of September. To allow for that, we are suggesting that the bond ordinance be prepared to be presented and adopted by the Town Council at their August 7th Council meeting.

It is our understanding that Wolcottville is located within both LaGrange and Noble Counties. As such, the notice of the adoption of the bond ordinance needs to be published in both counties. Arrangements dealing with the preparation of that notice and delivery to the appropriate papers should be accomplished so that the notice is published as soon after the August 7th Council meeting as possible.

The final action that needs to be prepared for and undertaken by the Town Council at the August 7th meeting is the introduction of a new rate ordinance reflecting the revised sewer rates and charges and debt service surcharges resulting from the proposed project. The schedule of present and proposed sewer rates and charges and proposed debt service charges is enclosed for your consideration. We have also enclosed an example of a debt service surcharge ordinance that has been used in other communities. As you know, after the ordinance is introduced at the August 7th meeting, notice of the public hearing for the adoption of the new rates and charges needs to be published and a public hearing conducted. The hearing and the adoption of final rates and charges needs to be accomplished prior to the closing of the RECDA loan. Under normal circumstances a public hearing could be carried forward to the Council's next normally scheduled meeting in September; however, because of the Labor Day holiday and the fact that the RECDA bonds need to be closed prior to September 7th, I suggest the Council consider having a special meeting in August to conduct the rate hearing.

Mr. Richard K. Muntz  
Mr. Mark C. Krcmaric  
July 27, 1995  
Page Two

We have prepared the attached schedule of proposed project costs and funding reflecting the recently received construction bids. The project is estimated to cost \$3,108,400. It is proposed that the project be funded with \$142,400 of local funds. The \$142,400 is comprised of \$100,000 of funds the sewage works has on hand or has previously spent on the project, and \$42,400 which will be collected from new customers of the sewage works in the form of a \$200 connection fee. The Town has also received a commitment from the RECDA for grant funding in the amount of \$737,000, and a loan in the amount of \$1,698,000. The Town is pursuing an additional \$531,000 through RECDA in the form of second series of bonds.

The Wolcottville sewage works currently has no debt outstanding.

Due to the need to execute construction contracts prior to September 7th, and the question as to when RECDA will commit the additional \$531,000 needed to complete local financing, we suggest that the bond ordinance authorize the issuance of Bond Anticipation Notes (BANs) in an amount not to exceed \$531,000.

The BANs should have a maturity of two years from the date of delivery and should be callable after 60 days or any date without premium. They should be issued in \$1,000 denominations and pay interest semiannually from net revenues of the sewage works on September 1st and March 1st, with the first interest payment due March 1, 1996.

The principal on the BANs should be paid either from net revenues of the sewage works or bond proceeds.

The ordinance should authorize the Clerk-Treasurer or the Town Council President to negotiate the sale of the BANs at an interest rate not to exceed 6%, with a discount not greater than .7%.

The ordinance should authorize the issuance of Series A Bonds and Series B Bonds. The Bonds should be issued in \$1,000 denominations and mature in accordance with the attached amortization schedules. The ordinance should allow for a maximum interest rate of 6%. Interest on the Bonds should be paid from net revenues semiannually on March 1st and September 1st, with the first interest payment on March 1, 1996. Principal on the Bonds should be paid annually, commencing September 1, 1996, and semiannually thereafter.

We suggest the Clerk-Treasurer serve as Registrar and Paying Agent for the proposed Series A Bonds and Series B Bonds. To facilitate the sale of the BANs, we suggest that a qualified institution approved by the Clerk-Treasurer or Town Council President serve as Registrar and Paying Agent for the BANs.

We suggest the ordinance allow for the pre-payment of bonds without premium on any date.

The principal and interest on the bonds which will be payable from net revenues, defined as gross revenues after deduction for the payment of reasonable expense of operating, repair, and maintenance to the sewage works.

Mr. Richard K. Muntz  
Mr. Mark C. Krcmaric  
July 27, 1995  
Page Three

We suggest that the ordinance allow for the following flow of funds:

**Operation and Maintenance Fund** - Transfers should be made on the last day of the month from the Operation and Maintenance Fund to allow this fund to have a balance sufficient to pay two months' operation and maintenance expense. In order to prevent default payment on the outstanding bond of the sewage works, funds in excess of one months' operation and maintenance expense held in the Operation and Maintenance Fund may be transferred to the Sinking Fund.

**Sinking Fund** - The Sinking Fund should consist of the Bond and Interest Account which should, on the last day of each month, receive net revenues equal to at least 1/12th of the principal and at least 1/6th of the interest on all outstanding bonds payable from net revenues of the sewage works on the next succeeding principal and interest payment dates. The Sinking Fund Debt Service Reserve Account should also be established and should receive monthly transfers in the amount of \$1,150 to allow the debt service reserve to be funded to the level of the maximum annual principal and interest payment of the outstanding issue within a ten-year period.

**Improvement Fund** - After meeting the requirements of the Operation and Maintenance Fund and the Sinking Fund, any net revenues remaining should be transferred to the Sewage Works Improvement Fund.

The ordinance should allow for the issuance of bonds payable out of the net revenues of the sewage works ranking on a parity with the bonds authorized by this ordinance, subject to the following conditions:

- (1) All required payments to the Sinking Fund shall have been made in accordance with provisions of the ordinance, and the interest on the principal of the bonds payable from the net revenues of the sewage works shall have been paid in accordance with the terms thereof.
- (2) The net revenues of the sewage works in the calendar year immediately preceding the issuance of any such bonds ranking on a parity with the bonds authorized by this ordinance shall not be less than 125% of the maximum annual interest and principal requirements of the then outstanding bonds and the additional parity bonds proposed to be issued; or, prior to the issuance of said parity bonds, the sewage rates and charges shall be increased so that the said increased rates and charges applied to previous fiscal years operations would not produce net revenues for said year equal to not less than 125% of the maximum annual interest and principal requirements of the then outstanding bonds and the additional parity bonds proposed to be issued. For purposes of this subsection, the records of the sewage works shall be analyzed and all showing shall be prepared by a certified public accountant employed by the Town for that purpose.

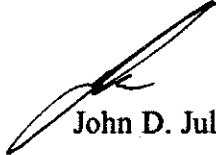
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- (3) Interest on the additional parity bonds shall be payable semiannually on March 1st and September 1st, and the principal on the additional parity bonds shall be payable annually on September 1st in the years in which the principal and interest are payable.

We hope this information is helpful in the preparation of the bond ordinance. If you have any questions or comments regarding this matter, or if we can be of any further assistance, please feel free to contact us.

Very truly yours,

H. J. UMBAUGH & ASSOCIATES



John D. Julien

JDJ/jf

Enclosures: As above

cc: Mrs. Elisabeth Hodge, Clerk-Treasurer  
Wolcottville Town Council  
Mr. James L. Russell, Russell Engineering & Associates, Inc.  
Mr. Robert A. Deal, Rural Economic & Community Development Administration

RECEIVED

AUG 1 1986

ORDINANCE NO. 709

AN ORDINANCE OF THE TOWN OF PORTER, INDIANA,  
ESTABLISHING CONNECTION CHARGES TO THE TOWN'S  
SEWAGE WORKS IN CERTAIN AREAS OF THE TOWN

WHEREAS, the owners of lots and lands within the 23rd Street area and Waverly Road area of the Town of Porter are desirous of obtaining sewage service; and

WHEREAS, the Town of Porter has agreed to furnish such service, but deems it necessary to establish special connection charges in that area to assist in defraying the costs of furnishing such service.

NOW, THEREFORE, BE IT ORDAINED by the Board of Trustees of the Town of Porter, Indiana, as follows:

Section 1: In that local and lateral sewers under applicable laws are the financial responsibility of the property owners to be serviced thereby; and, by virtue thereof no such local and lateral sewers have been built by sewage works funds of the Town of Porter, it is necessary to establish connection charges to be paid by owners of property upon connection by such owners to the Porter Sewage Works in the following described areas of the Town of Porter:

Waverly Road from I-94 north to U.S. 12 and all properties fronting thereon;

All of that part of the Town of Porter north of Oak Hill Drive, west of S.R. 49 and along the Southeast Quadrant ramp of the S.R. 49 and U.S. 20 interchange, west of 1st Street East, and south of the north right-of-way line of 4th Street North and the north right-of-way line of 4th Street North extended west to Waverly Road;

Including those properties on the east side of S.R. 49 which front on S.R. 49 and are north of the Porter Corporation Limits;

That part of the Town of Porter west of Waverly Road and south of U.S. 12 known as Dune Forest and Wagner's Addition to Dune Forest;

Burwell Subdivision and that property west of Waverly Road south of and fronting on Burwell Street; and

That part of the Town of Porter west of Waverly Road, south of U.S. 20, and north of Oak Hill Road;

That part of the Town of Porter west of 23rd Street and south of E.J. & E right-of-way.

Section 2: The following connection charges are hereby established for connection to the Porter Sewage Works by owners of property laying within the above-described areas of the Town:

(a) The monthly surcharge rate shall be based on the quantity of water used on or in the property or premises subject to such rates and charges as the same is determined by equivalent single family dwelling units (E.S.F.D.U.). Sewage surcharge rate bills shall be rendered once each month (or period equalling a month). The schedule on which said surcharge shall be determined is as follows:

<u>User Classification</u>	<u>E.S.F.D.U.</u>	<u>Monthly Surcharge Rate</u>
<u>Residential</u>		
Single family residence/unit	1.0	\$ 11.50
Apartments, condominiums and town houses/unit	.75	8.65
Mobile home court/space available for rent	.75	8.65
Duplexes/building	1.75	20.15
<u>Commercial</u>		
Business establishments:		
First 4 employees	1.0	11.50
Each add'l employee over 4	.25	2.90
Gasoline service stations:		
First 4 employees	1.0	11.50
Each add'l employee over 4	.25	2.90
Each car wash bay	2.0	23.00
Laundromats & washeterias/washer	.5	5.75
Restaurants, drive-ins, bars & organizations with eating and/or drinking facilities:		
Per seat available, or	.1	1.15
Per employee	.75	8.65
(Billings to be computed using both methods & the user shall be billed the higher amount)		

