

**BOARD OF COMMISSIONERS OF THE
MICHIGAN CITY SANITARY DISTRICT**

RESOLUTION #2026-71

**A RESOLUTION AUTHORIZING AN AMENDED SCHEDULE OF RATES AND
CHARGES COLLECTED BY THE CITY OF MICHIGAN CITY, INDIANA, FROM
THE OWNERS OF PROPERTY SERVED BY THE MICHIGAN CITY SANITARY
DISTRICT AND OTHER MATTERS CONNECTED THEREWITH**

WHEREAS, Michigan City Sanitary District ("MCSD" or "District") is established as an executive department of the City of Michigan City pursuant to Indiana Code 36-9-25 and manages the district's wastewater and stormwater through municipal ordinances, including Ordinance No. 4770; and

WHEREAS, MCSD manages the sewer systems, stormwater and water quality within its district in accordance with the regulations of the State of Indiana, namely 327 IAC 1, et seq., and the federal Clean Water Act, as amended in 1972 (33 U.S.C. §§1251-1387); and

WHEREAS, the City of Michigan City, Indiana ("City") has heretofore constructed and has in operation its municipal sanitary district ("District") for the collection, treatment, and disposal of sewage under the provisions of IC 36-9-25; and

WHEREAS, the City Council previously adopted Ordinance No. 2837, 5-23-1985; Ordinance No. 3187, 10-2-1990; and Ordinance No. 3941, 12-21-2004, as codified in Section 98-343, et. seq. of the Code of Ordinances of the City (collectively, "Rate Ordinance") establishing the sewer rates and charges for the use and services rendered by the District; and

WHEREAS, the District, in cooperation with the City, has caused a rate study that was completed on December 16, 2025 by the firm of O.W. Krohn & Associates, LLP., Westfield, Indiana, in connection with the proposed construction of additions and improvements to its sewage works system; and

WHEREAS, based upon such rate study, the District finds that the rates and charges established by the existing Rate Ordinance are insufficient to enable the City to properly operate the Sanitary District's Sewer System in a sound physical and financial manner, to service its outstanding and proposed bonds needed to finance additions and improvements to its sewage works system and to provide adequate working capital and reserves.

NOW, THEREFORE, BE IT RESOLVED, BY THE BOARD OF COMMISSIONERS OF THE MICHIGAN CITY SANITARY DISTRICT, THAT:

Section 1. The following rates established in the City's existing Rate Ordinance are hereby amended by Resolution of this Board and recommended for final amendment by Ordinance of the City Council to be restated as follows in Exhibit A, Exhibit B and Exhibit C. Exhibit A applies to

existing customers of the District. Exhibit B and portions of Exhibit C apply to new construction from builders and developers to cover the cost of capacity allocations due to customer growth. Exhibit C includes application and permit fees for new development and for other customers that require periodic monitoring and inspection services from the District.

SECTION 1, EXHIBIT A

CITY OF MICHIGAN CITY - SANITARY DISTRICT				EXHIBIT A			
<u>SCHEDULE OF WASTEWATER RATES AND CHARGES</u>							
<u>MONTHLY METERED & NON-METERED USER CHARGES</u>							
<u>MONTHLY METERED RATES (PER 100 CUBIC FEET - CCF):</u>				Phase 1		Phase 2	
				<u>INSIDE CITY</u>	<u>OUTSIDE CITY</u>	<u>INSIDE CITY</u>	<u>OUTSIDE CITY</u>
				14.5% SURCHARGE		14.5% SURCHARGE	
TIER 1:	INSIDE CITY	FIRST 1,200 CCF OF USAGE / MO.		\$ 3.59	\$ 4.11	\$ 4.48	\$ 5.13
TIER 2:	INSIDE CITY	OVER 1,200 CCF OF USAGE / MO.		\$ 10.17	\$ 11.64	\$ 12.70	\$ 14.54
<u>MONTHLY BASE CHARGES:</u>				Phase 1		Phase 2	
<u>METER SIZE:</u>				<u>INSIDE CITY</u>	<u>OUTSIDE CITY</u>	<u>INSIDE CITY</u>	<u>OUTSIDE CITY</u>
				14.5% SURCHARGE		14.5% SURCHARGE	
5/8 INCH METER				\$ 20.92	\$ 23.95	\$ 26.11	\$ 29.90
3/4 INCH METER				31.39	35.94	39.18	44.86
1 INCH METER				52.31	59.89	65.29	74.76
1 1/2 INCH METER				121.34	138.93	151.44	173.40
2 INCH METER				209.21	239.55	261.12	298.98
3 INCH METER				481.18	550.95	600.57	687.65
4 INCH METER				836.84	958.18	1,044.47	1,195.92
6 INCH METER				1,903.80	2,179.85	2,376.17	2,720.71
8 INCH METER				3,389.19	3,880.62	4,230.11	4,843.48
12 INCH METER				7,636.13	8,743.37	9,530.81	10,912.78
<u>MINIMUM CHARGES:</u>							
EQUAL TO MONTHLY BASE CHARGE PLUS 270 CU. FT. USAGE				\$ 30.61	\$ 35.05	\$ 38.21	\$ 43.75
<u>FLAT FEES - WELL CUSTOMERS (5/8 BASE + 750 CU. FT.):</u>				Phase 1		Phase 2	
				<u>INSIDE CITY</u>	<u>OUTSIDE CITY</u>	<u>INSIDE CITY</u>	<u>OUTSIDE CITY</u>
				14.5% SURCHARGE		14.5% SURCHARGE	
CUSTOMER CHARGE				\$ 46.05	\$ 52.73	\$ 57.47	\$ 65.80
<u>SEPTAGE HAULERS (PER GALLON):</u>				<u>INSIDE CITY</u>	<u>OUTSIDE CITY</u>	<u>INSIDE CITY</u>	<u>OUTSIDE CITY</u>
REGULAR				\$ 0.150	\$ 0.150	\$ 0.188	\$ 0.188
HOLDING TANK				0.076	0.076	0.095	0.095
<u>EXCESSIVE STRENGTH CHARGES (PER POUND):</u>				Phase 1		Phase 2	
				<u>INSIDE CITY</u>	<u>OUTSIDE CITY</u>	<u>INSIDE CITY</u>	<u>OUTSIDE CITY</u>
				14.5% SURCHARGE		14.5% SURCHARGE	
CBOD (IN EXCESS OF 250 MG/L)				\$ 0.55	\$ 0.63	\$ 0.68	\$ 0.78
SUSPENDED SOLIDS (IN EXCESS OF 250 MG/L)				0.57	0.65	0.71	0.81
PHOSPHORUS (IN EXCESS OF 6 MG/L)				0.56	0.64	0.70	0.80
AMMONIA NITROGEN (IN EXCESS OF 20 MG/L)				0.67	0.77	0.83	0.95

The monthly user fees above apply to all users of the Michigan City Sanitary District's wastewater customers. The monthly User Charges include a 14.5% outside city surcharge for customers of the District that are located outside of the corporate limits of the City of Michigan City.

SECTION 1, EXHIBIT B

CITY OF MICHIGAN CITY - SANITARY DISTRICT					EXHIBIT B
SCHEDULE OF WASTEWATER RATES AND CHARGES					
FEES FOR NEW DEVELOPMENT AND SERVICE UPGRADES					
SDC = System Development Charge - Payable at Time of Building Permit Issuance					
PPR = Preliminary Plan Review Fee - Payable by Developer at Time Plans are Filed with City					
IF = Inspection Fee - Payable by the Builder prior to backfilling the pipe connections					
<u>METER SIZE</u>	<u>EDU RATIO</u>	<u>SDC FEE \$10 PER GPD</u>	<u>PPR FEE PER CONNECTION</u>	<u>INSPECT FEE PER CONNECTION</u>	
		(1)	(2)	(3)	
5/8 INCH METER	1.0	\$ 3,000.00	\$ 40.00	\$ 250.00	
3/4 INCH METER	1.5	4,500.00	60.00	380.00	
1 INCH METER	2.5	7,500.00	100.00	630.00	
1 1/2 INCH METER	5.8	17,400.00	230.00	1,450.00	
2 INCH METER	10.0	30,000.00	400.00	2,500.00	
3 INCH METER	23.0	69,000.00	920.00	2,500.00	
4 INCH METER	40.0	120,000.00	1,600.00	2,500.00	
6 INCH METER	91.0	273,000.00	3,640.00	2,500.00	
8 INCH METER	162.0	486,000.00	5,000.00	2,500.00	
12 INCH METER	365.0	1,095,000.00	5,000.00	2,500.00	

(1) Based up \$10 per GPD (gallons / day) - 300 GPD per EDU (equivalent dwelling unit)
Oversized meters proportional to area ratio indexing

(2) Based up \$40 per EDU (i.e. 100 unit subdivision would pay \$2,500 PPR Fee)
Oversized meters proportional to area ratio indexing maximum fee of \$5,000.

(3) Based upon \$250 per EDU, indexed up to \$2,500 maximum fee.
Re-inspection Fees due to contractor errors will increase 25% for each re-inspectioin

The one-time fees for new development and service upgrades above apply to developers and builders requesting new services for new construction and / or expansion and upgrades to existing services and connections. The System Development Charges require new development to pay for the capacity allocation attributable to their respective new developments. While meter size is a primary determinant for determining the number of EDUs, 327 IAC delineates minimum flow standards for various uses and can be utilized for determining EDUs for apartment buildings, commercial buildings and other mixed

use building connections. The District may apply the greater of the two techniques in determining System Development Charges. Preliminary Plan Review Fees will also apply to new developments in order to cover the District's costs associated with engineering review of proposed plans to ensure that the new development complies with the District's standards for new construction and connection to the sanitary sewage works system. Similarly, Connection Inspection Fees are designed to cover the District's costs of inspection and review of the actual construction / connection.

SECTION 1, EXHIBIT C

CITY OF MICHIGAN CITY - SANITARY DISTRICT		EXHIBIT C
<u>SCHEDULE OF WASTEWATER RATES AND CHARGES</u>		
PERMIT & INSPECTION FEES		
1. Sanitary Sewer Related Class 1 Residential		
a. Permit Type 1A - Single Family Residence		\$250.00
b. Permit Type 1B - Multiple Unit Residence (Per Unit)		\$187.50
c. Permit Type 1C - Residential Sewer Repair (Clean Out or Lateral)		\$250.00
2. Sanitary Sewer Related Class 2 Non-Residential		
a. Permit Type 2A - Commercial Establishment (Per EDU)		\$250.00
b. Permit Type 2B - Industrial Establishment (Per EDU)		\$250.00
c. Permit Type 2C - Institutional Establishment (Per EDU)		\$250.00
d. Permit Type 2D - Miscellaneous Non-Residential (Per EDU)		\$250.00
e. Permit Type 2E - Non-Residential Sewer Repair (Per EDU)		\$250.00
f. Application Fee 2F Fats, Oil & Grease Dischargers		\$250.00
g. Fats, Oil & Grease - Monthly Monitoring Fee (Annual Inspections)		\$25.00
3. Sanitary Sewer Related Class 3 Sewer Mains, Pumping Station, Other		
a. Permit Type 3A - Sewer Extension involving Gravity Sewer Mains, Pressure (Force) Mains, Pumping Stations		Actual Cost but Not Less Than \$1,000
b. Application Fee 3B - Waste Hauler Bi-Annual Permits (per Hauler)		\$125.00
c. Striebel Pond Rental Fees 3C - Gazebo or Shelters per Weekend Day		\$50.00
4. Stormwater/Drainage Related Class 4		
a. Permit Type 4A - Stormwater Management Permit (Reference: Municipal Code Section 46-316)		Actual Cost but Not Less Than \$500
b. Permit Type 4B - Individual Lot Plot Plan Permit (Reference: Municipal Code Section 46-318)		Actual Cost but Not Less Than \$250
c. Permit Type 4C - Connection to Storm Sewer System		Actual Cost but Not Less Than \$250
d. Permit Type 4D - Building Sump Pump Drain		Actual Cost but Not Less Than \$250
5. Inspection Fees Class 5		
a. Permit Type 5A - Reinspection of failed inspection for Class 1 through 4 Permit Types		125% of Permit Fee
b. Permit Type 5B - Reinspection of Corrective Actions Associated with Erosion & Sediment Control Violations		125% of Permit Fee
c. Permit Type 5C - Reinspection of Corrective Actions Associated with Illicit Discharge Violations		125% of Permit Fee
d. Permit Type 5D - Reinspection of Corrective Actions Associated with Fats, Oil, Grease Discharge Violations - Per Violation		125% of Permit Fee

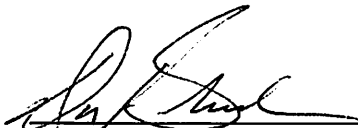
Section 2. The rates established herein shall take effect in two (2) phases. The initial phase becoming effective on September 1, 2026 and the secondary phase becoming effective on January 1, 2028.

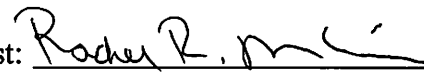
Section 3. The Phase 1 rates herein established shall become due beginning with the first billing cycle of the District in October, 2026. The Phase 2 rates herein established shall become due beginning with the first billing cycle of the District in February, 2028.

Section 4. All other provisions of, and all other rates and charges established by, the Rate Ordinance not specifically referenced herein shall remain in full force and effect.

Section 5. This Resolution shall be in full force and effect from and after its passage.

Approved by the Board of Sanitary Commissioners this 9th day of July, 2026.


Don Babcock, President

Attest: 
Secretary

Prepared by Harris Law Firm, P.C. Upon Request