

BEN DAVIS CONSERVANCY DISTRICT

Public Hearing on Acquiring the Authority to Issue Debt – Fact Sheet

May 14, 2018

The District provides sanitary sewage treatment to the freeholders for some of the lowest charges of the sewage utilities in Marion County and the surrounding counties.

The District does not have facilities to treat sewage – only the facilities to collect it. The District pays Citizens (formerly Indianapolis) to treat its sanitary sewage.

Citizens was given authority, by an order by the Indiana Utility Regulatory Commission, that allows Citizen to increase its treatment charges to the District each year from 2019 to 2025. These increases will represent a 700 plus percent cost increase to the District and its customers.

The District Board wants to protect the freeholders from large yearly sewer increases and to do that it has two plans. First, to charge a monthly user fee and start reducing the annual assessed value charge – the District started doing this in 2018. This will make the District's charges fairer to all of its customers and not give its large customers an economic reason to leave the District. Second, to investigate building a treatment facility. This should reduce future bills by half. **To build a sewage treatment facility the District will need the authority to issue debt.**

The District currently charges its residential customers a monthly charge of \$8.00 per month and also charges a reduced annual assessment rate. For the 2018 budget year the District collects 25% of the District's funding from the monthly charge and 75% from the annual assessment. In future years the monthly charge will increase while the assessment rate decreases.

If all of the District's funding were collected by a monthly user fee the current monthly user charge would be about \$30.00 a month.

If the District does not build a treatment facility this monthly charge will increase to about \$74.00 per month by 2025 due to the increases in treatment costs to the District from Citizens.

Today's public hearing is to inform you that the District has a hearing this month in which it is seeking the authority to issue debt. This debt will pay for the sewage treatment facility to allow the District not to have to pay Citizens the increases in sewage treatment costs that Citizens will be charging it in the future.

Today's public hearing is also to allow the Board to hear your comments about the District's plan to build a treatment facility and to answer all of your questions.

The Board is dedicated to continuing to provide sanitary sewer service to the freeholders at the lowest cost possible, both now and in the future.