



September 24, 2024

(Electronic Transmittal Only)

Ms. Camille Meiners, PE
Director of Technical Review
State Revolving Fund Loan Programs
100 North Senate Avenue, Room 1275
Indianapolis, Indiana 46204

Re: Citizens-Lebanon Water Supply - Drinking Water SRF Application

Dear Ms. Meiners:

Enclosed is one copy of the Drinking Water State Revolving Fund (SRF) Loan Program application for the Citizens-Lebanon Water Supply Program for review and approval. The team looks forward to proceeding with the projects developed in concert with the Indiana Finance Authority, the City of Lebanon, and our staff to provide a reliable water supply that supports the regional growth of the City of Lebanon, Indiana.

Should you have any questions or comments pertaining to the application or the projects, please contact me at (317) 927 - 4793 or BCooley@CitizensEnergyGroup.com. Thank you in advance for your consideration of this matter.

Sincerely,

CITIZENS ENERGY GROUP

A handwritten signature in black ink, appearing to read "Bruce Cooley".

Bruce L. Cooley, PE, BCEE, Program Manager

Enclosure: DWSRF Application for the Citizens-Lebanon Water Supply Program

CC: File



APPLICATION FORM **Drinking Water State Revolving Fund Loan Program (DWSRF)**

Return completed form to:
DWSRF Administrator
100 North Senate Avenue, Rm. 1275
Indianapolis, IN 46204

Section I. APPLICANT and SYSTEM INFORMATION

1. Applicant Name (community or water system name): Citizens Water – Indianapolis
2. Type of Applicant (check one):

<input type="checkbox"/> Municipality (City, Town, County, Township)	<input type="checkbox"/> For-profit Utility
<input type="checkbox"/> Regional Water District	<input type="checkbox"/> School
<input type="checkbox"/> Non-profit Water Corporation	<input checked="" type="checkbox"/> Other Public Trust _____
3. Public Water Supply ID Number: IN5249004
4. Location of the Proposed Project: City / Town: Indianapolis/Westfield/Lebanon
 County(ies): Marion, Hamilton, Boone, Hendricks Civil Township(s) : _____
 State Representative District: 24,25,28,29, 32, 39, 41, 86,92 State Senate District: 7,20,21,24,29 Congressional District: 4,5,7
5. Population Served (<https://myweb.in.gov/IDEM/DWW>): 862,835
6. Population Trend (<http://data.census.gov>): Increasing Decreasing
7. Median Household Income for Service Area (<http://data.census.gov>): Marion County: \$62,565 +/- 2,098 per 2022 American Community Survey 1-Year Estimates from the United States Census Bureau.
8. Unemployment Rate Data (<http://data.bls.gov>): Marion County, IN: 4.8 % (July 2024) per Federal Reserve Economic Data (INMARIOURN)
9. Number of Connections (Current): 345,134 (Post-Project): 345,137
10. Current User Rate/4,000 gal.: \$35.49 Estimated Post-Project Rate/4,000 gal.: \$35.49
11. Average Residential User Bill for the last 12 months: \$39.27
12. Is the utility regulated by the Indiana Utility Regulatory Commission (IURC)? Yes No
13. Applicant’s Unique Entity Identifier¹: TWJNQKLXKSU9
14. Does the Utility have any Interlocal agreements?: Yes No
 If yes, will they expire after final maturity of the SRF Loan?: Yes No
 If no, agreements will need to be renewed to ensure they expire after the final maturity of the SRF Loan.

Section II. CAPACITY DEVELOPMENT

Pursuant to the Safe Drinking Water Act, a DWSRF Loan Program Participant must certify that the Participant possesses the technical, managerial, and financial capacity to operate the water system or that the DWSRF Loan Program assistance will ensure compliance with the Safe Drinking Water Act (40 CFR 35.3520(d)(2)).

1. Does your system currently possess technical, managerial and financial capacity? Yes No
2. If no, will technical, managerial and financial capacity be achieved after the implementation of the water system’s DWSRF project? Yes No

To assess the technical, managerial, and financial capacity of the water system, the Participant is encouraged to complete the “Indiana Department of the Environmental Management (IDEM) Capacity Development Self-Assessment”, available at www.srf.in.gov.

¹ SRF Participants must register with the SAM.gov to secure a Unique Entity Identifier (UEI). For more information about how to obtain a UEI and register in SAM.gov, see www.srf.in.gov.

By submitting this form, the Community is applying to multiple funding sources administered by the Authority, including the state Water Infrastructure Assistance Program. The Authority will determine the fund source that best serves the proposed project.

Section III. CONTACT INFORMATION

Authorized Signatory (an official of the Community or water system that is authorized to contractually obligate the applicant with respect to the proposed project):

Name: Jeffrey A. Harrison
Title: President and CEO
Address: 2020 North Meridian Street
City, State, Zip Code: Indianapolis, IN 46202
Telephone # (include area code): 317-927-4791
E-mail: JHarrison@citizensenergygroup.com

Applicant Staff Contact (person to be contacted directly for information if different from authorized signatory):

Name: Bruce L. Cooley, PE, BCEE
Title: Program Manager – Capital Programs & Engineering
Address: 2150 Dr. Martin Luther King Jr. Street
City, State, Zip Code: Indianapolis, IN 46202
Telephone # (include area code): 317-927-4793
E-mail: BCooley@citizensenergygroup.com

Certified Operator:

Name: Gregory Thompson
Telephone # (include area code): 317-538-0486
E-mail: GThompson@citizensenergygroup.com

Grant Administrator (if applicable):

Contact: N/A
Firm: N/A
Address: N/A
City, State, Zip Code: N/A
Telephone # (include area code): N/A
E-mail: N/A

Consulting Engineer:

Contact: Jason A. Hoff, PE
Firm: HNTB Corporation
Address: 111 Monument Circle, Suite 1200
City, State, Zip Code: Indianapolis, IN 46204
Telephone # (include area code): 317-694-2479
E-mail: jhoff@hntb.com

Bond Counsel:

Contact: Tyler Kalachnik
Firm: Ice Miller
Address: One American Square, Suite 2900
City, State, Zip Code: Indianapolis, IN 46282
Telephone # (include area code): 317-236-2116
E-mail: Tyler.Kalachnik@IceMiller.com

Financial Advisor:

Contact: To be determined
Firm: _____
Address: _____
City, State, Zip Code: _____
Telephone # (include area code): _____
E-mail: _____

Local Counsel:

Contact: Joseph M. Perkins
Firm: Sr. Vice President & General Counsel
Address: 2020 North Meridian Street
City, State, Zip Code: Indianapolis, IN 46202
Telephone # (include area code): 317-927-6471
E-mail: JPerkins@CitizensEnergyGroup.com

Section IV. PROJECT INFORMATION

1. **Project Need** - Describe the facility needs in terms of age, condition, date of most recent rehabilitation/replacement, and any public health or Safe Drinking Water Act compliance issues or violations (if applicable):

This application includes projects such as water main extensions ranging in sizes from 16-inch through 42-inch; new booster pump stations; new potable water storage tanks; upgrades to expand capacity at existing booster stations; and upgrades to expand capacity at existing water treatment plants. Each project is necessary to supply finished water to Lebanon Utilities to support the City of Lebanon's growth needs, inclusive of private and economic development projects.

2. **Proposed Project** - Describe the scope of the proposed project and how it will address the applicant's needs as enumerated above. Please provide a map showing proposed work areas, if possible. Note: Projects that are solely for fire suppression or economic development are not eligible for funding under the Safe Drinking Water Act.

This application is for a combination of more than 15 projects necessary to supply 25 MGD of finished water to Lebanon Utilities as a source of supply to support the City of Lebanon's growth needs, inclusive of private and economic development projects. Each of the presented projects are critical to the ability to deliver the capacity of water needed.

- Has a copy of the utility's Asset Management Program Certification been attached?² Yes No
- What was the date of the last IFA Regional Planning Meeting attended by the utility?³ To Be Determined
Response to Below bullet due to inability to respond in location: Fiscal Year: 9/30/2023, Audit dated 12/13/2023
- What was the end date of the last full State Board of Accounts Audit? _____
- What was the date of the utility's last Non-Revenue Water Audit?⁴ TBD
Was the last Non-Revenue Water Audit submitted to the IFA? Yes No
- Is land acquisition and/or easements needed for this project? Yes No
If yes, have all land rights been acquired? Yes No

² Per IC 5-1.2-10-16, all PERs submitted to the IFA's SRF Programs must include a completed Asset Management Program (AMP).

³ Per IC 5-1.2-11.5-7 and 5-1.2-11-8, the Applicant has or will participate in a cooperative/ regional activity (e.g., attend an IFA Regional Planning Meeting [www.in.gov/ifa/3035] or cooperative activity) acceptable to the Authority.

⁴ Per IC 8-1-30.8-8 and IC 5-1.2-11-8, for Drinking Water systems to apply to Authority programs a utility must demonstrate to the Authority that it has completed annual audits of non-revenue water, and submitted to the Authority as outlined in IC 8-1-30.8-6.

3. Project Cost Estimate:

Source (intake or wells)	\$0
Treatment	\$102,221,600
Storage	See below
Distribution/Transmission	\$150,590,782
Other: <u>Booster Stations & Tankage</u>	\$56,896,500
TOTAL CONSTRUCTION:	\$309,708,882
Non-construction Costs	\$212,668,618
TOTAL ESTIMATED PROJECT COST:	\$522,377,500

Other Funding Sources:

	Application Submittal (date)	Amount Requested (dollars)	Amount Awarded (if applicable)
Office of Community and Rural Affairs	N/A	N/A	N/A
U.S. Dept. of Commerce Economic Development Administration	N/A	N/A	N/A
U.S. Dept. of Agriculture Rural Development	N/A	N/A	N/A
Local Funds	N/A	N/A	N/A
Other: _____	N/A	N/A	N/A

4. Will this project proceed if other funding sources are not in place?: Yes No
5. Anticipated SRF Loan Amount (after other funding): \$522,377,500 (Multiple tranches; Land Acquisition is addressed separately)

Section V. ADDITIONAL FINANCIAL QUESTIONS

Please confirm your answers with the utility’s legal and financial advisers prior to submitting your responses.

- A. Will this SRF loan be repaid from net revenue of the applicant’s utility being improved by the SRF project?: Yes No

Are there any other debt obligations of this utility (i.e., bank loans, guarantee savings contracts, installment payment contracts, bank or financing purchase leases, loans from other utilities of the applicant)?

- Yes No

Is an estimated debt service coverage percentage currently available (coverage is computed by taking Net Revenues and dividing it by maximum annual debt service inclusive of both the planned new and any outstanding revenue bonds)?

- Yes No

- if available, the coverage estimate is .

Please know that prior to any loan preclosing, a formal pro forma coverage showing of at least 125% is required by SRF.

- B. Will net revenues be the sole source of repayment? Yes No

If "no" was marked in Questions A and B, then please answer the following additional questions:

- What is the planned source(s) to provide funds to make SRF loan repayments? Check below as applicable:

property taxes. If checked:

- Is a preliminary determination & remonstrance process under IC 6-1.1-20 required?
 Yes No
- Has that preliminary determination & remonstrance process under IC 6-1.1-20 been completed?
 Yes No

tax increment revenues. If checked:

- Has a TIF area already established? Yes No

If already established:

- 1) Please provide history of tax increment revenues (at least five (5) years)
- 2) Provide a schedule of projected tax increment revenues, debt service (which includes existing obligations pledged with tax increment revenues) and a showing that the 125% coverage requirement is met.

other (describe: See the Financial Assistance Agreement).

C. Will proceeds be used to payoff an existing BAN? Yes No

- if "yes", provide amount of the payoff _____.
- And, provide the purpose for which the BAN was used: Construction Non-construction

If Construction is selected, the subject of the BAN will require SRF review prior to construction.

Section VI. SIGNATURE

I certify that I am legally authorized by the legislative body to sign this application. To the best of my knowledge and belief, the foregoing information is true and correct.



Signature of Authorized Signatory (Community Official)

Jeffrey A. Harrison

Printed or Typed Name

President & CEO

Title of Authorized Signatory

9/25/2024 here to enter text.

Date