

IC 13-26

ARTICLE 26. REGIONAL WATER, SEWAGE, AND SOLID WASTE DISTRICTS

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IC 13-26-1

Chapter 1. Purposes of Regional Districts

- 13-26-1-1 Water supply; collection, treatment, disposal of sewage, solid waste, and refuse
- 13-26-1-2 Petition to increase board of trustees membership, add to, modify or abandon purposes or plan

IC 13-26-1-1

Water supply; collection, treatment, disposal of sewage, solid waste, and refuse

Sec. 1. Any area may be established as a regional water, sewage, or solid waste district under this article for one (1) or more of the following purposes:

- (1) To provide a water supply for domestic, industrial, and public use to users inside and outside the district.
- (2) To provide for the collection, treatment, and disposal of sewage inside and outside the district.
- (3) To provide for the collection, treatment, and disposal of solid waste and refuse inside and outside the district.

[Pre-1996 Recodification Citation: 13-3-2-2.]

As added by P.L.1-1996, SEC.16.

IC 13-26-1-2

Petition to increase board of trustees membership, add to, modify or abandon purposes or plan

Sec. 2. (a) At any time after the creation of a district, the district, after motion by the district's board, may file a petition with the department requesting the approval of the department permitting the district to:

- (1) increase or add to the district's purposes or modify the district plan approved by the department;
- (2) abandon or surrender all or part of a purpose or plan approved by the department;
- or
- (3) subject to IC 13-26-4-1, increase the number of persons serving on the board of trustees.

(b) The department may:

- (1) approve;
- (2) modify and approve; or
- (3) reject;

a request received under this section.

[Pre-1996 Recodification Citation: 13-3-2-9.]

As added by P.L.1-1996, SEC.16. Amended by P.L.101-2003, SEC.1.

IC 13-26-2 Chapter 2. Establishment of Regional Districts

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IC 13-26-2-1 Petitions to organize district

Sec. 1. The establishment of a regional district may be initiated only by a petition filed with the department. A copy of the petition shall also be filed not later than ten (10) days after the filing with the department in the office of the executive of each governmental entity having territory within the proposed district.

[Pre-1996 Recodification Citation: 13-3-2-3(a).]

As added by P.L.1-1996, SEC.16. Amended by P.L.133-1997, SEC.1.

IC 13-26-2-2 Petitions; filing

Sec. 2. (a) The petition may be filed by any representative of one (1) or more eligible entities involved after being authorized by the fiscal body of the petitioning eligible entity or entities included in the plan of the proposed district.

(b) If the proposed district includes:

- (1) a state park or recreational area, forest land, or a reservoir; or
- (2) land owned, leased, or controlled by the department of natural resources;

the petition may be joined or filed by any representative of that department after having been authorized by the natural resources commission, with the approval of the executive of the county containing the territory of the district.

[Pre-1996 Recodification Citation: 13-3-2-3(b).]

As added by P.L.1-1996, SEC.16. Amended by P.L.133-1997, SEC.2.

IC 13-26-2-2.5 Petitions; notice

Sec. 2.5. (a) Before a representative may file a petition to establish a district, the representative must provide notice to all owners of property to be served by the proposed district that is the subject of the petition.

(b) Notice under subsection (a) must be provided as follows:

- (1) Beginning at least thirty (30) days before the date on which a public meeting under subsection (c) is scheduled, by publication of notice one (1) time each week for three (3) consecutive weeks in at least two (2) newspapers of general circulation in each of the counties, in whole or in part, in the proposed district. If there is only one (1) newspaper of general circulation in a county, a single publication each week for three (3) consecutive weeks satisfies the requirement of this subdivision.

- (2) Beginning at least fourteen (14) days before the date on which a public meeting under subsection (c) is scheduled, by:

- (A) first class United States mail, postage prepaid, mailed to each freeholder within the proposed district; and

- (B) broadcasting at least three (3) public service announcements each day for fourteen (14) days on at least two (2) radio stations operating in each of the counties, in whole or in part, in the proposed district.

(c) After providing notice under subsection (b), a representative that seeks to file a petition to establish a district must conduct a public meeting to discuss and receive comments on the proposed district.

(d) A representative may not file a petition to establish a district:

(1) more than one hundred eighty (180) or less than sixty (60) days after providing notice under subsection (b); or

(2) less than thirty (30) days after a meeting held under subsection (c).

As added by P.L.97-2012, SEC.4. Amended by P.L.292-2013, SEC.4.

IC 13-26-2-3 Petitions; contents

Sec. 3. A petition to establish a district under this chapter must state the following:

(1) The proposed name of the district.

(2) The place in which the district's principal office is to be located.

(3) The following information:

(A) The need for the proposed district.

(B) The purpose to be accomplished.

(C) How the district will be conducive to the public health, safety, convenience, or welfare, including a specific statement of how:

(i) water supply, for a water district;

(ii) sewage collection, disposal, and treatment, for a sewage district; or

(iii) solid waste disposal, recovery, or treatment, for a solid waste district;

is currently being provided.

(D) Whether there is any outstanding indebtedness for the purpose proposed in the proposed district, including a statement as to how the current situation creates or adds to pollution or health hazards or impedes development in the area.

(4) An accurate description of the territory to be included in the district, which does not have to be given by metes and bounds or by legal subdivisions. The territory does not have to be contiguous, but the territory must be so situated that the public health, safety, convenience, or welfare will be promoted by the establishment as a single district of the territory described.

(5) The petitioner's recommendations on:

(A) the manner of selection;

(B) the number; and

(C) the term, not exceeding four (4) years;

of the members of the board of trustees.

(6) The plan for financing the cost of the operations of the district until the district is in receipt of revenue from the district's operations or proceeds from the sale of bonds.

(7) Estimates of the following:

(A) The costs of accomplishing the purpose of the district.

(B) The costs of operating and maintaining the works.

(C) The sources of the funding of these costs.

(D) The rates and charges that will be required.

(E) The median income for households in the proposed district based on the most recent federal decennial census.

(8) A summary of alternatives to creating the district.

[Pre-1996 Recodification Citation: 13-3-2-3(c).]

As added by P.L.1-1996, SEC.16. Amended by P.L.97-2012, SEC.5.

IC 13-26-2-3.5 Petition opposing establishment of proposed district

Sec. 3.5. Not more than one hundred eighty (180) days after the date a petition is filed with the department under section 1 of this chapter to establish a regional district, if another petition is filed with the department that is signed by a majority of the owners of property that would be served by the proposed district and indicating that the owners of the property are

opposed to the establishment of the proposed district, the department shall declare that the petition filed under section 1 of this chapter to establish the regional district:

- (1) is void; and
- (2) is not a sufficient petition for purposes of section 5 of this chapter.

As added by P.L.292-2013, SEC.5.

IC 13-26-2-4 Petitions; determination of compliance

Sec. 4. Upon the filing of a petition to establish a district under this chapter, the department shall determine whether the petition complies with the requirements of this chapter as to form and content. The department:

- (1) may not declare a petition void because of alleged defects; and
- (2) may, in subsequent proceedings at any time, permit the petition to be amended in form or substance.

[Pre-1996 Recodification Citation: 13-3-2-3(d).]

As added by P.L.1-1996, SEC.16.

IC 13-26-2-5 Petitions; hearing officer; appointment

Sec. 5. Upon the determination of the department that a sufficient petition has been filed in accordance with this chapter, the commissioner shall appoint a hearing officer, who does not have to be a state employee. If the hearing officer is not a full-time state employee, the hearing officer is entitled to be paid reasonable:

- (1) expenses; and
- (2) per diem;

for each day or part of a day in actual attendance at a meeting or hearing or in performance of duties. The reasonable per diem and expenses are valid claims against the department.

[Pre-1996 Recodification Citation: 13-3-2-4.]

As added by P.L.1-1996, SEC.16.

IC 13-26-2-6 Notice and hearing

Sec. 6. (a) Except as provided in section 9 of this chapter, the hearing officer shall fix a time and place inside or within ten (10) miles of the proposed district for the hearing on any matter for which a hearing is authorized under this chapter.

(b) The hearing officer shall make a reasonable effort to provide notice of the hearing as follows:

- (1) By publication of notice two (2) times each week for two (2) consecutive weeks in at least two (2) newspapers of general circulation in each of the counties, in whole or in part, in the district. The publication of notice must, at a minimum, include a legal notice and a prominently displayed three (3) inches by five (5) inches advertisement.
- (2) By United States mail sent at least two (2) weeks before the hearing to the following:

(A) The fiscal and executive bodies of each county with territory in the proposed district.

(B) The executive of all other eligible entities with territory in the proposed district, including the executive of a city or town that has:

- (i) a municipal sewage works under IC 36-9-23; or
- (ii) a public sanitation department under IC 36-9-25;

having extraterritorial jurisdiction within the boundaries of the area to be included in the proposed district.

(C) The state and any of its agencies owning, controlling, or leasing land within the proposed district, excluding highways and public thoroughfares owned or controlled by the Indiana department of transportation.

(D) Each sewage disposal company holding a certificate of territorial authority under IC 8-1-2-89 respecting territory in the proposed district.

(3) By making a reasonable effort to provide notice of the hearing by regular United States mail, postage prepaid, mailed at least two (2) weeks before the hearing to each freeholder within the proposed district.

(4) By including the date on which the hearing is to be held and a brief description of:

(A) the subject of the petition, including a description of the general boundaries of the area to be included in the proposed district; and

(B) the locations where copies of the petition are available for viewing.

[Pre-1996 Recodification Citation: 13-3-2-5(a) part.]

As added by P.L.1-1996, SEC.16. Amended by P.L.106-2000, SEC.1; P.L.1-2001, SEC.22; P.L.263-2013, SEC.7; P.L.165-2018, SEC.4.

IC 13-26-2-7 Objection; opportunity to be heard

Sec. 7. A person or an eligible entity that resides or lies in or partially resides or lies in an area affected by the establishment of a district:

(1) may, on or before the date set for the cause to be heard, file a written objection to the granting of the requests made in the petition; and

(2) may be heard at the hearing.

[Pre-1996 Recodification Citation: 13-3-2-5(a) part.]

As added by P.L.1-1996, SEC.16.

IC 13-26-2-8 Findings and recommendations

Sec. 8. (a) After the hearing on the petition for the establishment of the proposed district, which may be adjourned periodically, the hearing officer shall make findings on the petition and other relevant facts and recommendations as to whether:

(1) the petition should be:

(A) approved;

(B) approved with modifications; or

(C) denied; and

(2) a district should be established.

(b) If the recommendation is in the affirmative, the recommendation must also include recommendations on:

(1) the manner of the selection or appointment;

(2) the number; and

(3) the terms;

of the board.

(c) The description of the territory to be included in a district may not include territory in a municipality that has, by ordinance or resolution filed with the department, exercised the option not to be included in the district.

[Pre-1996 Recodification Citation: 13-3-2-5(b).]

As added by P.L.1-1996, SEC.16.

IC 13-26-2-9 Waiver of notice and hearing requirement

Sec. 9. (a) If the department of natural resources has filed a petition, the commissioner may waive the requirement for notice and hearing provided in section 6 of this chapter.

(b) If the commissioner waives the notice and hearing requirement, the hearing officer shall give written notice in the manner provided under section 6(b)(2) or 6(b)(3) of this chapter. Each recipient of notice has thirty (30) days from the mailing of the notice within which to file objections or material with the hearing officer.

(c) The hearing officer shall then proceed to make findings and recommendations as provided in section 8 of this chapter, based upon any material:

(1) received by the hearing officer; or

(2) obtained at the hearing officer's discretion through the hearing officer's own investigation.

[Pre-1996 Recodification Citation: 13-3-2-6.]

As added by P.L.1-1996, SEC.16. Amended by P.L.263-2013, SEC.8.

IC 13-26-2-10 Order

Sec. 10. (a) If the commissioner determines that the findings show that the establishment of a recommended district:

- (1) complies with the conditions of this chapter for establishment of a district; and
- (2) appears capable of accomplishing the purpose or purposes in an economically feasible manner;

the commissioner shall issue an order directing that the district be established as an independent municipal corporation with a name and for the purposes designated in the order.

(b) An order must do the following:

- (1) Provide for the selection or appointment and terms of offices, not to exceed four (4) years, of the board.
- (2) Provide requirements for sufficient bond for all officers, trustees, or employees having power to dispense money of the district.
- (3) If an eligible entity with territory in the district has a public water or solid waste sewer system, contain provisions protecting the investments of the entities and protecting the rights of the holders of bonds or other obligations issued to provide money for the system.
- (4) Direct the district to file a detailed plan for the initial project of the district not later than nine (9) months after the date of the preliminary order or within a further time that the department from time to time orders.

[Pre-1996 Recodification Citation: 13-3-2-5(c), (e) part.]

As added by P.L.1-1996, SEC.16.

IC 13-26-2-11 Order; review

Sec. 11. An order for the establishment of a district is subject to review as provided in IC 4-21.5-5.

[Pre-1996 Recodification Citation: 13-3-2-5(e) part.]

As added by P.L.1-1996, SEC.16.

IC 13-26-3 **Chapter 3. Districts Established Under Prior Law**

13-26-3-1 Effect

IC 13-26-3-1 **Effect**

Sec. 1. (a) A district established in accordance with IC 19-3-1 (before its repeal) by an order of the court before February 17, 1972, as a special district for any purpose provided in:

- (1) IC 13-3-2 (before its repeal); or
- (2) this article;

is considered to be a district under this article.

(b) Orders of the court and acts of the board of directors are valid if permitted by this article. The district shall function as a district the same as if the district were established under this article.

[Pre-1996 Recodification Citation: 13-3-2-29.]

As added by P.L.1-1996, SEC.16.

IC 13-26-4 Chapter 4. Board of Trustees of Regional Districts

13-26-4-1	Members
13-26-4-2	Elections; vacancies
13-26-4-3	Appointments
13-26-4-4	Number of trustees; appointments by the governor or commissioner of the department of correction
13-26-4-5	Number of trustees; sewage treatment in cooperation with municipality
13-26-4-6	Residency
13-26-4-6.1	Repealed
13-26-4-7	Compensation and expenses of trustees
13-26-4-8	Public meetings or hearings

IC 13-26-4-1 Members

Sec. 1. The board of trustees of a district is the governing body of the district. A board may consist of:

- (1) three (3);
- (2) five (5);
- (3) seven (7);
- (4) nine (9);
- (5) eleven (11); or
- (6) thirteen (13);

trustees.

[Pre-1996 Recodification Citations: 13-3-2-1 part; 13-3-2-5(d) part.]

As added by P.L.1-1996, SEC.16. Amended by P.L.101-2003, SEC.2.

IC 13-26-4-2 Elections; vacancies

Sec. 2. An order establishing a district may provide for the board to be elected by the voters in the district from districts or wards or from the district at large. Elections and provisions for filling vacancies must be in accordance with IC 3, with the commissioner or the commissioner's designees performing the functions of the election officials.

[Pre-1996 Recodification Citation: 13-3-2-5(d) part.]

As added by P.L.1-1996, SEC.16.

IC 13-26-4-3 Appointments

Sec. 3. Instead of electing the board, an order establishing a district may provide for appointments to the board by the elected executive or legislative officers of the eligible entities having territory in the district.

[Pre-1996 Recodification Citation: 13-3-2-5(d) part.]

As added by P.L.1-1996, SEC.16.

IC 13-26-4-4 Number of trustees; appointments by the governor or commissioner of the department of correction

Sec. 4. (a) If:

- (1) a district will include territory in more than one (1) county;
- (2) a county executive has filed a petition for a district including territory owned, leased, or controlled by the department of natural resources; or
- (3) the department of natural resources has filed a petition;

the order establishing the district may provide that the governor appoints any number of trustees, but less than one-half (1/2) of the total.

(b) If a district contains or a proposed district will contain a state correctional facility, the department, when:

- (1) issuing an order establishing the district under IC 13-26-2-10; or
- (2) approving or modifying a petition filed by the district's board of trustees under

IC 13-26-1-2;
may allow for the appointment of one (1) member of the board of trustees of the district by the commissioner of the department of correction.

[Pre-1996 Recodification Citation: 13-3-2-5(d) part.]

As added by P.L.1-1996, SEC.16. Amended by P.L.101-2003, SEC.3.

IC 13-26-4-5 Number of trustees; sewage treatment in cooperation with municipality

Sec. 5. If a plan also contemplates that sewage treatment for the district will be provided in cooperation with a municipality, the order must provide that:

- (1) at least one (1) trustee shall be appointed by the executive of the municipality; and
- (2) at least:
 - (A) one (1) trustee shall be appointed by the fiscal body; and
 - (B) one (1) trustee shall be appointed by the executive; of the county having the largest amount of territory in the district.

[Pre-1996 Recodification Citation: 13-3-2-5(d) part.]

As added by P.L.1-1996, SEC.16.

IC 13-26-4-6 Residency

Sec. 6. (a) Except as provided in subsection (b)(5), an appointed trustee does not have to be a resident of the district.

(b) An appointed trustee must:

- (1) own real property within the district;
- (2) be a trustee appointed under section 4 or 5 of this chapter;
- (3) be an elected official who represents a political subdivision that has territory in the district;
- (4) be a ratepayer of the district; or
- (5) with respect to a district in which a majority of ratepayers and property owners are not individuals, be an individual who is registered to vote at an address that is located in the district.

[Pre-1996 Recodification Citation: 13-3-2-5(d) part.]

As added by P.L.1-1996, SEC.16. Amended by P.L.97-2012, SEC.6; P.L.179-2013, SEC.1; P.L.292-2013, SEC.6; P.L.211-2014, SEC.1; P.L.181-2018, SEC.11.

IC 13-26-4-6.1 Repealed

As added by P.L.97-2012, SEC.7. Amended by P.L.139-2012, SEC.4. Repealed by P.L.181-2018, SEC.12.

IC 13-26-4-7 Compensation and expenses of trustees

Sec. 7. (a) Except as provided in subsection (b), the board of a district may provide for the payment of not more than fifty dollars (\$50) per day to members of the board for each day or major part of a day devoted to the work of the district.

(b) This subsection applies only to a regional water and sewage district that:

- (1) is located in more than one (1) county; and
- (2) was formed in 1975 by order of the stream pollution control board of the state of Indiana (which was succeeded in 1986 by the water pollution control board, which was established by IC 13-18-1, before its repeal).

The board of a district may provide for the payment of not more than one hundred twenty-five dollars (\$125) per day to members of the board for each day or major part of a day devoted to the work of the district.

(c) Members of the board are entitled to receive an amount for travel expenses equal to the amount paid to state employees for expenses incurred in the performance of their duties.

(d) Payments made to board members under subsections (a), (b), and (c) shall be made

from the general fund of the district.

[Pre-1996 Recodification Citation: 13-3-2-5.5.]

As added by P.L.1-1996, SEC.16. Amended by P.L.179-2013, SEC.2; P.L.113-2014, SEC.82.

IC 13-26-4-8 Public meetings or hearings

Sec. 8. (a) When the board of a district conducts a public hearing or meeting, the board shall allow any person an opportunity to be heard:

- (1) in the presence of others who are present to testify; and
- (2) in accordance with subsection (b).

(b) The board may limit testimony at a public hearing or meeting to a reasonable time stated at the opening of the public hearing or meeting.

As added by P.L.97-2012, SEC.8.

IC 13-26-5 Chapter 5. Powers and Duties of Regional Districts

13-26-5-1	Prerequisites to exercising rights, powers, and duties
13-26-5-2	Powers
13-26-5-2.5	Septic tank soil absorption system exemption
13-26-5-2.6	Large parcel exemption
13-26-5-3	Rules and resolutions of board; legislative and administrative acts
13-26-5-4	Rules; establishment and enforcement
13-26-5-5	Contracts for purchases of supplies, materials, or labor
13-26-5-6	Eminent domain
13-26-5-6.5	Notice; proposed extension of service
13-26-5-7	Contracts for water supply, sewage treatment, or solid waste disposition; issuance of bonds
13-26-5-8	Limitations on contracts
13-26-5-9	Disbursal of money for district purposes; electronic funds transfers; advance claim payments; board preapproval and review required

IC 13-26-5-1 Prerequisites to exercising rights, powers, and duties

Sec. 1. Upon:

- (1) the declaration of the commissioner organizing a district;
- (2) the qualification of the board; and
- (3) the election of a president, a treasurer, and a secretary;

the district may exercise in the district's own name, as a municipal corporation, all the rights, powers, and duties conferred upon the district by this article.

[Pre-1996 Recodification Citation: 13-3-2-10(a).]

As added by P.L. 1-1996, SEC. 16.

IC 13-26-5-2 Powers

Sec. 2. A district may do the following:

- (1) Sue or be sued.
- (2) Make contracts in the exercise of the rights, powers, and duties conferred upon the district.
- (3) Adopt and alter a seal and use the seal by causing the seal to be impressed, affixed, reproduced, or otherwise used. However, the failure to affix a seal does not affect the validity of an instrument.
- (4) Adopt, amend, and repeal the following:
 - (A) Bylaws for the administration of the district's affairs.
 - (B) Rules and regulations for the following:
 - (i) The control of the administration and operation of the district's service and facilities.
 - (ii) The exercise of all of the district's rights of ownership.
- (5) Construct, acquire, lease, operate, or manage works and obtain rights, easements, licenses, money, contracts, accounts, liens, books, records, maps, or other property, whether real, personal, or mixed, of a person or an eligible entity.
- (6) Assume in whole or in part any liability or obligation of:
 - (A) a person;
 - (B) a nonprofit water, sewage, or solid waste project system; or
 - (C) an eligible entity;

including a pledge of part or all of the net revenues of a works to the debt service on outstanding bonds of an entity in whole or in part in the district and including a right on the part of the district to indemnify and protect a contracting party from loss or liability by reason of the failure of the district to perform an agreement assumed by the district or to act or discharge an obligation.

- (7) Fix, alter, charge, and collect reasonable rates and other charges in the area served by the district's facilities to every person whose premises are, whether directly or

indirectly, supplied with water or provided with sewage or solid waste services by the facilities for the purpose of providing for the following:

- (A) The payment of the expenses of the district.
- (B) The construction, acquisition, improvement, extension, repair, maintenance, and operation of the district's facilities and properties.
- (C) The payment of principal or interest on the district's obligations.
- (D) To fulfill the terms of agreements made with:
 - (i) the purchasers or holders of any obligations; or
 - (ii) a person or an eligible entity.

(8) Except as provided in sections 2.5 and 2.6 of this chapter, require connection to the district's sewer system of property producing sewage or similar waste, and require the discontinuance of use of privies, cesspools, septic tanks, and similar structures if:

- (A) there is an available sanitary sewer within three hundred (300) feet of:
 - (i) the property line, if the property is adjacent to a body of water, including a lake, river, or reservoir;
 - (ii) any part of a subdivision, or land that is divided or proposed to be divided into lots, whether contiguous or subject to zoning requirements, for the purpose of sale or lease as part of a larger common plan of development or sale; or
 - (iii) for all other properties, the improvement or other structure from which the sewage or similar waste is discharged;
- (B) the district has given written notice by certified mail to the property owner at the address of the property at least ninety (90) days before a date for connection to be stated in the notice; and
- (C) if the property is located outside the district's territory:
 - (i) the district has obtained and provided to the property owner (along with the notice required by clause (B)) a letter of recommendation from the local health department that there is a possible threat to the public's health; and
 - (ii) if the property is also located within the extraterritorial jurisdiction of a municipal sewage works under IC 36-9-23 or a public sanitation department under IC 36-9-25, the municipal works board or department of public sanitation has acknowledged in writing that the property is within the municipal sewage works or department of public sanitation's extraterritorial jurisdiction, but the municipal works board or department of public sanitation is unable to provide sewer service.

However, a district may not require the owner of a property described in this subdivision to connect to the district's sewer system if the property is already connected to a sewer system that has received an NPDES permit and has been determined to be functioning satisfactorily.

(9) Provide by ordinance for a reasonable penalty, not to exceed one hundred dollars (\$100) per day, for failure to connect and also apply to the circuit or superior court of the county in which the property is located for an order to force connection, with the cost of the action, including reasonable attorney's fees of the district, to be assessed by the court against the property owner in the action.

(10) Refuse the services of the district's facilities if the rates or other charges are not paid by the user.

(11) Control and supervise all property, works, easements, licenses, money, contracts, accounts, liens, books, records, maps, or other property rights and interests conveyed, delivered, transferred, or assigned to the district.

(12) Construct, acquire by purchase or otherwise, operate, lease, preserve, and maintain works considered necessary to accomplish the purposes of the district's establishment within or outside the district and enter into contracts for the operation of works owned, leased, or held by another entity, whether public or private.

(13) Hold, encumber, control, acquire by donation, purchase, or condemnation, construct, own, lease as lessee or lessor, use, and sell interests in real and personal

property or franchises within or outside the district for:

- (A) the location or protection of works;
- (B) the relocation of buildings, structures, and improvements situated on land required by the district or for any other necessary purpose; or
- (C) obtaining or storing material to be used in constructing and maintaining the works.

(14) Upon consent of two-thirds (2/3) of the members of the board, merge or combine with another district into a single district on terms so that the surviving district:

- (A) is possessed of all rights, franchises, and authority of the constituent districts; and
- (B) is subject to all the liabilities, obligations, and duties of each of the constituent districts, with all rights of creditors of the constituent districts being preserved unimpaired.

(15) Provide by agreement with another eligible entity for the joint construction of works the district is authorized to construct if the construction is for the district's own benefit and that of the other entity. For this purpose the cooperating entities may jointly appropriate land either within or outside their respective borders if all subsequent proceedings, actions, powers, liabilities, rights, and duties are those set forth by statute.

(16) Enter into contracts with a person, an eligible entity, the state, or the United States to provide services to the contracting party for any of the following:

- (A) The distribution or purification of water.
- (B) The collection or treatment of sanitary sewage.
- (C) The collection, disposal, or recovery of solid waste.

(17) Make provision for, contract for, or sell the district's byproducts or waste.

(18) Exercise the power of eminent domain, including for purposes of siting sewer or water utility infrastructure, but only after the district attempts to use existing public rights-of-way or easements.

(19) Remove or change the location of a fence, building, railroad, canal, or other structure or improvement located within or outside the district. If:

- (A) it is not feasible or economical to move the building, structure, or improvement situated in or upon land acquired; and
- (B) the cost is determined by the board to be less than that of purchase or condemnation;

the district may acquire land and construct, acquire, or install buildings, structures, or improvements similar in purpose to be exchanged for the buildings, structures, or improvements under contracts entered into between the owner and the district.

(20) Employ consulting engineers, superintendents, managers, and other engineering, construction, and accounting experts, attorneys, bond counsel, employees, and agents that are necessary for the accomplishment of the district's purpose and fix their compensation.

(21) Procure insurance against loss to the district by reason of damages to the district's properties, works, or improvements resulting from fire, theft, accident, or other casualty or because of the liability of the district for damages to persons or property occurring in the operations of the district's works and improvements or the conduct of the district's activities.

(22) Exercise the powers of the district without obtaining the consent of other eligible entities. However, the district shall:

- (A) restore or repair all public or private property damaged in carrying out the powers of the district and place the property in the property's original condition as nearly as practicable; or
- (B) pay adequate compensation for the property.

(23) Dispose of, by public or private sale or lease, real or personal property determined by the board to be no longer necessary or needed for the operation or purposes of the

district.

[Pre-1996 Recodification Citation: 13-3-2-10(b).]

As added by P.L.1-1996, SEC.16. Amended by P.L.193-2001, SEC.2; P.L.221-2007, SEC.18; P.L.1-2009, SEC.110; P.L.97-2012, SEC.9; P.L.178-2013, SEC.2.

IC 13-26-5-2.5 Septic tank soil absorption system exemption

Sec. 2.5. (a) As used in this section, "septic tank soil absorption system" has the meaning set forth in IC 13-11-2-199.5.

(b) Subject to subsection (d), a property owner is exempt from the requirement to connect to a district's sewer system and to discontinue use of a septic tank soil absorption system if the following conditions are met:

(1) The property owner's septic tank soil absorption system was new at the time of installation and was approved in writing by the local health department.

(2) The property owner, at the property owner's own expense, obtains a written determination from the local health department or the department's designee that the septic tank soil absorption system is not failing. The local health department or the department's designee shall provide the owner with a written determination not later than sixty (60) days after receipt of the owner's request. If the local health department or the department's designee fails to provide a written determination within the time established in this subdivision, the owner, at the owner's expense, may obtain a written determination from a qualified inspector. If the local health department or the department's designee determines that a septic tank soil absorption system is failing, the property owner may appeal the determination to the board of the local health department. The decision of the board is final and binding.

(3) The property owner provides the district with:

(A) the written notification of potential qualification for the exemption described in subsection (f); and

(B) the written determination described in subdivision (2);

within the time limits set forth in subsection (f).

(c) If a property owner, within the time allowed under subsection (f), notifies a district in writing that the property owner qualifies for the exemption under this section, the district shall, until the property owner's eligibility for an exemption under this section is determined, suspend the requirement that the property owner discontinue use of a septic tank soil absorption system and connect to the district's sewer system.

(d) A property owner who qualifies for the exemption provided under this section may not be required to connect to the district's sewer system for a period of ten (10) years beginning on the date the new septic tank soil absorption system was installed. A property owner may apply for two (2) five (5) year extensions of the exemption provided under this section by following the procedures set forth in subsections (b) and (c). If ownership of an exempt property is transferred during a valid exemption period, including during an extension of an initial exemption:

(1) the exemption applies to the subsequent owner of the property for the remainder of the exemption period during which the transfer occurred; and

(2) the subsequent owner may apply for any remaining extensions.

However, the total period during which a property may be exempt from the requirement to connect to a district's sewer system under this section may not exceed twenty (20) years, regardless of ownership of the property.

(e) A district that has filed plans with the department to create or expand a sewage district shall, within ten (10) days after filing the plans, provide written notice to affected property owners:

(1) that the property owner may be required to discontinue the use of a septic tank soil absorption system;

(2) that the property owner may qualify for an exemption from the requirement to

discontinue the use of the septic tank soil absorption system; and
(3) of the procedures to claim an exemption.

(f) To qualify for an exemption under this section, a property owner must:

(1) within sixty (60) days after the date of the written notice given to the property owner under subsection (e), notify the district in writing that the property owner qualifies for the exemption under this section; and

(2) within one hundred twenty (120) days after the district receives the written notice provided under subdivision (1), provide the district with the written determination required under subsection (b)(2).

(g) When a property owner who qualifies for an exemption under this section subsequently discontinues use of the property owner's septic tank soil absorption system and connects to the district's sewer system, the property owner may be required to pay only the following to connect to the sewer system:

(1) The connection fee the property owner would have paid if the property owner connected to the sewer system on the first date the property owner could have connected to the sewer system.

(2) Any additional costs:

(A) considered necessary by; and

(B) supported by documentary evidence provided by;
the district.

(h) A property owner who connects to a district's sewer system may provide, at the owner's expense, labor, equipment, materials, or any combination of labor, equipment, and materials from any source to accomplish the connection to the sewer system, subject to inspection and approval by the board or a designee of the board.

(i) This section does not affect the authority of the state department of health, a local health department, or a county health officer with respect to a septic tank soil absorption system.

(j) For purposes of this section, a septic tank soil absorption system is "failing" if one (1) or more of the following apply:

(1) The system refuses to accept sewage at the rate of design application and interferes with the normal use of plumbing fixtures.

(2) Effluent discharge exceeds the absorptive capacity of the soil into which the system discharges, resulting in ponding, seepage, or other discharge of the effluent to the ground surface or to surface waters.

(3) Effluent discharged from the system contaminates a potable water supply, ground water, or surface waters.

(k) As used in this section, "qualified inspector" means any of the following:

(1) An employee of a local health department who is designated by the local health department as having sufficient knowledge of onsite sewage systems to determine if an onsite sewage system is failing.

(2) An individual who is certified by the Indiana Onsite Wastewater Professionals Association as an onsite sewage system installer or inspector.

(3) An individual listed by the state department of health or a local health department with jurisdiction over the service area of the property inspected as having sufficient knowledge of onsite sewage systems to determine if an onsite sewage system is failing.

As added by P.L.193-2001, SEC.3. Amended by P.L.1-2002, SEC.67; P.L.123-2011, SEC.1; P.L.97-2012, SEC.10; P.L.292-2013, SEC.7.

IC 13-26-5-2.6 Large parcel exemption

Sec. 2.6. A district may not require the owner of a property described in section 2(8) of this chapter to connect to the district's sewer system if:

(1) the property is located on at least ten (10) acres;

(2) the owner can demonstrate the availability of at least two (2) areas on the property

for the collection and treatment of sewage that will protect human health and the environment;

(3) the waste stream from the property is limited to domestic sewage from a residence or business;

(4) the system used to collect and treat the domestic sewage has a maximum design flow of seven hundred fifty (750) gallons per day; and

(5) the owner, at the owner's expense, obtains and provides to the district a certification from the local health department or the department's designee that the system is functioning satisfactorily.

As added by P.L.97-2012, SEC.11.

IC 13-26-5-3 Rules and resolutions of board; legislative and administrative acts

Sec. 3. (a) The board may by rules and resolutions provide the following:

(1) The procedure for the board's actions.

(2) The manner of selection of the board's president, treasurer, and secretary and other officers or employees of the district, including the titles, terms of office, compensation, duties, number, and qualifications.

(3) Any other lawful subject necessary to the operation of the district and the exercise of the power granted.

(b) The board must adopt an ordinance by a majority vote to take action of a legislative nature. Proposed ordinances may be read by title only unless a trustee requests a reading in full.

(c) A majority of the board or the officers of the board or employees of the district that are authorized by the board may take action of an administrative or executive nature.

[Pre-1996 Recodification Citation: 13-3-2-11.]

As added by P.L.1-1996, SEC.16.

IC 13-26-5-4 Rules; establishment and enforcement

Sec. 4. (a) The board may adopt and enforce rules for the following purposes:

(1) To accomplish the purpose of a district.

(2) To protect the works, improvements, and properties, both real and personal, that the district owns.

(3) To secure the best results from the construction, operation, and maintenance of works, improvements, and properties.

(4) To prevent damage by the misuse of the works, improvements, or properties by:

(A) the pollution or misuse of the waters in the district or of the sewerage system; or

(B) the improper disposal of solid waste.

(b) The board may adopt and enforce rules under subsection (a) that are necessary and advisable to do the following:

(1) Protect and preserve the works, improvements, and properties owned or controlled by the district, prescribe the manner of use by any person, and preserve order in and adjacent to the works.

(2) Prescribe the manner:

(A) in which ditches, sewers, pipelines, or other works should be adjusted to or connected with the works of the district; and

(B) of waste disposal in the district.

(3) Prescribe the permissible uses of the water supply and the manner of distribution and prevent the pollution or unnecessary waste of the water supply.

(4) Prohibit or regulate the discharge into the sewers of the district of liquid or solid waste detrimental to the works and improvements.

(c) Rules must be:

(1) consistent with:

- (A) statutes; and
- (B) the rules of the environmental rules board; and
- (2) maintained and open to inspection in the office of the district.

(d) The board may enforce by injunction or other legal remedy rules adopted under this section. The board may remove a harmful or improper construction or obstruction or may close an opening or connection made improperly or in violation of the rules. A person that willfully fails to comply with the rules is liable for damage caused by the failure and for the cost of restoring or replacing construction damaged.

[Pre-1996 Recodification Citation: 13-3-2-12.]

As added by P.L.1-1996, SEC.16. Amended by P.L.113-2014, SEC.83.

IC 13-26-5-5 Contracts for purchases of supplies, materials, or labor

Sec. 5. The board or an officer or employee designated by the board may contract for the following:

- (1) The purchase of supplies in accordance with IC 5-22.
- (2) Labor for a work in accordance with IC 36-1-12.

[Pre-1996 Recodification Citation: 13-3-2-13.]

As added by P.L.1-1996, SEC.16. Amended by P.L.49-1997, SEC.48.

IC 13-26-5-6 Eminent domain

Sec. 6. (a) Subject to subsections (b) and (c), the board may condemn for the use of the district public or private land, easements, rights, rights-of-way, franchises, or other property within or outside the district required by the district for the accomplishment of the district's purposes according to the statutory procedure for the appropriation of land or other property taken by an eligible entity.

(b) The power of condemnation by a district under this article may not be exercised against a sewage disposal company holding a certificate of territorial authority under IC 8-1-2-89 until the expiration of twelve (12) years after the granting of the certificate of territorial authority.

(c) If the board of a regional sewage district exercises eminent domain to acquire an easement or right-of-way within or outside the district required by the district for the accomplishment of the district's purposes, the easement or right-of-way may not exceed fifty (50) feet in width.

[Pre-1996 Recodification Citation: 13-3-2-14.]

As added by P.L.1-1996, SEC.16. Amended by P.L.123-2011, SEC.2.

IC 13-26-5-6.5 Notice; proposed extension of service

Sec. 6.5. A district that intends to extend service within its territory shall provide notice to all owners of property to be served by the proposed extension of service in the following manner not later than sixty (60) days from the date of the decision to extend service:

- (1) By publication of notice one (1) time each week for three (3) consecutive weeks in at least two (2) newspapers of general circulation in each of the counties, in whole or in part, of the district affected by the proposed extension of service. If there is only one (1) newspaper of general circulation in a county, a single publication each week for three (3) consecutive weeks satisfies the requirement of this subdivision.
- (2) By United States mail, postage prepaid, mailed to each freeholder within the territory to which the district proposes to extend service.

As added by P.L.292-2013, SEC.8.

IC 13-26-5-7 Contracts for water supply, sewage treatment, or solid waste disposition; issuance of bonds

Sec. 7. (a) Exclusive of building a sewage treatment plant, solid waste disposal or recovery system, or installing a supply of water, a district that desires to own, acquire,

construct, equip, improve, enlarge, extend, operate, and maintain a works may proceed under this article if the district first contracts for:

- (1) a supply of water;
- (2) the required treatment of the sewage emanating from the district's works; or
- (3) the disposition of solid waste generated within the district.

(b) A governmental or private body owning and operating facilities for water supply, sewage, or solid waste disposal, recovery, or treatment may contract to supply water or treat all or part of the sewage and solid waste of a district. The contracts must be authorized by ordinance.

(c) All bonds issued under this article or IC 13-3-2 (before its repeal) by a district contracting for:

- (1) water supply;
- (2) sewage or solid waste disposal; or
- (3) recovery treatment service;

under this section are payable before the expiration date of the contract, and districts may contract for the term of the bonds, including a term or terms beyond the last maturity of the bonds.

[Pre-1996 Recodification Citation: 13-3-2-15.]

As added by P.L.1-1996, SEC.16. Amended by P.L.200-2017, SEC.17.

IC 13-26-5-8 Limitations on contracts

Sec. 8. A district may make contracts or incur obligations only if the contracts or obligations are payable solely from:

- (1) the money provided under this article; or
- (2) federal, state, or other grants or contributions.

[Pre-1996 Recodification Citation: 13-3-2-16(a) part.]

As added by P.L.1-1996, SEC.16.

IC 13-26-5-9 Disbursal of money for district purposes; electronic funds transfers; advance claim payments; board preapproval and review required

Sec. 9. (a) As used in this section, "electronic funds transfer" means a transfer of funds, other than a transaction originated by check, draft, or similar paper instrument, that is initiated through an electronic terminal, a telephone, a computer, magnetic tape, or other electronic means to order, instruct, or authorize a financial institution to debit or credit an account.

(b) A board may adopt an ordinance allowing money to be disbursed for lawful district purposes under this section.

(c) As part of an ordinance adopted under subsection (b), or by a separate ordinance adopted by the board, the board may authorize the district to do one (1) or both of the following through an electronic funds transfer method of payment:

- (1) Pay claims owed by the district.
- (2) Receive payments owed to the district.

If the board adopts an ordinance to grant the district the authority described in subdivision (1), the district may pay money from its funds by electronic funds transfer. However, the authority granted to a district by this subsection does not affect the rights, liabilities, or responsibilities of participants in an electronic fund transfer under the federal Electronic Fund Transfer Act (15 U.S.C. 1693 et seq.), and a regional district that pays a claim by electronic funds transfer shall comply with all other requirements for the payment of claims by the regional district.

(d) Notwithstanding IC 5-11-10, with the prior written approval of the board, the fiscal officer of the district may make claim payments in advance of board allowance for the following kinds of expenses if the board has adopted an ordinance under subsection (b):

- (1) Property or services purchased or leased from the United States government, its agencies, or its political subdivisions.
 - (2) License or permit fees.
 - (3) Insurance premiums.
 - (4) Utility payments or utility connection charges.
 - (5) General grant programs for which advance funding is not prohibited and the contracting party posts sufficient security to cover the amount advanced.
 - (6) Grants of state funds authorized by statute.
 - (7) Maintenance or service agreements.
 - (8) Leases or rental agreements.
 - (9) Bond or coupon payments.
 - (10) Payroll.
 - (11) State or federal taxes.
 - (12) Expenses that must be paid because of emergency circumstances.
 - (13) Expenses described in an ordinance.
- (e) Each payment of expenses under this section must be supported by a fully itemized invoice or bill and certification by the fiscal officer of the district.
- (f) The board shall review and allow a claim paid under subsection (d) at the board's next regular or special meeting following the preapproved payment of the expense.
- As added by P.L. 78-2009, SEC.20. Amended by P.L. 71-2011, SEC.1.*

IC 13-26-6 Chapter 6. District Plan

13-26-6-1	Contents
13-26-6-2	Approval; authorization to proceed
13-26-6-3	Denial; revisions
13-26-6-4	Dissolution of district; distribution of assets

IC 13-26-6-1 Contents

Sec. 1. A district plan for the operation of the district must include:

- (1) engineering reports;
- (2) plans and specifications; and
- (3) a feasibility study in a form that the department requires.

[Pre-1996 Recodification Citation: 13-3-2-5(e) part.]

As added by P.L.1-1996, SEC.16.

IC 13-26-6-2 Approval; authorization to proceed

Sec. 2. If the department approves a district plan, the department shall authorize the district to proceed.

[Pre-1996 Recodification Citation: 13-3-2-5(f).]

As added by P.L.1-1996, SEC.16.

IC 13-26-6-3 Denial; revisions

Sec. 3. If the department disapproves a district plan, the department may recommend revisions and authorize the district to proceed with a revised plan.

[Pre-1996 Recodification Citation: 13-3-2-5(g) part.]

As added by P.L.1-1996, SEC.16.

IC 13-26-6-4 Dissolution of district; distribution of assets

Sec. 4. If:

- (1) the department determines that the project or operation of the district is not economically feasible, fair, or reasonable; or
- (2) the district fails to file a plan for the operation of the district within the time prescribed by the department;

the department may declare the district dissolved and enter an order for the distribution of all assets owned by the district after the payment of liabilities.

[Pre-1996 Recodification Citation: 13-3-2-5(g) part.]

As added by P.L.1-1996, SEC.16.

IC 13-26-7 Chapter 7. Payment of District Expenses

13-26-7-1	Records
13-26-7-2	Advancement of money
13-26-7-3	Repayment of money
13-26-7-4	Dissolution of district; interest in assets; limitations

IC 13-26-7-1 Records

Sec. 1. Each district must keep proper records showing the district's finances.

[Pre-1996 Recodification Citation: 13-3-2-5(h) part.]

As added by P.L.1-1996, SEC.16.

IC 13-26-7-2 Advancement of money

Sec. 2. A local, state, or federal agency or person may advance or give a district money to be used by the district for the following purposes:

- (1) The preparation of a plan for the operation of the district.
- (2) Other purposes of the district until the district is in receipt of revenue from its operations or proceeds from the sale of bonds.

[Pre-1996 Recodification Citation: 13-3-2-5(h) part.]

As added by P.L.1-1996, SEC.16.

IC 13-26-7-3 Repayment of money

Sec. 3. When a district receives revenue for its operations or proceeds from the sale of bonds, the district shall repay any money advanced to the advancing agency in the manner agreed.

[Pre-1996 Recodification Citation: 13-3-2-5(h) part.]

As added by P.L.1-1996, SEC.16.

IC 13-26-7-4 Dissolution of district; interest in assets; limitations

Sec. 4. If the commissioner orders a district dissolved as permitted in IC 13-26-6-4, the interest an entity has in the assets of the district is limited to those assets remaining after the payment of all other liabilities of the district.

[Pre-1996 Recodification Citation: 13-3-2-5(h) part.]

As added by P.L.1-1996, SEC.16.

IC 13-26-8 Chapter 8. Addition of Territory to Regional Districts

13-26-8-1	Applications by eligible entities to be included in district; procedure
13-26-8-2	Approval of application
13-26-8-3	Denial of application; petition; procedure
13-26-8-4	Addition of territory to regional sewage or solid waste district other than at request of eligible entity

IC 13-26-8-1 Applications by eligible entities to be included in district; procedure

Sec. 1. After the establishment of a district, an eligible entity whose territory is not wholly included within the district may file an application with the district setting forth the following:

- (1) A general description of the territory the eligible entity desires to have included in the district.
- (2) The necessity for the inclusion of the territory in the district.
- (3) That inclusion of the territory in the district will be conducive to the public health, safety, convenience, or welfare.
- (4) That it will be practical and feasible for the territory to be included in the district.

[Pre-1996 Recodification Citation: 13-3-2-8(a).]

As added by P.L.1-1996, SEC.16.

IC 13-26-8-2 Approval of application

Sec. 2. If an application is approved by a majority of the board, the territory described in the application becomes part of the district. The district shall then notify the department of the inclusion of the additional territory in the district.

[Pre-1996 Recodification Citation: 13-3-2-8(b).]

As added by P.L.1-1996, SEC.16.

IC 13-26-8-3 Denial of application; petition; procedure

Sec. 3. (a) If an application fails to receive the approval of a majority of the board not later than sixty (60) days after the filing of the application with the district, the entity filing the application may file a petition with the department as described in IC 13-26-2 requesting the order of the department to include the territory described in the application within the district.

(b) Upon the filing of a petition, the department shall proceed in the same manner that is set forth in IC 13-26-2, IC 13-26-4, IC 13-26-6, and IC 13-26-7.

[Pre-1996 Recodification Citation: 13-3-2-8(c).]

As added by P.L.1-1996, SEC.16.

IC 13-26-8-4 Addition of territory to regional sewage or solid waste district other than at request of eligible entity

Sec. 4. (a) This section applies to the addition of territory to a regional sewage or solid waste district other than at the request of an eligible entity described in section 1 of this chapter. This section does not apply to a regional water district.

(b) To add territory to a district already established, the board of the district must file with the department a motion adopted by the board requesting the addition of territory to the district. If the motion is for the addition of territory to a regional sewage district, the board, not later than ten (10) days after filing the motion with the department, must also file a copy of the motion in the office of:

- (1) the executive of each governmental entity having territory within the territory proposed to be added to the regional sewage district; and
- (2) the executive of a city or town having:

- (A) a municipal sewage works under IC 36-9-23; or
- (B) a public sanitation department under IC 36-9-25;

if the territory proposed to be added to the regional sewage district includes territory within the extraterritorial jurisdiction of the municipal sewage works or public sanitation department.

(c) Except as provided under subsections (d) and (e), if a motion is filed with the department under subsection (b):

- (1) the same procedure must be used to add territory to the district as is provided for the establishment of a district under IC 13-26-2; and
- (2) the department shall proceed in the same manner that is set forth in IC 13-26-2, IC 13-26-4, IC 13-26-6, and IC 13-26-7.

(d) Not more than one hundred eighty (180) days after the date a motion is filed with the department under subsection (b) to add territory to a district already established, if a petition is filed with the department that is signed by a majority of the freeholders within the area proposed to be added and indicating that the freeholders are opposed to the addition of the area by the district:

- (1) the department may not proceed under subsection (c); and
- (2) the territory may not be added to the district.

(e) For purposes of subsection (c):

- (1) the commissioner is not required to appoint a hearing officer under IC 13-26-2-5;
- (2) the board shall:

- (A) provide the notice of; and
- (B) conduct;

the hearing required under IC 13-26-2-6; and

(3) instead of making findings and recommendations under IC 13-26-2-8, the board shall submit documentary evidence to the commissioner to prove the:

- (A) notice was provided; and
- (B) hearing was conducted;

by the board as required under subdivision (2).

As added by P.L. 123-2011, SEC.3. Amended by P.L. 292-2013, SEC.9; P.L. 165-2018, SEC.5.

IC 13-26-9 Chapter 9. Territorial Authority of Sewage Disposal Companies

13-26-9-1	Effect of chapter
13-26-9-2	Certificates; conditions
13-26-9-3	Exemption from certain ordinances and rules

IC 13-26-9-1 Effect of chapter

Sec. 1. This article does not limit the following:

- (1) The formation and operation under IC 8-1-2-89 of a sewage disposal company to provide sewage disposal service to a territory lying in the territory of a district.
- (2) The granting of a certificate of territorial authority under IC 8-1-2-89 encompassing a part of the territory within the district.

[Pre-1996 Recodification Citation: 13-3-2-7(a).]

As added by P.L.1-1996, SEC.16.

IC 13-26-9-2 Certificates; conditions

Sec. 2. The granting of a certificate of territorial authority to a sewage disposal company under IC 8-1-2-89 for a territory lying in the territory of a district may be conditioned upon the following requirements:

- (1) That the sewage disposal company connect the company's collection system to the collection system of a district when the district has extended to within three hundred (300) feet of the territorial area of the sewage disposal company a system sufficient to provide reasonable and adequate service to the territorial area.
- (2) That the sewage disposal company contribute the company's collection system to the district instead of all connection charges that could otherwise be imposed under this article upon:
 - (A) the sewage disposal company; or
 - (B) those parcels and lots served by the collection system of the sewage disposal company that have been contributed by the company to the district.

[Pre-1996 Recodification Citation: 13-3-2-7(b).]

As added by P.L.1-1996, SEC.16.

IC 13-26-9-3 Exemption from certain ordinances and rules

Sec. 3. A sewage disposal company that is subject to the jurisdiction of the Indiana utility regulatory commission under IC 8-1-2-89, and all of the territory lying in the area to which the company holds a certificate of territorial authority, is exempt from all ordinances and rules adopted by the board, except those ordinances and rules pertaining to maintenance and operation, until:

- (1) the connection is made to the sewerage system of the district; and
- (2) the district begins to provide service within the area covered by the certificate of territorial authority.

[Pre-1996 Recodification Citation: 13-3-2-7(c).]

As added by P.L.1-1996, SEC.16.

IC 13-26-10 Chapter 10. Bonds

13-26-10-1	Issuance of revenue bonds
13-26-10-2	Loans from federal government
13-26-10-3	Revenue bonds
13-26-10-4	Revenue bonds; principal and interest
13-26-10-5	Revenue bonds; terms
13-26-10-6	Execution and attestation of bonds
13-26-10-7	Revenue bonds; sale procedure
13-26-10-8	Revenue bonds; disposition of proceeds
13-26-10-9	Temporary revenue bonds
13-26-10-10	Loans from federal or state agency
13-26-10-11	Action to contest validity of bonds
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IC 13-26-10-1 Issuance of revenue bonds

Sec. 1. A district may obtain money for the payment of the costs of the works or an improvement, enlargement, or extension of the works by the issuance of revenue bonds of the district. The principal and interest of the revenue bonds must be paid solely from the net revenues of the works.

[Pre-1996 Recodification Citation: 13-3-2-16(a) part.]

As added by P.L.1-1996, SEC.16.

IC 13-26-10-2 Loans from federal government

Sec. 2. A district obtaining a loan from the federal government or an agency of the federal government may issue obligations under this article to the federal government or agency to evidence the indebtedness without advertising for or receiving bids. The obligations:

- (1) are payable solely from the net revenues of the works; and
- (2) may be made of equal priority or subordinate to other revenue bonds issued or to be issued under this article or IC 13-3-2 (before its repeal).

[Pre-1996 Recodification Citation: 13-3-2-16(b).]

As added by P.L.1-1996, SEC.16.

IC 13-26-10-3 Revenue bonds

Sec. 3. Revenue bonds may:

- (1) bear interest, at a rate or rates not exceeding the maximum determined by the board, that is payable or accretes as determined by the board;
- (2) mature at a time or times to be determined by ordinance; and
- (3) be made redeemable before maturity at the option of the district, to be exercised by the board, at not more than the par value and a premium not exceeding five percent (5%) under terms and conditions that are fixed by the ordinance authorizing the issuance of the bonds.

[Pre-1996 Recodification Citation: 13-3-2-17(a).]

As added by P.L.1-1996, SEC.16. Amended by P.L.53-2004, SEC.2.

IC 13-26-10-4 Revenue bonds; principal and interest

Sec. 4. The principal and interest of revenue bonds may be made payable in any lawful medium. The ordinance must do the following:

- (1) Determine the form of the bonds, including the interest coupons, if any, to be attached.
- (2) Fix the denomination or denominations of the bonds and the place or places of payment of the principal and interest, which may be any bank or trust company within or outside Indiana.

[Pre-1996 Recodification Citation: 13-3-2-17(b).]

As added by P.L.1-1996, SEC.16.

IC 13-26-10-5 Revenue bonds; terms

Sec. 5. (a) The revenue bonds must contain a statement on the face of the bonds that the district is not obligated to pay the bonds or the interest on the bonds except from the special fund provided from the net revenues of the works.

- (b) All bonds are negotiable instruments.
- (c) The bonds and interest are exempt from all state, county, and municipal taxation.
- (d) The bonds may be registered in the name of the owner:
 - (1) as to principal alone; or
 - (2) as to both principal and interest.

Fully registered bonds may be made convertible to coupon bonds at the option of the registered owner.

[Pre-1996 Recodification Citation: 13-3-2-17(c) part.]

As added by P.L.1-1996, SEC.16.

IC 13-26-10-6 Execution and attestation of bonds

Sec. 6. The:

- (1) president of the board shall execute; and
- (2) secretary of the board shall attest;

the bonds and coupons. The coupons must bear facsimile signature.

[Pre-1996 Recodification Citation: 13-3-2-17(c) part.]

As added by P.L.1-1996, SEC.16.

IC 13-26-10-7 Revenue bonds; sale procedure

Sec. 7. (a) Subject to subsection (b), the treasurer of the district shall sell the revenue bonds in a manner and at a price that is determined to be in the best interests of the district.

(b) If the bonds are sold at public sale, the bonds shall be sold in accordance with IC 5-1-11 as IC 5-1-11 applies to counties.

[Pre-1996 Recodification Citation: 13-3-2-17(d).]

As added by P.L.1-1996, SEC.16.

IC 13-26-10-8 Revenue bonds; disposition of proceeds

Sec. 8. (a) A surplus of revenue bond proceeds over the cost of the works shall be paid into the sinking fund provided by this article.

(b) If the proceeds of the bonds, by error of calculation or otherwise, are less than the cost of the works, additional bonds may in the same manner be issued to provide the amount of the deficit. Unless otherwise provided in:

- (1) the ordinance authorizing the issuance of the bonds first issued; or
- (2) the trust indenture authorized by this article or IC 13-3-2 (before its repeal);

the additional bonds are considered to be of the same issue and are entitled to payment from the same fund, without preference or priority of the bonds first issued.

[Pre-1996 Recodification Citation: 13-3-2-17(e).]

As added by P.L.1-1996, SEC.16.

IC 13-26-10-9 Temporary revenue bonds

Sec. 9. Before the preparation of the definite revenue bonds, temporary revenue bonds

under the same restrictions may be issued with or without coupons, exchangeable for definite revenue bonds upon the issuance of the latter.

[Pre-1996 Recodification Citation: 13-3-2-17(f) part.]

As added by P.L.1-1996, SEC.16.

IC 13-26-10-10 Loans from federal or state agency

Sec. 10. The fund to finance the construction of any of the self-liquidating works authorized by this article may be obtained from a federal or state agency.

[Pre-1996 Recodification Citation: 13-3-2-17(f) part.]

As added by P.L.1-1996, SEC.16.

IC 13-26-10-11 Action to contest validity of bonds

Sec. 11. An action to contest the validity of bonds issued under this article or IC 13-3-2 (before its repeal) must be brought not later than ten (10) days after the advertised sale date of the bonds.

[Pre-1996 Recodification Citation: 13-3-2-17(f) part.]

As added by P.L.1-1996, SEC.16.

IC 13-26-10-12 Issuance of additional bonds

Sec. 12. Subject to an ordinance or trust indenture pertaining to outstanding bonds, additional bonds payable from the revenues of the works may be authorized and issued in accordance with this article for the purpose of improving, enlarging, or extending works acquired or constructed under this article or IC 13-3-2 (before its repeal).

[Pre-1996 Recodification Citation: 13-3-2-18.]

As added by P.L.1-1996, SEC.16.

IC 13-26-10-13 Trust indenture to secure bonds

Sec. 13. The board may secure the revenue bonds by a trust indenture by and between the district and a corporate trustee, which may be any trust company or bank having the powers of a trust company within or outside Indiana. However, a trust indenture may not convey or mortgage all or any part of the works.

[Pre-1996 Recodification Citation: 13-3-2-19(a).]

As added by P.L.1-1996, SEC.16.

IC 13-26-10-14 Contents of ordinance authorizing revenue bonds

Sec. 14. The ordinance authorizing the revenue bonds and fixing the details of the revenue bonds may provide that the trust indenture contain reasonable and lawful provisions for protecting and enforcing the rights and remedies of the bondholders, including covenants setting forth the duties of the district and the board in relation to the following:

- (1) The construction or acquisition of the works.
- (2) The improvement, operation, repair, and maintenance of the works.
- (3) The issuance of bonds, including the custody, safeguarding, and application of all money.

[Pre-1996 Recodification Citation: 13-3-2-19(b).]

As added by P.L.1-1996, SEC.16.

IC 13-26-10-15 Ordinance authorizing revenue bonds

Sec. 15. The ordinance may also provide that the works shall be contracted for, constructed, and paid for under the supervision and approval of consulting engineers employed or designated by the board and satisfactory to the original bond purchasers, successors, assigns, or nominees. The original bond purchasers, successors, assigns, or nominees may be given the right to require that the security given by:

- (1) contractors; and

(2) any depository of the proceeds of bonds or revenues of the works or other money pertaining to the works;

be satisfactory to the purchasers, successors, assigns, or nominees.

[Pre-1996 Recodification Citation: 13-3-2-19(c).]

As added by P.L.1-1996, SEC.16.

IC 13-26-10-16 Trust indenture; rights and remedies of bondholder and trustee

Sec. 16. The trust indenture may set forth the rights and remedies of the bondholders or trustee, restricting the individual right of action of bondholders as is customary in trust indentures securing bonds and debentures of corporations.

[Pre-1996 Recodification Citation: 13-3-2-19(d) part.]

As added by P.L.1-1996, SEC.16.

IC 13-26-10-17 Payment of bond sale proceeds and revenue of works

Sec. 17. Unless this article otherwise provides, the board may provide by ordinance or in the trust indenture for the payment of:

- (1) the proceeds of the sale of the bonds; and
- (2) the revenues of the works;

to the officer, board, or depository that the board determines for the custody of the money and for the method of disbursement, with safeguards and restrictions that the board determines.

[Pre-1996 Recodification Citation: 13-3-2-19(d) part.]

As added by P.L.1-1996, SEC.16.

IC 13-26-10-18 Sinking fund for payment of bonds

Sec. 18. (a) At or before the time of issuance of the revenue bonds, the board shall by ordinance create a sinking fund for the payment of the following:

- (1) The bonds.
- (2) The interest on the bonds.
- (3) The charges of banks or trust companies for making payment of the bonds or interest.

(b) The board shall set aside and pledge the net revenues of the works remaining after the payment of the reasonable expense of operation, repair, and maintenance of the works for payment of the:

- (1) principal of and interest on all bonds payable from the revenues of the works, to the extent necessary for that purpose; and
- (2) necessary fiscal agency charges for paying the principal and interest of the bonds.

(c) The ordinance may also provide for the accumulation of reasonable reserves in the sinking fund:

- (1) as a margin for safety and a protection against default; and
- (2) for the payment of premiums upon bonds retired by call or purchase as provided by this article.

[Pre-1996 Recodification Citation: 13-3-2-20.]

As added by P.L.1-1996, SEC.16.

IC 13-26-10-19 Rights of revenue bondholders

Sec. 19. (a) The holder of revenue bonds or attached coupons and the trustee, if any, except to the extent the rights given may be restricted by the ordinance authorizing issuance of the bonds or by the trust indenture, may, by civil action, protect and enforce rights granted:

- (1) by this article or IC 13-3-2 (before its repeal); or
- (2) under the ordinance or trust indenture;

to be performed by the district issuing the bonds or by the board or any officer, including the

making and collecting of reasonable and sufficient charges and rates for services provided by the works.

(b) If there is failure to pay the principal or interest on any of the revenue bonds on the date named for payment, and upon application by a bondholder or a trustee, any court having jurisdiction to appoint receivers shall appoint a receiver to administer the works on behalf of the district and the bondholders or trustee. A receiver may do the following:

- (1) Charge and collect rates sufficient to provide for the payment of the expenses of operation, repair, and maintenance.
- (2) Pay any revenue bonds and interest outstanding.
- (3) Apply the revenues in conformity with this article and the ordinance or trust indenture.

[Pre-1996 Recodification Citation: 13-3-2-21.]

As added by P.L.1-1996, SEC.16.

IC 13-26-11 Chapter 11. Rates and Charges

13-26-11-1	Waterworks
13-26-11-2	Sewage works; campgrounds; youth camps
13-26-11-2.1	Campground rates; appeal to utility regulatory commission
13-26-11-3	Solid waste disposal
13-26-11-4	Services of water, sewer, or solid waste disposal
13-26-11-5	Billing and collection
13-26-11-6	Sewage works beneficial to lots, land, or buildings
13-26-11-7	Connection charges; liens
13-26-11-8	Rates and charges
13-26-11-9	Just and equitable rates and charges; rates and charges unlawful if too low; when initial rates and charges are prima facie just and equitable; district authority examination
13-26-11-10	Revenue of works
13-26-11-11	Public hearing
13-26-11-12	Notice
13-26-11-13	Ordinance establishing rates and charges; schedule; notice; objections; hearing; appeal
13-26-11-14	Extension of rates and charges to cover additional premises; changes or readjustments
13-26-11-15	Regional sewage district authority; membership; notice of rate increase; objecting petition; public hearing; order and appeal

IC 13-26-11-1 Waterworks

Sec. 1. The rates and charges for a waterworks may be determined based on the following:

- (1) A flat charge for each connection.
- (2) The amount of water consumed.
- (3) The size of the meter or connection.
- (4) Whether the property served has been or will be required to pay separately for the cost of any of the facilities of the works.
- (5) A combination of these or other factors that the board determines is necessary to establish just and equitable rates and charges.

[Pre-1996 Recodification Citation: 13-3-2-22(a).]

As added by P.L.1-1996, SEC.16.

IC 13-26-11-2 Sewage works; campgrounds; youth camps

Sec. 2. (a) Except as provided in subsection (b), the rates or charges for a sewage works may be determined based on a combination of the following factors:

- (1) A flat charge for each connection. If a board uses a flat charge as a factor to determine a rate or charge for a sewage works, the board must:
 - (A) prepare a concise written statement that summarizes the calculations and processes used to determine the amount of the flat charge; and
 - (B) provide a copy of the written statement to each person who:
 - (i) is required to pay the rate or charge; and
 - (ii) requests a paper copy of the summary.
- (2) The amount of water used on the premises.
- (3) The number and size of water outlets on the premises.
- (4) The amount, strength, or character of sewage discharged into the sewers.
- (5) The size of sewer connections.
- (6) Whether the property served has been or will be required to pay separately for the cost of any of the facilities of the works.
- (7) A combination of these or other factors that the board determines is necessary to establish nondiscriminatory, just, and equitable rates or charges.

(b) A campground or youth camp may be billed for sewage service at a flat rate or by installing, at the campground's or youth camp's expense, a meter to measure the actual

amount of sewage discharged by the campground or youth camp into the sewers. If a campground or youth camp elects to be billed by use of a meter:

- (1) the rate charged by a board for the metered sewage service may not exceed the rate charged to residential customers for equivalent usage; and
- (2) the amount charged by a board for the campground's or youth camp's monthly sewage service for the period beginning September 1 and ending May 31 must be equal to the actual amount that would be charged for the sewage discharged during the month by the campground or youth camp as measured by the meter.

(c) If a campground or youth camp does not install a meter under subsection (b) and is billed for sewage service at a flat rate, for a calendar year beginning after December 31, 2004:

- (1) each campsite at the campground may not equal more than one-third (1/3) of one (1) resident equivalent unit; and
- (2) each bed at the youth camp may not equal more than one-eighth (1/8) of one (1) residential equivalent unit.

The basic monthly charge for the campground's or youth camp's sewage service must be equal to the number of the campground's or youth camp's resident equivalent units multiplied by the rate charged by the board for a resident unit.

(d) The board may impose additional charges on a campground or youth camp under subsections (b) and (c) if the board incurs additional costs that are caused by any unique factors that apply to providing sewage service for the campground or youth camp, including, but not limited to:

- (1) the installation of:
 - (A) oversized pipe; or
 - (B) any other unique equipment;necessary to provide sewage service for the campground or youth camp; and
- (2) concentrations of biochemical oxygen demand (BOD) that exceed federal pollutant standards.

[Pre-1996 Recodification Citation: 13-3-2-22(b).]

As added by P.L.1-1996, SEC.16. Amended by P.L.239-2003, SEC.1; P.L.189-2005, SEC.5; P.L.97-2012, SEC.12.

IC 13-26-11-2.1 Campground rates; appeal to utility regulatory commission

Sec. 2.1. (a) As used in this section, "commission" refers to the Indiana utility regulatory commission created by IC 8-1-1-2.

(b) This section applies to an owner or operator of a campground described in section 2(b) or 2(c) of this chapter who disputes:

- (1) that the campground is being billed at rates charged to residential customers for equivalent usage as required by section 2(b)(1) of this chapter;
- (2) the number of resident equivalent units determined for the campground under section 2(c) of this chapter; or
- (3) that any additional charges imposed on the campground under section 2(d) of this chapter are reasonable or nondiscriminatory.

(c) If an owner or operator:

- (1) makes a good faith attempt to resolve a disputed matter described in subsection (b)(1) through (b)(3) through:
 - (A) any grievance or complaint procedure prescribed by the board; or
 - (B) other negotiations with the board; and
- (2) is dissatisfied with the board's proposed disposition of the matter;

the owner or operator may file with the commission a written request for review of the disputed matter and the board's proposed disposition of the matter to be conducted by the commission's appeals division established under IC 8-1-2-34.5(b). The owner or operator must file a request under this section with the commission and the board not later than seven

(7) days after receiving notice of the board's proposed disposition of the matter.

(d) The commission's appeals division shall provide an informal review of the disputed matter. The review must include a prompt and thorough investigation of the dispute. Upon request by either party, or on the division's own motion, the division shall require the parties to attend a conference on the matter at a date, time, and place determined by the division.

(e) In any case in which the basic monthly charge for a campground's sewage service is in dispute, the owner or operator shall pay, on any disputed bill issued while a review under this section is pending, the basic monthly charge billed during the year immediately preceding the year in which the first disputed bill is issued. If the basic monthly charge paid while the review is pending exceeds any monthly charge determined by the commission in a decision issued under subsection (f), the board shall refund or credit the excess amount paid to the owner or operator. If the basic monthly charge paid while the review is pending is less than any monthly charge determined by the appeals division or commission in a decision issued under subsection (f), the owner or operator shall pay the board the difference owed.

(f) After conducting the review required under subsection (d), the appeals division shall issue a written decision resolving the disputed matter. The division shall send a copy of the decision to:

- (1) the owner or operator of the campground; and
- (2) the board;

by United States mail. Not later than seven (7) days after receiving the written decision of the appeals division, either party may make a written request for the dispute to be formally docketed as a proceeding before the commission. Subject to the right of either party to an appeal under IC 8-1-3, the decision of the commission is final.

(g) The commission shall maintain a record of all requests for a review made under this section. The record must include:

- (1) a copy of the appeals division's and commission's decision under subsection (f) for each dispute filed; and
- (2) any other documents filed with the appeals division or commission under this section.

The record must be made available for public inspection and copying in the office of the commission during regular business hours under IC 5-14-3.

(h) The right of a campground owner or operator to request a review under this section is in addition to the right of the campground owner or operator to file a petition under section 15 of this chapter as a freeholder of the district.

(i) The commission may adopt rules under IC 4-22-2 to implement this section.

As added by P.L.189-2005, SEC.6.

IC 13-26-11-3 Solid waste disposal

Sec. 3. The rates or charges for solid waste disposal and recovery systems may be determined based on the following:

- (1) A flat charge for each residence or building in use in the district.
- (2) On the weight of the refuse received.
- (3) On the hazardous character of the waste received.
- (4) On a combination of the weight and hazardous character of the waste received.

[Pre-1996 Recodification Citation: 13-3-2-22(c).]

As added by P.L.1-1996, SEC.16.

IC 13-26-11-4 Services of water, sewer, or solid waste disposal

Sec. 4. The rates and charges for services of a water, sewer, or solid waste disposal or recovery system do not have to be uniform throughout the district or for all users. The board may exercise reasonable discretion in:

- (1) adopting different schedules of rates and charges; or
- (2) making classifications in schedules of rates and charges:

(A) based upon variations in the costs of furnishing the services, including capital expenditures required, to various classes of users or to various locations in the district; or

(B) where there are variations in the number of users in various locations in the district.

[Pre-1996 Recodification Citation: 13-3-2-22(d).]

As added by P.L.1-1996, SEC.16.

IC 13-26-11-5 Billing and collection

Sec. 5. A district may bill and collect rates and charges for the services to be provided after the contract for construction of a sewage works has been let and actual work commenced in an amount sufficient to meet the interest on the revenue bonds and other expenses payable before the completion of the works.

[Pre-1996 Recodification Citation: 13-3-2-23(a).]

As added by P.L.1-1996, SEC.16.

IC 13-26-11-6 Sewage works beneficial to lots, land, or buildings

Sec. 6. Unless the board finds and directs otherwise, the sewage works are considered to benefit every:

- (1) lot;
- (2) parcel of land; or
- (3) building;

connected or to be connected under the terms of an ordinance requiring connections with the sewer system of the district as a result of construction work under the contract. The rates or charges shall be billed and collected accordingly.

[Pre-1996 Recodification Citation: 13-3-2-23(b).]

As added by P.L.1-1996, SEC.16.

IC 13-26-11-7 Connection charges; liens

Sec. 7. (a) If a district constructs sewers or water mains as a part of the construction of the works that are suitable for use as a local or lateral sewer or main by abutting or adjoining property, the district may charge for the connection on the basis of the pro rata cost of construction of a local or lateral sewer or water main sufficient to serve the property.

(b) Each property owner must agree to pay for the connection in making an application for service. If payment is not made as agreed, the payment constitutes a lien on the property for which the connection is made.

(c) The proceeds of the connection charges may be handled as:

- (1) net revenues of the works; or
- (2) payments toward the cost of construction or future improvements.

[Pre-1996 Recodification Citation: 13-3-2-24.]

As added by P.L.1-1996, SEC.16.

IC 13-26-11-8 Rates and charges

Sec. 8. (a) The board shall, by ordinance, establish just and equitable rates or charges for the use of and the service provided by a works. The rates or charges are payable by the owner of each lot, parcel of land, or building that:

- (1) is connected with and uses a works; or
- (2) in any way uses or is served by a works.

(b) Subject to section 15 of this chapter, the board may periodically change and readjust the rates or charges as provided in this article.

[Pre-1996 Recodification Citation: 13-3-2-25(a).]

As added by P.L.1-1996, SEC.16. Amended by P.L.221-2007, SEC.19.

IC 13-26-11-9 Just and equitable rates and charges; rates and charges unlawful if too low; when initial rates and charges are prima facie just and equitable; district authority examination

Sec. 9. (a) Just and equitable rates and charges are those that:

- (1) produce sufficient revenue to pay all expenses incident to the operation of the works, including maintenance cost, operating charges, upkeep, repairs, and interest charges on bonds or other obligations;
- (2) produce sufficient revenue to provide the sinking fund for the liquidation of bonds or other evidence of indebtedness and reserves against default in the payment of interest and principal of bonds;
- (3) produce sufficient revenue to provide adequate money to be used as working capital, as well as money for making improvements, additions, extensions, and replacements; and
- (4) give due consideration to the interests of the ratepayers.

(b) Rates and charges too low to meet the financial requirements described in subsection (a) are unlawful. The initial rates and charges established after notice and hearing under this article are prima facie just and equitable.

(c) Nothing in this section shall prohibit a district authority from examining the methodology or process by which rates and charges were derived.

[Pre-1996 Recodification Citation: 13-3-2-25(b).]

As added by P.L.1-1996, SEC.16. Amended by P.L.112-2016, SEC.23.

IC 13-26-11-10 Revenue of works

Sec. 10. Revenue collected under sections 8 through 14 of this chapter is revenue of the works.

[Pre-1996 Recodification Citation: 13-3-2-25(c) part.]

As added by P.L.1-1996, SEC.16.

IC 13-26-11-11 Public hearing

Sec. 11. The initial rates or charges may be established only after a public hearing at which all:

- (1) the users of the works and owners of property served or to be served; and
- (2) others interested;

have an opportunity to be heard concerning the proposed rates or charges.

[Pre-1996 Recodification Citation: 13-3-2-25(c) part.]

As added by P.L.1-1996, SEC.16.

IC 13-26-11-12 Notice

Sec. 12. After introduction of the ordinance initially fixing rates or charges but before the ordinance is finally adopted, notice of the hearing setting forth the proposed schedule of the rates or charges must be given by publication one (1) time each week for two (2) weeks in a newspaper of general circulation in each of the counties with territory in the district. The last publication must be at least seven (7) days before the date fixed in the notice for the hearing. The hearing may be adjourned as necessary.

[Pre-1996 Recodification Citation: 13-3-2-25(d).]

As added by P.L.1-1996, SEC.16.

IC 13-26-11-13 Ordinance establishing rates and charges; schedule; notice; objections; hearing; appeal

Sec. 13. (a) The ordinance establishing the initial rates or charges, either as:

- (1) originally introduced; or
- (2) modified and amended;

shall be passed and put into effect after the hearing.

(b) A copy of the schedule of the rates and charges established must be:

- (1) kept on file in the office of the district; and
- (2) open to public inspection.

(c) Whenever the board acts under section 8(b) of this chapter, to change or readjust the rates and charges, the board shall mail, either separately or along with a periodic billing statement, a notice of the new rates and charges to each user affected by the change or readjustment. In the case of a sewage district, if the change or readjustment increases the rates and charges by the amount specified in section 15(c) of this chapter, the notice required by this subsection:

- (1) must include a statement of a ratepayer's rights under section 15 of this chapter; and
- (2) shall be mailed within the time specified in section 15(c) of this chapter.

(d) Following the passage of an ordinance under subsection (a), the lesser of fifty (50) or ten percent (10%) of the ratepayers of the district may file a written petition objecting to the initial rates and charges of the district. A petition filed under this subsection must:

- (1) contain the name and address of each petitioner;
- (2) be filed with a member of the district authority, in the county where at least one (1) petitioner resides, not later than thirty (30) days after the district adopts the ordinance; and
- (3) set forth the grounds for the ratepayers' objection.

(e) The district authority shall set the matter for public hearing not less than ten (10) business days but not later than twenty (20) business days after the petition has been filed. The district authority shall send notice of the hearing by certified mail to the district and the first listed petitioner and publish the notice of the hearing in a newspaper of general circulation in each county in the district.

(f) Upon the date fixed in the notice, the district authority shall hear the evidence produced and determine the following:

- (1) Whether the board of trustees of the district, in adopting the ordinance establishing sewer rates and charges, followed the procedure required by this chapter.
- (2) Whether the sewer rates and charges established by the board by ordinance are just and equitable rates and charges, according to the standards set forth in section 9 of this chapter.

(g) After the district authority hears the evidence produced and makes the determinations set forth in subsection (f), the district authority, by a majority vote, shall:

- (1) sustain the ordinance establishing the rates and charges;
- (2) sustain the petition; or
- (3) make any other ruling appropriate in the matter, subject to the standards set forth in section 9 of this chapter.

(h) The order of the district authority may be appealed by the district or a petitioner to the circuit court, superior court, or probate court of the county in which the district is located. The court shall try the appeal without a jury and shall determine one (1) or both of the following:

- (1) Whether the board of trustees of the district, in adopting the ordinance establishing sewer rates and charges, followed the procedure required by this chapter.
- (2) Whether the sewer rates and charges established by the board by ordinance are just and equitable rates and charges, according to the standards set forth in section 9 of this chapter.

Either party may appeal the circuit court's, superior court's, or probate court's decision in the same manner that other civil cases may be appealed.

[Pre-1996 Recodification Citation: 13-3-2-25(e).]

As added by P.L.1-1996, SEC.16. Amended by P.L.123-2011, SEC.4; P.L.97-2012, SEC.13; P.L.84-2016, SEC.67.

IC 13-26-11-14 Extension of rates and charges to cover additional premises;

changes or readjustments

Sec. 14. (a) The rates or charges established for a class of users of property served shall be extended to cover any additional premises served after the rates or charges are established that are in the same class, without the necessity of hearing or notice.

(b) Subject to section 15 of this chapter, a change or readjustment of the rates or charges may be made in the same manner as the rates or charges were originally established.

[Pre-1996 Recodification Citation: 13-3-2-25(f).]

As added by P.L.1-1996, SEC.16. Amended by P.L.221-2007, SEC.20.

IC 13-26-11-15 Regional sewage district authority; membership; notice of rate increase; objecting petition; public hearing; order and appeal

Sec. 15. (a) A district authority is established in each regional sewage district established under this article. A district authority:

- (1) must consist of an odd number of members;
- (2) must consist of at least three (3) members; and
- (3) may not include as a member any person who serves on the board of trustees of the district.

(b) The district authority of a regional sewage district consists of the following members:

(1) In the case of a regional sewage district located in one (1) county, the following members:

(A) If no members of the county executive are trustees of the regional sewage district, the county executive of the county.

(B) If:

(i) one (1) or more members of the county executive are trustees of the regional sewage district; and

(ii) no members of the county fiscal body are trustees of the regional sewage district;

the members of the county fiscal body.

(C) If the regional sewage district's board of trustees consists of one (1) or more members of the county executive and one (1) or more members of the county fiscal body, three (3) members appointed as follows:

(i) Two (2) members appointed by the county executive. If not all of the members of the county executive are trustees of the district, the county executive may appoint either or both of the two (2) members required by this item from among the county executive's own membership, subject to subsection (a)(3).

(ii) One (1) member appointed by the county fiscal body. If not all of the members of the county fiscal body are trustees of the district, the county fiscal body may appoint the member required by this item from among the county fiscal body's own membership, subject to subsection (a)(3).

(2) In the case of a regional sewage district located in more than one (1) county, the following members:

(A) If:

(i) an odd number of counties are part of the regional sewage district; and

(ii) each county in the district has at least one (1) county executive member who is not a trustee of the regional sewage district;

one (1) county executive member, appointed by that member's county executive, from each county in which the district is located, subject to subsection (a)(3).

(B) If an even number of counties are part of the regional sewage district, the following members:

(i) Two (2) county executive members, appointed by those members' county executive, from the county that has the largest number of customers served by the district's sewer system. However, if the county that has the largest number of customers served by the district's sewer system does not have at least two (2)

members of its executive who are not also trustees of the district, the county executive of that county may appoint one (1) or more of the members required by this item from outside the county executive's own membership in order to comply with subsection (a)(3).

(ii) One (1) county executive member, appointed by that member's county executive, from each county, other than the county described in item (i), in which the district is located. However, if a county described in this item does not have at least one (1) member of its executive who is not also a trustee of the district, the county executive of that county may appoint the member required by this item from outside the county executive's own membership in order to comply with subsection (a)(3).

(C) If an odd number of counties are part of the regional sewage district and an odd number of those counties in the district do not have at least one (1) county executive member who is not also a trustee of the district, the following members:

(i) One (1) county executive member, appointed by that member's county executive, from each county that has at least one (1) county executive member who is not also a trustee of the district, subject to subsection (a)(3).

(ii) One (1) member appointed by the county executive of each county that does not have at least one (1) county executive member who is not also a trustee of the district. A member appointed under this item must be appointed from outside the appointing county executive's own membership, subject to subsection (a)(3).

(c) If a district adopts an ordinance increasing sewer rates and charges at a rate that is greater than five percent (5%) per year, as calculated from the rates and charges in effect from the date of the district's last rate increase, the district shall mail, either separately or along with a periodic billing statement, a notice of the new rates and charges to each user of the sewer system who is affected by the increase. The notice:

(1) shall be mailed not later than seven (7) days after the district adopts the ordinance increasing the rates and charges; and

(2) must include a statement of a ratepayer's rights under this section.

(d) If subsection (c) applies, fifty (50) ratepayers of the district or ten percent (10%) of the district's ratepayers, whichever is fewer, may file a written petition objecting to the rates and charges of the district. A petition filed under this subsection must:

(1) contain the name and address of each petitioner;

(2) be filed with a member of the district authority, in the county where at least one (1) petitioner resides, not later than thirty (30) days after the district adopts the ordinance establishing the rates and charges; and

(3) set forth the grounds for the ratepayers' objection.

If a petition meeting the requirements of this subsection is filed, the district authority shall investigate and conduct a public hearing on the petition. If more than one (1) petition concerning a particular increase in rates and charges is filed, the district authority shall consider the objections set forth in all the petitions at the same public hearing.

(e) The district authority shall set the matter for public hearing not less than ten (10) business days but not later than twenty (20) business days after the petition has been filed. The district authority shall send notice of the hearing by certified mail to the district and the first listed petitioner and publish the notice of the hearing in a newspaper of general circulation in each county in the district.

(f) Upon the date fixed in the notice, the district authority shall hear the evidence produced and determine the following:

(1) Whether the board of trustees of the district, in adopting the ordinance increasing sewer rates and charges, followed the procedure required by this chapter.

(2) Whether the increased sewer rates and charges established by the board by ordinance are just and equitable rates and charges, according to the standards set forth in section 9 of this chapter.

(g) After the district authority hears the evidence produced and makes the determinations set forth in subsection (f), the district authority, by a majority vote, shall:

- (1) sustain the ordinance establishing the rates and charges;
- (2) sustain the petition; or
- (3) make any other ruling appropriate in the matter, subject to the standards set forth in section 9 of this chapter.

(h) The order of the district authority may be appealed by the district or a petitioner to the circuit court, superior court, or probate court of the county in which the district is located. The court shall try the appeal without a jury and shall determine one (1) or both of the following:

- (1) Whether the board of trustees of the district, in adopting the ordinance increasing sewer rates and charges, followed the procedure required by this chapter.
- (2) Whether the increased sewer rates and charges established by the board by ordinance are just and equitable rates and charges, according to the standards set forth in section 9 of this chapter.

Either party may appeal the circuit court's, superior court's, or probate court's decision in the same manner that other civil cases may be appealed.

As added by P.L.193-2001, SEC.4. Amended by P.L.1-2002, SEC.68; P.L.221-2007, SEC.21; P.L.71-2011, SEC.2; P.L.97-2012, SEC.14; P.L.84-2016, SEC.68.

IC 13-26-12 **Chapter 12. Repealed**

[Pre-1996 Recodification Citations:

13-26-12-1	formerly 13-3-2-26(a)
13-26-12-2	formerly 13-3-2-26(b)
13-26-12-3	formerly 13-3-2-26(c)
13-26-12-4	formerly 13-3-2-26(d)
13-26-12-5	formerly 13-3-2-26(e)
13-26-12-6	formerly 13-3-2-26(f)
13-26-12-7	formerly 13-3-2-26(g).]

Repealed by P.L.131-2005, SEC.9.

IC 13-26-13 **Chapter 13. Repealed**

[Pre-1996 Recodification Citations:

- 13-26-13-1 formerly13-3-2-27(a)
- 13-26-13-2 formerly13-3-2-27(b) part
- 13-26-13-3 formerly13-3-2-27(b) part
- 13-26-13-4 formerly13-3-2-27(c)
- 13-26-13-5 formerly13-3-2-27(d)
- 13-26-13-6 formerly13-3-2-27(e)
- 13-26-13-7 formerly13-3-2-27(f)
- 13-26-13-8 formerly13-3-2-27(g)
- 13-26-13-9 formerly13-3-2-27(h)
- 13-26-13-10 formerly13-3-2-27(i)
- 13-26-13-11 formerly13-3-2-27(j).]

Repealed by P.L.131-2005, SEC.9.

IC 13-26-14 Chapter 14. Foreclosure of Liens

13-26-14-1	Additional or alternative remedy for collection of rates or charges
13-26-14-2	Recovery by district
13-26-14-3	Applicability of other rights and laws
13-26-14-4	Liens for unpaid rates, fees, or charges

IC 13-26-14-1 Additional or alternative remedy for collection of rates or charges

Sec. 1. A district may, as an additional or alternative remedy, foreclose a lien established by this article as a means of collection of rates or charges, including the penalty on the rates or charges.

[Pre-1996 Recodification Citation: 13-3-2-28(a) part.]

As added by P.L.1-1996, SEC.16.

IC 13-26-14-2 Recovery by district

Sec. 2. (a) In all actions brought to foreclose the liens, the district is entitled to recover the following:

- (1) The amount of the rates or charges.
- (2) The penalty on the rates or charges.
- (3) A reasonable attorney's fee.

(b) The court shall order that the sale be made without relief from valuation or appraisal statutes.

[Pre-1996 Recodification Citation: 13-3-2-28(a) part.]

As added by P.L.1-1996, SEC.16.

IC 13-26-14-3 Applicability of other rights and laws

Sec. 3. Except as otherwise provided by this article, in all actions to foreclose the liens:

- (1) the laws concerning municipal public improvement assessments; and
- (2) the rights, remedies, procedure, and relief granted the parties to the action;

apply.

[Pre-1996 Recodification Citation: 13-3-2-28(b).]

As added by P.L.1-1996, SEC.16.

IC 13-26-14-4 Liens for unpaid rates, fees, or charges

Sec. 4. Rates, fees, or charges made, assessed, or established by the district are a lien, in the same manner established under IC 36-9-23 for municipal sewage works, on a lot, parcel of land, or building that is connected with or uses the works of the district. Liens under this chapter:

- (1) attach;
- (2) are recorded;
- (3) are subject to the same penalties, interest, and reasonable attorney's fees on recovery; and
- (4) shall be collected and enforced;

in substantially the same manner as provided in IC 36-9-23-31 through IC 36-9-23-34. A lien under this chapter that is the only lien on a property may not be foreclosed.

As added by P.L.131-2005, SEC.4. Amended by P.L.71-2011, SEC.3; P.L.97-2012, SEC.15.