



JOINT WORKSHOP #3:

Proposed Rate/Fee Increase and System Development Charges Discussion

**MICHIGAN CITY SANITARY DISTRICT
and the
MICHIGAN CITY COMMON COUNCIL**

July 28, 2026

THE MANAGEMENT & CONSULTANT TEAM

Prepared by:

Sanitary District Management Team:

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- Al Walus, District Engineer



Capital Improvement Plan (CIP) Consultant Team

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Financial Consultant, O. W. Krohn & Assoc.

- Otto W. "Buzz" Krohn, Executive Partner
- Brandon Barthel, Municipal Advisor



Legal Finance Consultant, Dentons

- David T. McGimpsey, Water, Energy, and Utility Partner



With Data Support Provided by:

- Michigan City Controller's Office
- Michigan City Department of Water Works



THE REALITY WE FACE



After more than a decade of flat utility rates,
the pressures on our systems have continued to grow.



14 YEARS

without a utility
rate increase



**INFLATION
INCREASED**

while operating costs
continued climbing



**CRITICAL
INFRASTRUCTURE**

is reaching or
exceeding
100 years old



**GROWTH REQUIRES
CAPACITY**

while protecting
today's customers



The longer infrastructure improvements are delayed,
the more expensive they become.



OUR COMMITMENT TO RESIDENTS

Instead of one large increase...
we're taking a **responsible, phased** approach.



PROTECT PUBLIC HEALTH

- Reliable wastewater treatment
- Protecting our



IMPROVE RELIABILITY

- Replace aging infrastructure
- Reduce emergency repairs
- Improve system resilience



PLAN RESPONSIBLY

- Phase projects over several years
- Keep rates competitive
- Protect affordability whenever possible



MAKE GROWTH PAY ITS SHARE

- New development should help fund the infrastructure it requires
- Not shift those costs onto existing residents



Responsible planning today **prevents costly emergencies tomorrow.**

Slide from Workshop #2

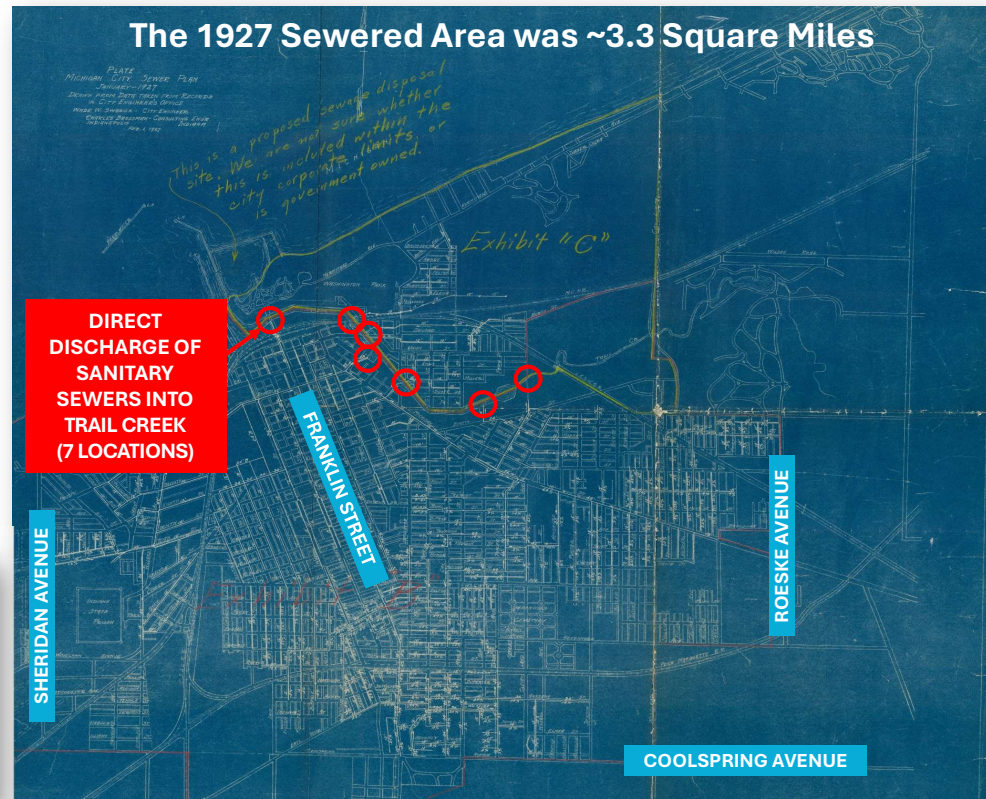
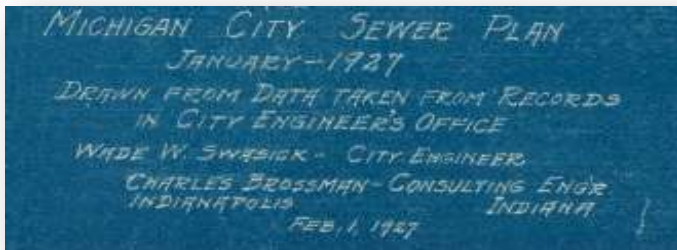
MANAGEMENT MATTERS: PREFACE**JULY 28, 2026,
UPDATE**

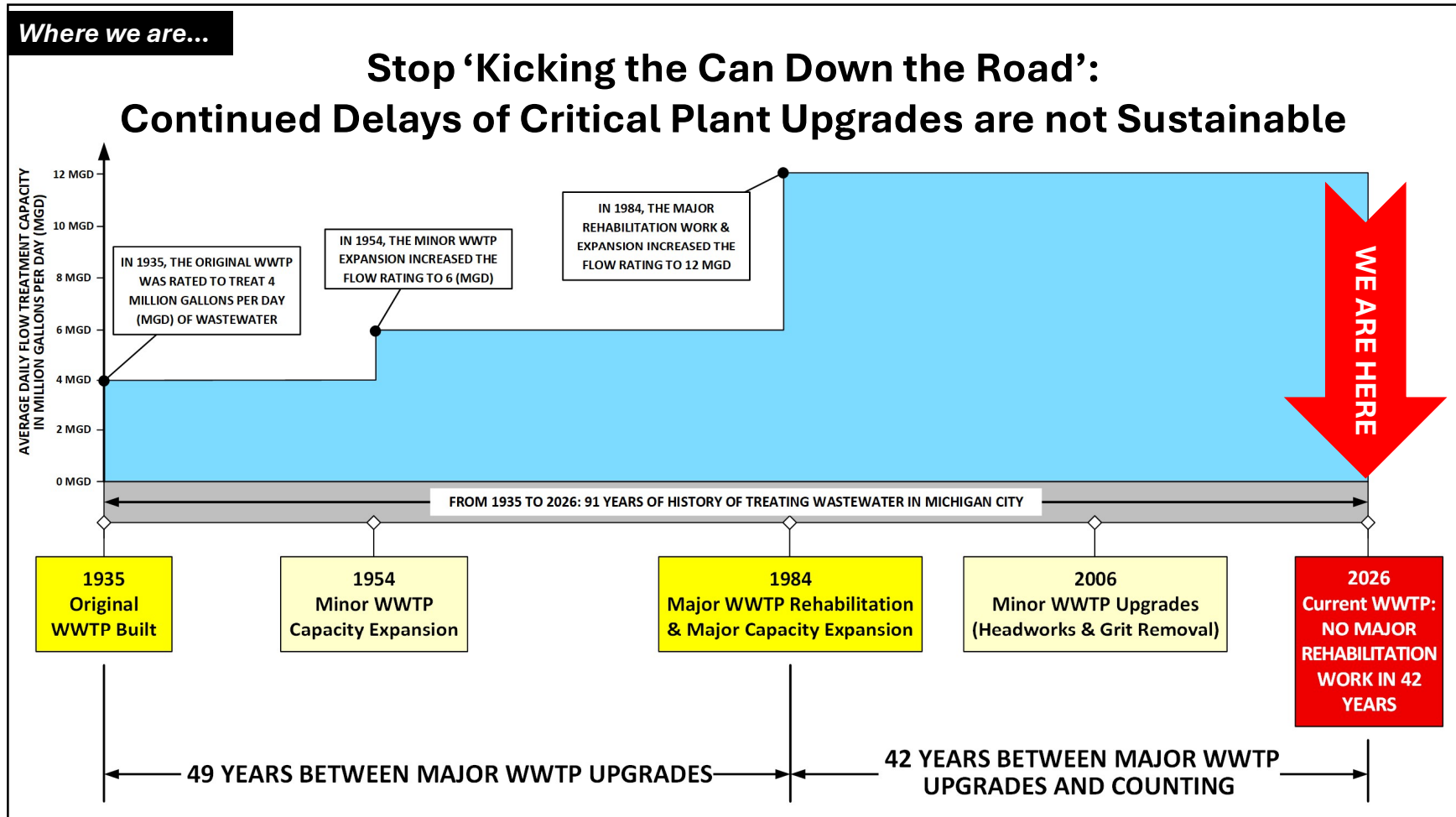
Management Tools to Effectively and Efficiently Operate a Sanitary District	Did this exist in January of 2024?	Status as of May 20, 2026?	Status as of June 9, 2026
1. Wastewater Treatment Plant Capital Improvement Plan	No	90% Complete	Completed
2. Sanitary Sewer Rehabilitation Plan	No	90% Complete	Completed
3. Current Lift Station Rehabilitation Plan	No	90% Complete	Completed
4. WWTP Maintenance Schedules for Critical Equipment	Partial	Maintenance Being Implemented	Maintenance Being Implemented
5. Inspect All Sewers Within 3 Years (Permit Requirement)	No	New Plan Complete & Being Implemented	New Plan Complete & Being Implemented
6. New Asset Management Measures	No	1st Update Completed	2nd Update due by 12/31/26
7. Hydraulic Computer Model of Major Sewer Trunk Lines	No	Model Completion for 1st Quarter of 2027	Contract Approved on 5/27/26
8. Septic Field Clusters Elimination Plan	No	Scope/Plans Identified; Seeking Funding	Scope/Plans Identified; Seeking Funding
9. Comprehensive Ditch Maintenance & Culvert Plan	No	Priority Drain/Culvert Inspections Completed	Priority Drain/Culvert Inspections Completed
10. Striebel Pond Maintenance Logs	No	Work Orders are being entered into Kintone	Work Orders are being entered into Kintone
11. Biosolids Disposal Transportation Plan	No	New Plan Complete & Being Implemented	New Plan Complete & Being Implemented
12. Integrated GIS Model of Sewer & Water Infrastructure	No	Discussions are In Progress with MC Water	Discussions are In Progress with MC Water
13. "Growth Pays For Growth" Plan	No	90% Complete	Analysis is Complete COMPLETED 7/9/26 ✓
14. Sanitary District Multi-Year Rate & Fee Analysis	No	In Progress	Analysis is Complete COMPLETED 7/9/26 ✓
15. Management Team Succession Plan	No	New Plan Complete & Being Implemented	New Plan Complete & Being Implemented

Where we've been with the Wastewater Treatment Plant...

THE MICHIGAN CITY SEWER MAP OF 1927

- ❖ **Michigan City's Sanitary Sewer System Dates Back to Over 100 Years Ago**
- ❖ **In 1927, ALL Sanitary Sewers Discharged Raw Sewage Directly into Trail Creek at 7 Locations (see Red Circles at Right)**
- ❖ **The 1927 Sewered Area was ~3.3 Square miles**





Where we need to go...

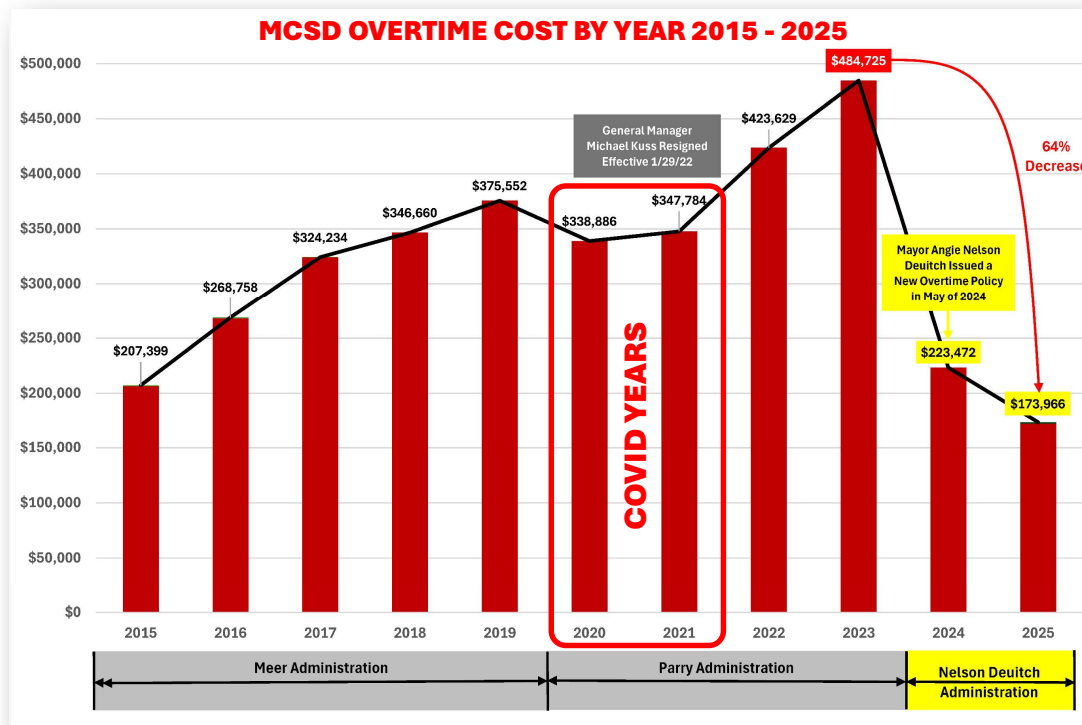
WWTP Capital Improvement Plan

THE NEW
MANAGE-
MENT TEAM
HAS ASSESSED
EXISTING
CONDITIONS:
“BETTER DATA
= BETTER
DECISIONS”

		Rating System: “5” = Highest Priority and “0” = Lowest Priority							
	Wastewater Treatment Plant Process/System	Age	Condition	Regulatory Compliance or De-Rating Risk	Safety	Technical Upgrade	Process Optimization	Equipment Availability	Total Score
1	Sludge Digester Complex	5	5	3	5	4	3	4	29
2	New Primary Clarifiers	4	4	5	3	3	4	2	25
3	Tertiary Filter Replacement	4	4	2	3	4	4	4	25
4	New SCADA System	4	4	1	1	5	4	5	24
5	Thickening/Dewatering Building (50' x 50')	3	4	2	3	3	3	4	22
6	Chemical Storage Bldg. Addition (40' x 40')	4	2	5	1	4	3	2	21
7	Aeration Basin & Pipe Gallery Rehabilitation	3	5	3	4	2	2	2	21
8	Headworks Improvements	2	2	3	3	3	3	2	18
9	Septage Receiving Station Rehabilitation	4	4	1	2	2	2	2	17
10	Backup Generator	0	0	5	0	5	4	2	16
11	New UV Disinfection Structure	0	2	1	4	3	4	2	16
12	Sitework & Yard Piping	0	1	1	0	2	1	0	5
13	Contractor's Administrative/Soft Costs	---	---	---	---	---	---	---	

MANAGEMENT MATTERS EXAMPLE #1:

**FACING A BUDGET DEFICIT AT THE SANITARY DISTRICT,
MAYOR ANGIE NELSON DEUTCH TOOK ACTION TO CURB UNNECESSARY SPENDING**



Mayor Nelson Deutch's Overtime Policy achieved the following **Overtime Cost Avoidance** in 2024 and 2025, when compared to the 2023 actual overtime level:

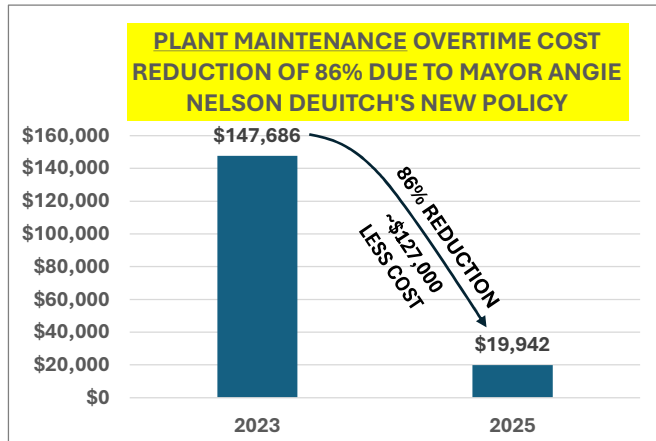
❖ **Overtime costs AVOIDED IN 2024:**
\$484,725 - \$223,472 = \$261,253

❖ **Overtime costs AVOIDED IN 2025:**
\$484,725 - \$173,966 = \$310,759

❖ **TOTAL OVERTIME COST AVOIDED:**
\$572,012

❖ **Management Matters**

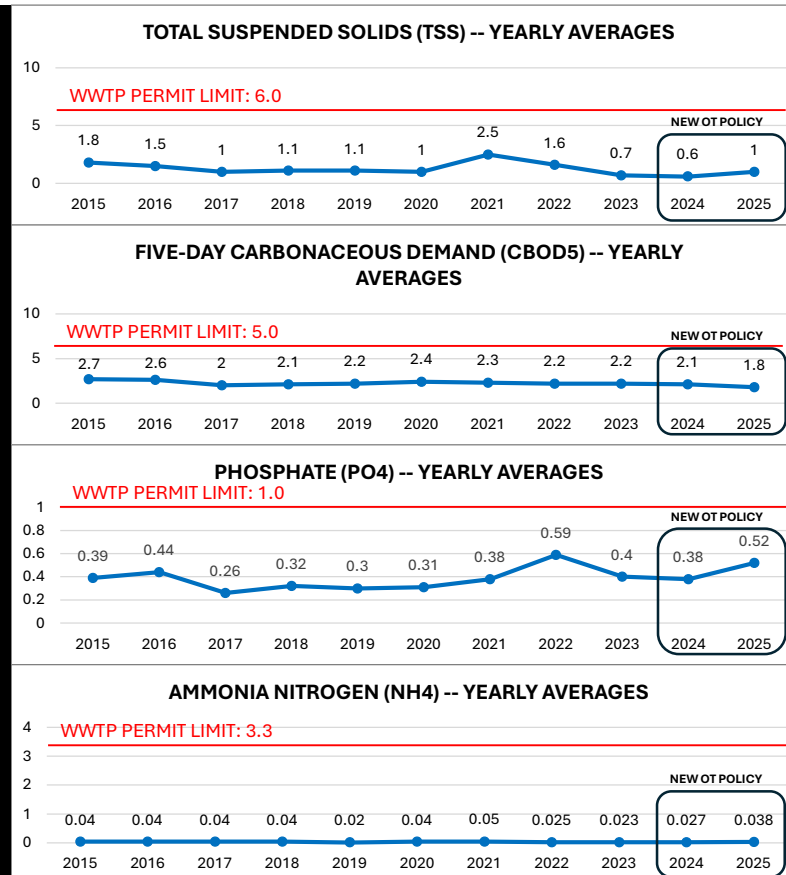
HOW HAS THE WWTP PERFORMED IN 2025 WITH LESS MAINTENANCE OVERTIME? EXCEPTIONALLY WELL!



From 2023 to 2025:

- ❖ The WWTP configuration has remained essentially the same. There have been no major upgrades and no major treatment process changes. ***However, equipment is 2 years older.***
- ❖ The new Overtime Policy in the past 2 years reduced Plant Maintenance overtime cost by 86%. Did that compromise performance? No. The WWTP Effluent Parameters reported to IDEM over the past 2 years have remained steady ***with no negative impacts*** (see charts at right).

REQUIRED REPORTING OF POTENTIAL POLLUTANTS



MANAGEMENT MATTERS EXAMPLE #2:

HOW 2 DIFFERENT MANAGEMENT TEAMS MADE A DECISION REGARDING INSPECTION INNOVATION



**In 2014, the EPA issued guidance on a new sewer inspection technology:
Acoustic-Based Inspections.**

How did the Sanitary District assess this innovation? Here are two examples.

PREVIOUS MCSD MANAGEMENT TEAM

- ❖ *On 7/15/21, a Field Demonstration was performed using the SL-RAT acoustic equipment on Pearl Street.*
- ❖ *The Management Team decided not to pursue the innovative technology and continue with traditional video inspection and cleaning methods.*

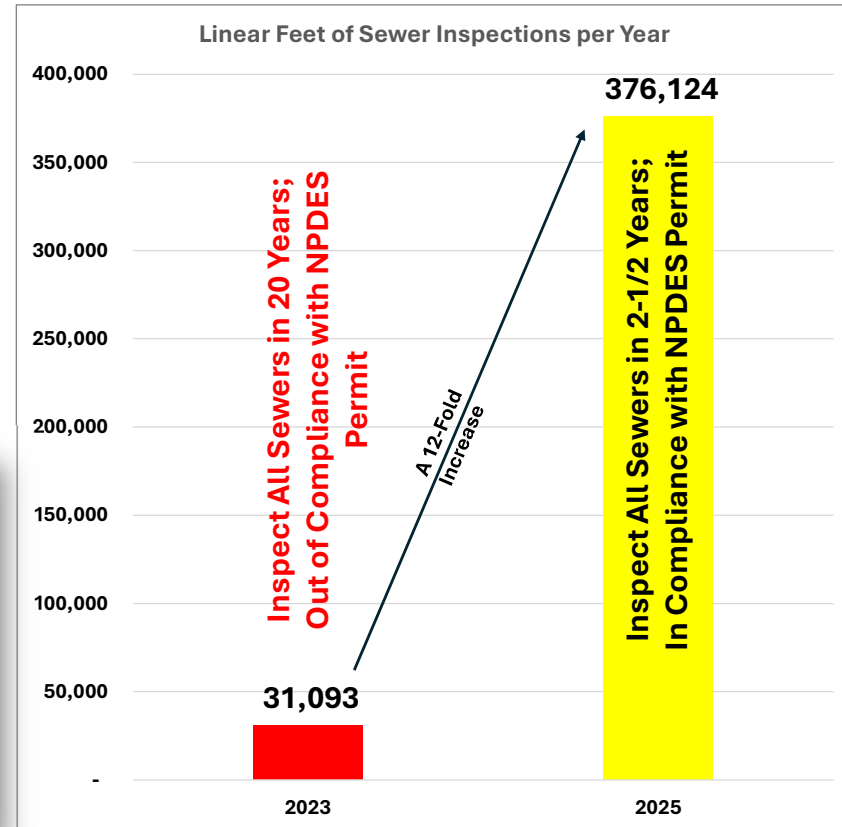
NEW MCSD STAFF IN SUMMER OF 2024

- ❖ *New Staff scheduled a 2nd Field Demonstration with InfoSense on 9/17/24.*
- ❖ *What were the results?*

MANAGEMENT MATTERS EXAMPLE #2:

Using Innovation, the New MCSD Management Team Accomplished the Following:

- ❖ *The District inspected 71 miles of sewers in 2025 versus the **6 miles inspected in 2023**.*
- ❖ *With the SL-RAT, the MCSD is on pace to inspect all sewers within 3 years.*
- ❖ **Innovation AND Management Matters**



DESPITE THESE SAVINGS, CURRENT FINANCIAL INDICATORS ARE FLASHING RED:

Comparison of 2024 Test Case Versus 2026-2028 Projections

	Actual 2011	Actual 2024	Projected 2026 - 2028	Projected Change 2024 to 2026 - 2028
1. Operating & Maintenance Expenses	\$5,088,226	\$8,684,428	\$9,635,000	
2. Allowance for Working Capital	--	--	\$1,250,000	
3. Debt Service on Existing/Prior Bonds	--	\$475,000	\$475,000	
4. Debt Service Reserve Funding	--	--	\$500,000	
5. Depreciation, Bond Coverage, Working Capital	\$2,417,023	\$2,488,096	\$1,174,000	
<i>Total Revenue Requirements Prior to Capital Plan:</i>	\$7,505,249	\$11,647,524	\$13,034,000	+ \$1,386,476
6. Debt Service on Proposed Bonds or Bond Anticipation Note (BAN) to Fund Capital Improvement Plan	--	--	\$2,500,000	
<i>Total Revenue Requirements with Start of Capital Plan:</i>	--	\$11,647,524	\$15,534,000	+ \$3,888,476
• Operating Costs have Increased Significantly Over 2011 (15 Years Ago) • Allowances for Working Capital, Depreciation & Future Debt Service are needed to begin Funding Capital Improvements				

WHY DOES THE SANITARY DISTRICT NEED A RATE ADJUSTMENT?

- ***An immediate rate increase (Phase 1) is needed to cover:***
 - Current Operating & Maintenance Expenses
 - Transition the District into Funding Depreciation and Working Capital Again (This has currently been paused due to insufficient incoming revenue)
 - Obtain Interim Financing (a \$15 Million Bond Anticipation Note) to Initiate:
 - ❑ Engineering and Construction on the Lafayette-Barker Outfall Project
 - ❑ Begin other Phase 1 Priority Capital Projects
 - ❑ Fund engineering for the Wastewater Treatment Plant Capital Improvement Plan
- A Proposed Phase 2 Rate increase is recommended in 2028 to build more secure credit worthiness to be in position to issue future long-term bonds in the Open Market.
 - The value of the long-term bonds will be determined by the engineering performed as part of the Phase 1 Rate Increase and the amount of new System Development Charges (SDCs) that may accrue if passed by the Michigan City Common Council.
- A **Phased Approach** is being Pursued to Reduce the Immediate Impact on Ratepayers

TWO OPTIONS TO ADJUST RATES

OPTION	IMPLEMENTATION & RAMIFICATIONS
OPTION 1: LOCAL ADJUSTMENT OF RATES	1) Decisions on Rate Adjustments are made Locally based on a Data Driven Process 2) Local Control of Size of Rate Adjustments 3) Local Control of Timing of rate Adjustments
OPTION 2: “DO NOTHING” APPROACH ON RATE ADJUSTMENTS	1) IDEM can determine that the MCSD is not “providing adequate funding” to operate and maintain local wastewater treatment infrastructure and impose a new Rate Structure 2) A new Rate Structure Order issued by IDEM could be more expensive with a more accelerated Rate Increase schedule 3) IDEM may impose Administrative fines 4) IDEM may impose Punitive fines

EXECUTIVE SUMMARY OF RECOMMENDED SANITARY RATE INCREASE (Residential Bill with a Standard 5/8" Water Meter)

SERVICE AREA & CUSTOMERS	CURRENT STATUS (2026)		PHASE 1 PLAN (2026 - 2027)		PHASE 2 PLAN (2028 - 2029)	
Water Use Flow (That Goes Into Sanitary Sewers)	2012 to Present		Phase 1 Plan (2026-2027)		Phase 2 Plan (2028-2029)	
	Within Michigan City	Outside Michigan City	Within Michigan City	Outside Michigan City	Within Michigan City	Outside Michigan City
4,000 Gallons per Month (Value used for Rate Comparisons In Indiana)	\$30.00/Month	\$32.20/Month	\$40.00/Month	\$42.85/Month	\$50.00/Month	\$53.50/Month
	Phase 1 +\$10		Phase 2 +\$10			
3,100 Gallons per Month (Average Water Use per Michigan City Customer)	\$27.00/Month	\$28.50/Month	\$35.80/Month	\$38.00/Month	\$44.70/Month	\$47.30/Month
	Phase 1 +\$8.80		Phase 2 +\$8.90			
2,000 Gallons per Month (Average Water Use for Single Adult Household)	\$23.00/Month	\$24.00/Month	\$30.60/Month	\$32.00/Month	\$38.20/Month	\$39.90/Month
	Phase 1 +\$7.60		Phase 2 +\$7.60			

Note: Slight Rounding has been used in Monthly Fees for clarity.

EXECUTIVE SUMMARY OF RECOMMENDED SANITARY RATE INCREASE

Residential Bill with a 5/8" or 1" Water Meter*

*** There are 12,232 Residential Accounts with 5/8" Water Meters and 246 Residential Accounts with 1" Water Meters**

Water Use Flow (That Goes Into Sanitary Sewers)		2012 to Present		Phase 1 Plan (2026-2027)		Phase 2 Plan (2028-2029)	
		Within Michigan City	Outside Michigan City	Within Michigan City	Outside Michigan City	Within Michigan City	Outside Michigan City
4,000 Gallons per Month (Value used for Rate Comparisons In Indiana)	5/8" Water Meter	\$30.00/Month	\$32.20/Month	\$40.00/Month +\$10	\$46.00/Month +\$13.70	\$50.00/Month +\$10	\$57.30/Month +\$11.40
	1" Water Meter	\$53.80/Month	\$55.80/Month	\$71.50/Month +\$17.70	\$81.90/Month +\$26.00	\$89.30/Month +\$17.70	\$102.20/Month +\$20.30
3,100 Gallons per Month (Average Water Use per Michigan City Customer)	5/8" Water Meter	\$27.00/Month	\$32.20/Month	\$35.80/Month +\$8.90	\$41.00/Month +\$12.50	\$44.70/Month +\$8.90	\$51.10/Month +\$10.20
	1" Water Meter	\$50.50/Month	\$52.10/Month	\$67.20/Month +\$16.70	\$76.90/Month +\$24.80	\$83.80/Month +\$16.70	\$96.00/Month +\$19.00
2,000 Gallons per Month (Average Water Use for Single Adult Household)	5/8" Water Meter	\$23.00/Month	\$32.20/Month	\$30.50/Month +\$7.60	\$34.90/Month +\$11.00	\$38.10/Month +\$7.60	\$43.60/Month +\$8.70
	1" Water Meter	\$46.50/Month	\$47.60/Month	\$61.90/Month +\$15.40	\$70.90/Month +\$23.30	\$77.30/Month +\$15.40	\$88.50/Month +\$17.60

Note: Slight Rounding has been used in Monthly Fees for clarity.

IMPACT OF RATE ADJUSTMENTS ON TOTAL ANNUAL REVENUE

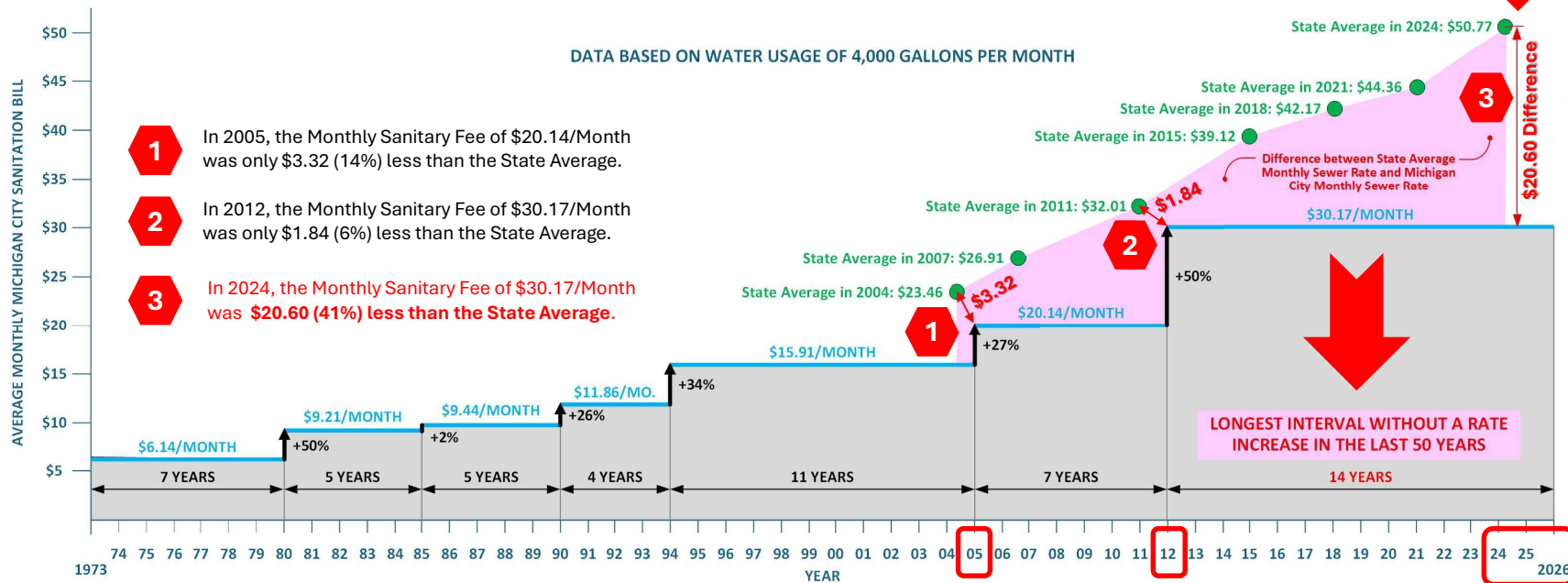
	Actual 2024	Projected 2026	Projected 2028
Average Monthly Sewer Bill (4,000 Gallons/Month)	~\$30/Month	~\$40/Month	~\$50/Month
Total Annual Revenue	\$11,647,524	\$13,547,524	\$15,447,524
Additional Revenue		~\$1,900,000	~\$1,900,000



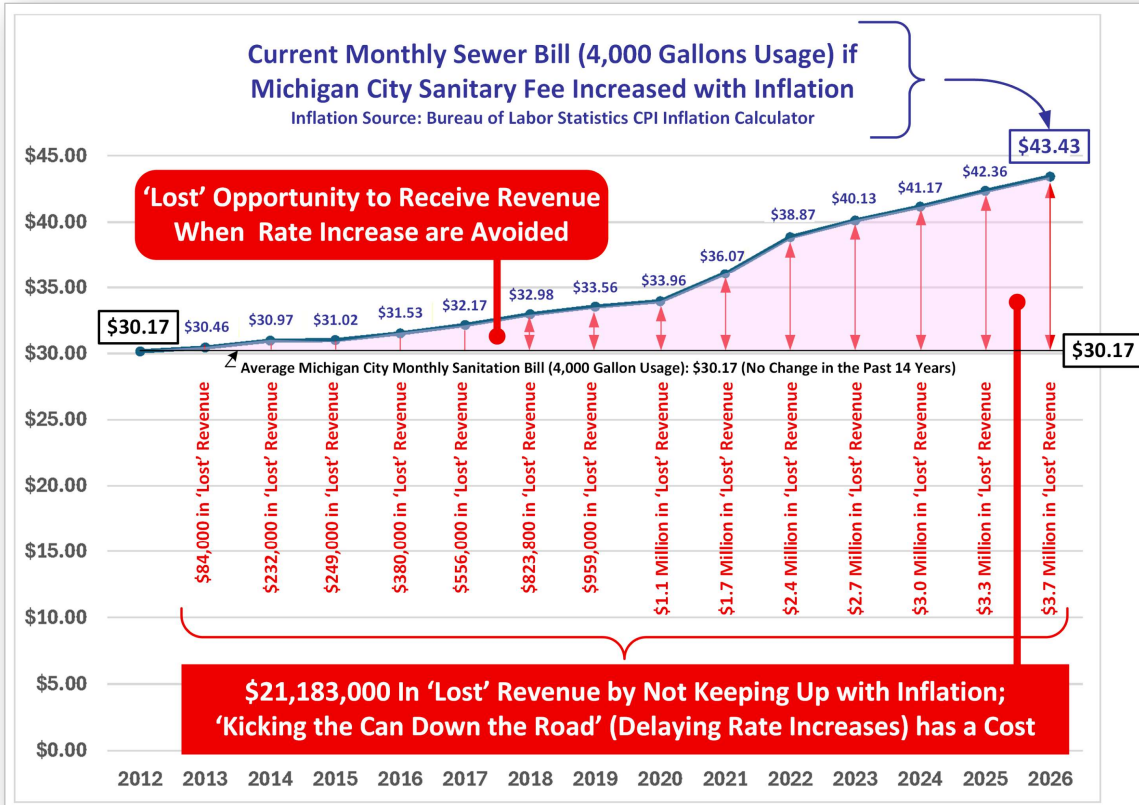
~\$3,800,000

CONTINUED DELAYS OF A RATE ADJUSTMENT ARE NOT SUSTAINABLE

- The Last Sanitary District Rate Adjustment was 14 years ago.
- While the Rate Adjustments of 2005 and 2012 kept local Sewer Rates close to the State Average, **we have not kept up with inflation over the past 14 years, while other Cities have, and our monthly Sewer Rates are \$20 below the State Average**



Inflation from 2012 to 2026

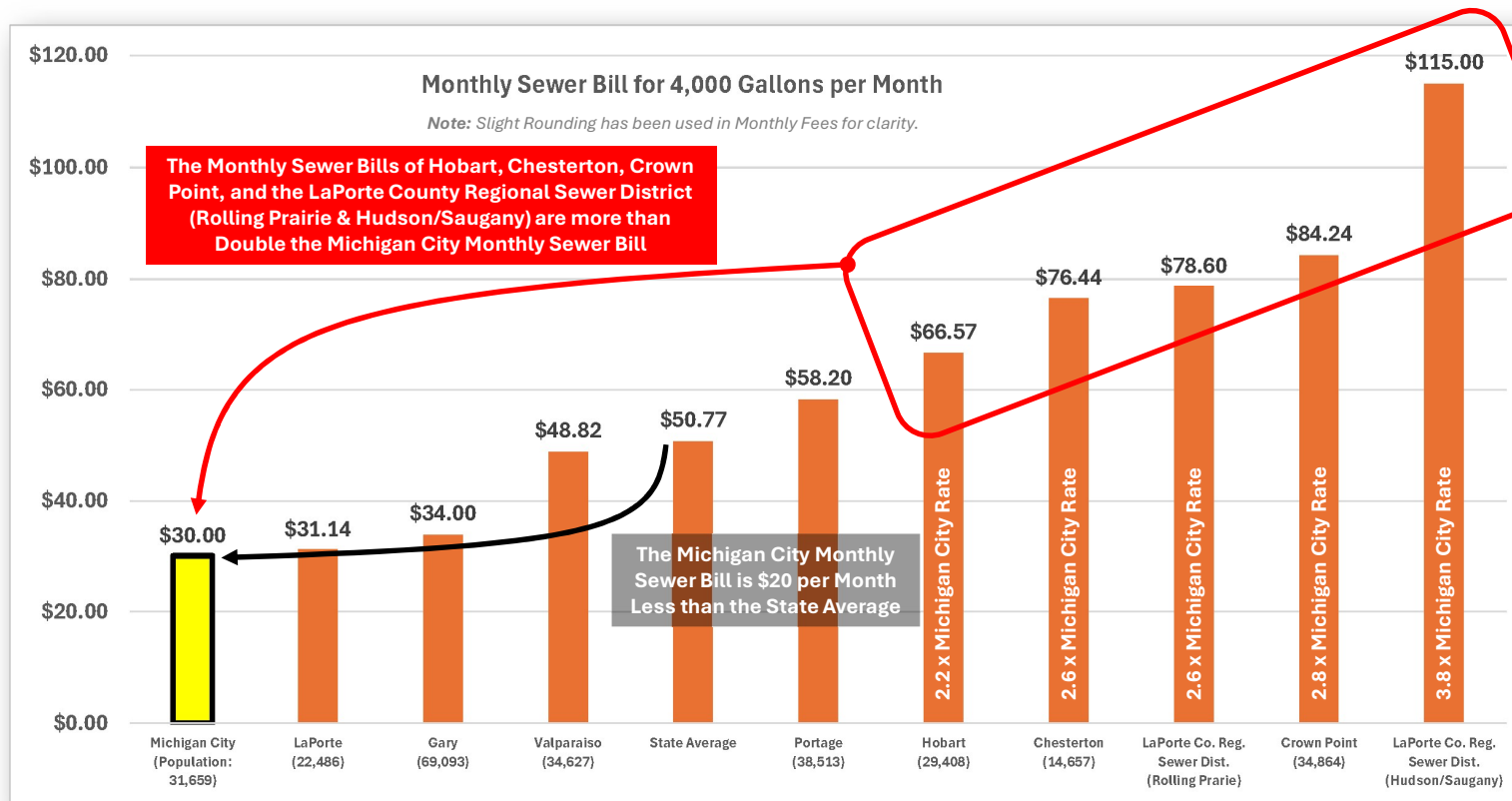


Michigan City Municipal Code Section 98-356. - Review and revision.

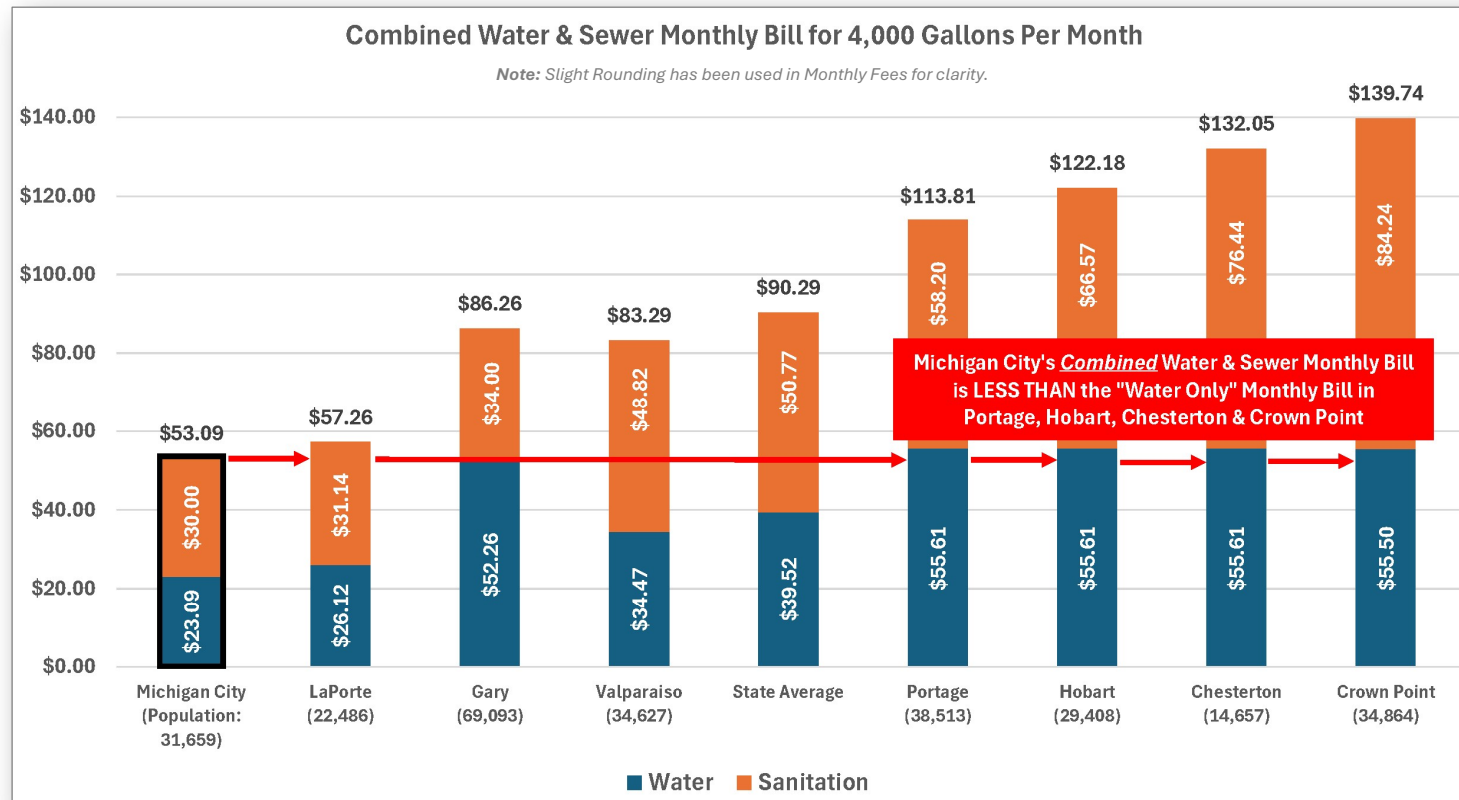
(a) The sanitary district of the city shall review, ***not less often than every two years***, the wastewater contribution of users and user classes, the total costs of operation and maintenance of the treatment

The 2024 – 2025 'Two-Year' Rate Review was started in the Fall of 2025 and has resulted in a Recommended Rate Plan to be Implemented in Two Phases

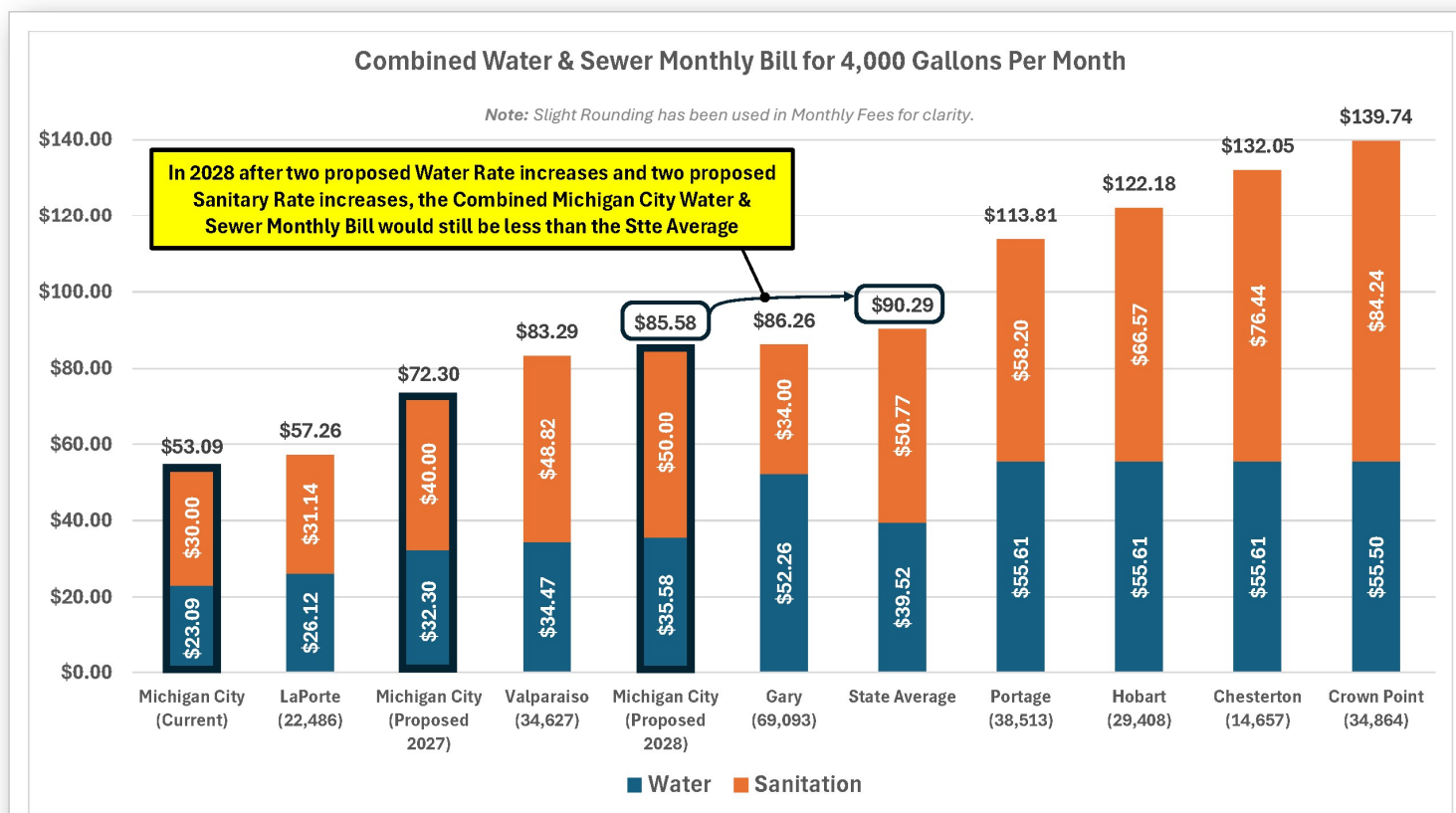
Context: Comparison of Current Michigan City Sewer Rates to Nearby Communities



Comparison of **Current** Combined Water & Sewer Rates to Nearby Communities



Comparison of **Proposed** Sewer & Water Rates to Nearby Communities



CUSTOMER BASE BY CATEGORY (RANKED BY REVENUE GENERATION)

	RESIDENTIAL (INSIDE MICHIGAN CITY)	COMMERCIAL	MUNICIPAL	MULTI- FAMILY	INDUSTRIAL	OTHER
ANNUAL REVENUE (\$8.2M)	42.8%	17.9%	17.0%	14.5%	5.3%	2.6%
ANNUAL USAGE (985 MG)	38.0%	21.7%	15.1%	17.7%	6.6%	0.9%
NO. CUSTOMERS (11,914)	83.4%	7.2%	0.9%	7.1%	0.7%	0.7%



**Are System
Development
Charges or
SDCs a new
idea?**

ANNUAL REVENUE FROM SYSTEM DEVELOPMENT CHARGES (SDC's): SUCCESS STORIES FROM INDIANA COMMUNITIES

NOTE: Data from Gateway Reports	FORTVILLE (20 Miles NE of Indy)	PORTAGE (20 Miles West of MC)	GREENFIELD (30 Miles East of Indy)	HUNTERTOWN (10 Miles North of Fort Wayne)	FISHERS (20 Miles NE of Indy)	WHITESTOWN (20 Miles NW of Indy)	
	2020	\$61,200	\$312,160	\$882,045	\$1,158,000	\$1,559,400	\$1,697,370
	2021	\$184,960	\$252,160	\$1,156,469	\$1,385,000	\$1,348,200	\$4,752,470
	2022	\$177,650	\$322,110	\$812,298	\$1,819,000	\$2,910,500	\$3,028,000
	2023	\$259,400	\$274,550	\$1,110,140	\$1,471,000	\$2,170,400	\$3,772,000
	2024	\$157,250	\$317,220	\$1,004,950	\$1,567,000	\$3,391,860	\$5,864,000
5-YEAR TOTAL REVENUE FROM SDC's:	\$840,460 (~\$170,000/YEAR)	\$1,478,200 (~\$300,000/YEAR)	\$4,965,902 (~\$1,000,000/YEAR)	\$7,400,000 (~\$1,500,000/YEAR)	\$11,380,360 (~\$2,300,000/YEAR)	\$19,113,840 (~\$3,800,000/YEAR)	

ANNUAL REVENUE FROM SYSTEM DEVELOPMENT CHARGES (SDC's): SUCCESS STORIES FROM INDIANA COMMUNITIES

NOTE: Data from Gateway Reports

	FORTVILLE	PORTAGE	GREENFIELD (10 Miles East)	HUNTERTOWN (10 Miles North)	FISHERS	WHITESTOWN (10 Miles NW of Indy)
			882,000			1,697,370
			150,000			4,752,470
			812,000			3,028,000
2023	\$259,400	\$274,550	\$1,110,140	\$1,471,000	\$2,170,400	\$3,772,000
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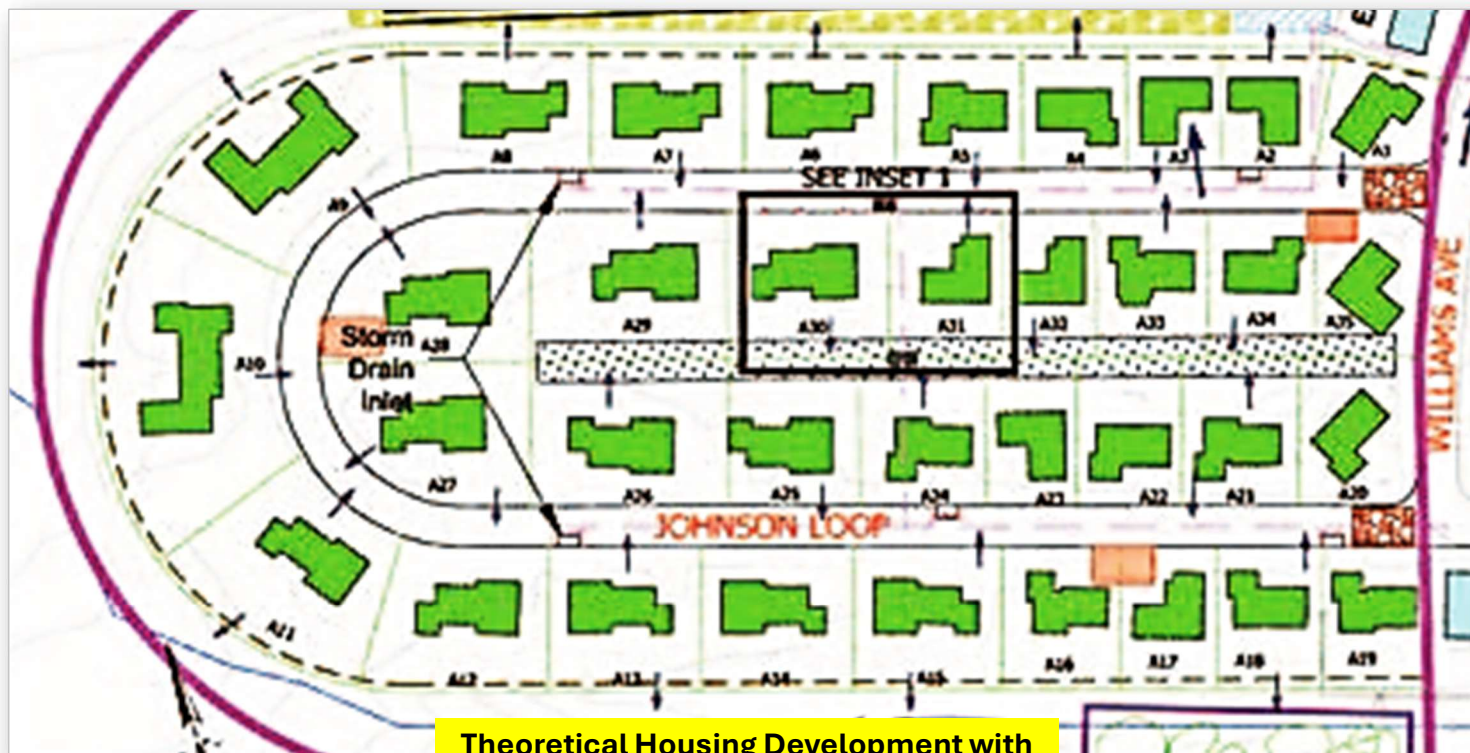
MICHIGAN CITY:

- **No System Development Charges**
- Funded **4 Minor Sewer Projects** via **\$9 Million Bond to be Paid Over a 20 Year Period**

WHITESTOWN:

- **\$16 Million WWTP Upgrade**
- **Currently Completing with Funding by Cash on Hand**
(with \$19 Million in the bank)

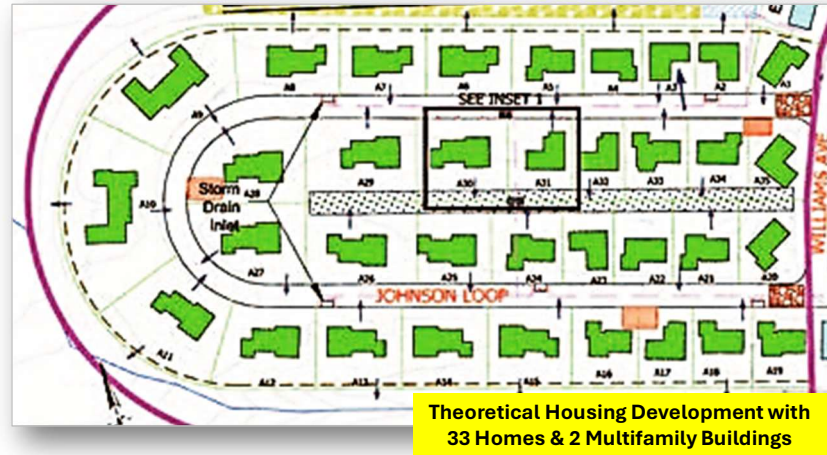
How Would System Development Charges Work?



Theoretical Housing Development with
33 Homes & 2 Multifamily Buildings

Image Source: EPA Publication 833-R-060-04

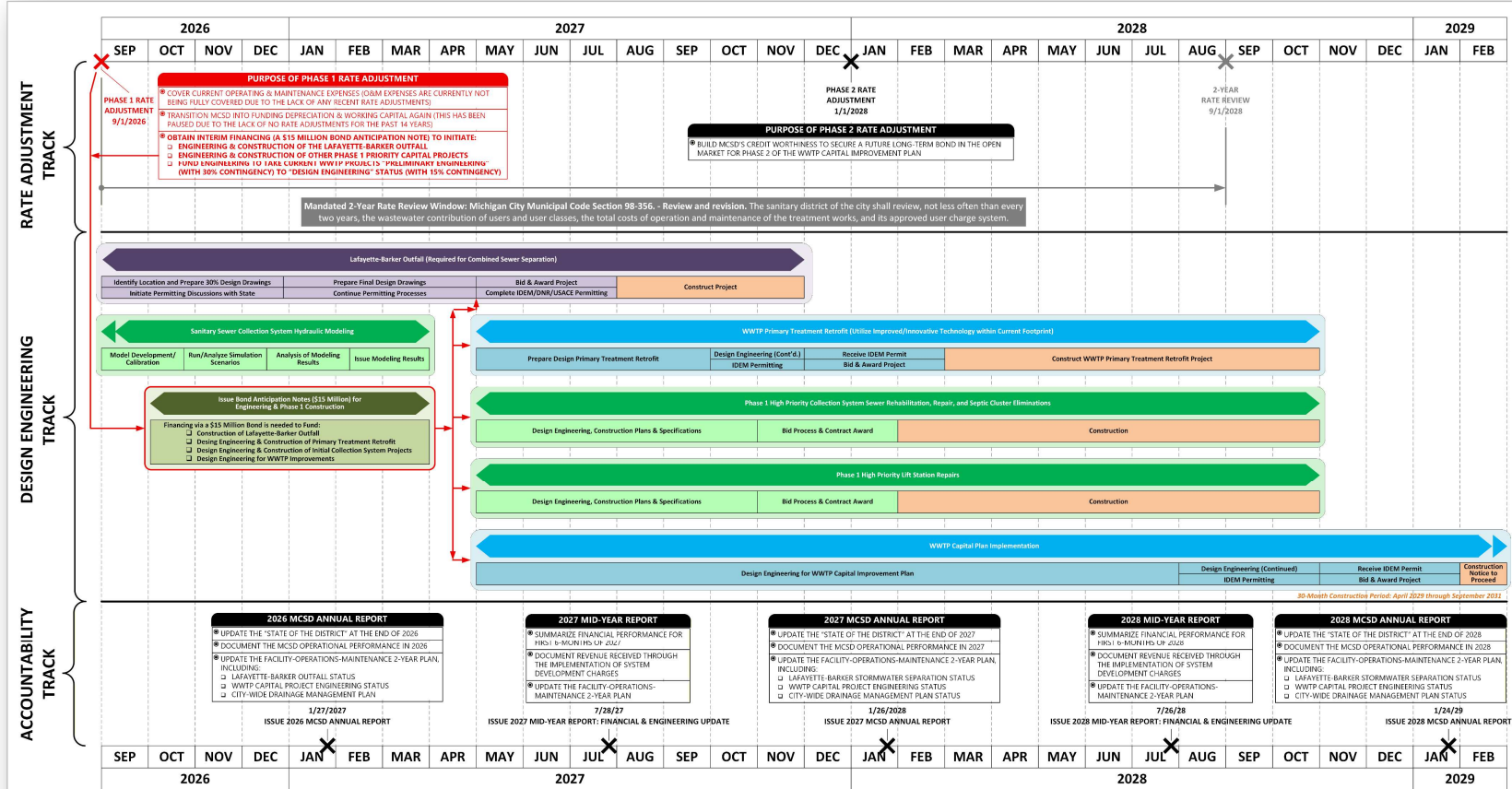
How Would System Development Charges Work?



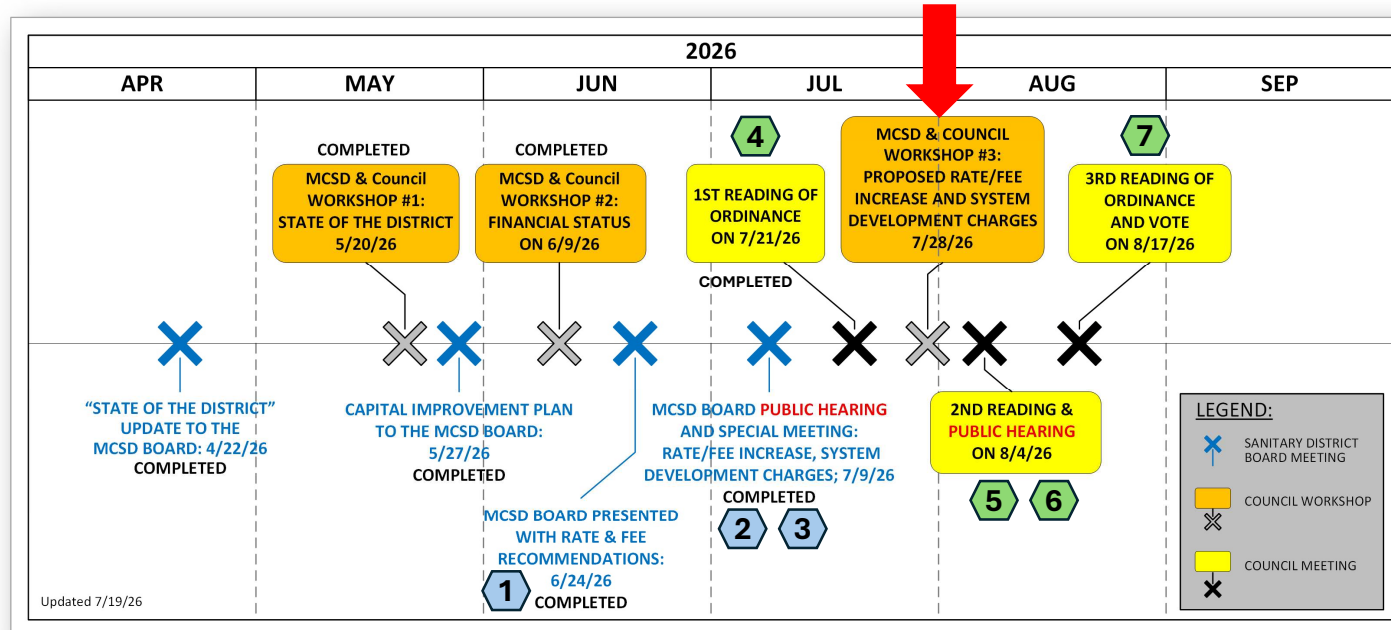
1. 33 Homes using a 5/8" Water Meter = \$3,000 SDC Charge
2. 2 Multi-Family Units using a 1" Meter Size = \$7,500 SDC Charge
3. $(33 \times \$3,000) + (2 \times \$7,500) = \$99,000 + \$15,000 = \$114,000$

TOTAL SYSTEM DEVELOPMENT CHARGE FOR THIS THEORETICAL DEVELOPMENT: \$114,000

SCHEDULE URGENCY – TIME IS OF THE ESSENCE: 30-MONTH RATE ADJUSTMENT/ENGINEERING/ACCOUNTABILITY SCHEDULE



WE ARE HERE: COUNCIL WORKSHOP ON 7/28/26



Workshop Topics will include updates on: The Sanitary District's Capital Improvement Plan, Funding Plan to Implement the Capital Improvement Plan, "Growth Pays for Growth" Strategy via System Development Charges, Proposed 2-Phase Rate Adjustment Recommendation

Introducing **THE MICHIGAN CITY UTILITY ASSISTANCE PROGRAM**



Investing in Infrastructure. Investing in Our Residents.

As we make the investments necessary to protect our water and sewer systems,
we're also making a commitment to the people we serve.

COMING TO THE COMMON COUNCIL

Michigan City Utility Assistance Program



Initial Investment:
UP TO
\$1 MILLION

Funded through **Project Maize** Economic Development Incentive (EDI) revenues, this program will help ensure residents facing financial hardship have access to essential water and sewer services while preserving the fund for future generations.



The Project Maize agreement provides annual EDI payments that support community investments and infrastructure.

WHY THIS MATTERS



HELP QUALIFYING FAMILIES

Maintain essential utility services during difficult times.



PROTECT SENIORS, VETERANS & RESIDENTS

Support those most vulnerable and experiencing financial hardship.



CREATE A LONG-TERM RESOURCE

Build a lasting fund that serves Michigan City for generations to come.



BALANCE INVESTMENT WITH COMPASSION

Invest in our infrastructure while showing compassion for our community.



NEXT STEPS

- ✓ Resolution will be presented at a Council meeting in July
- ✓ Initial funding of up to \$1 million
- ✓ Program to be established through the 2027 City Budget



OUR COMMITMENT

Kicking the can down the road **is not an option.**

We have a responsibility to invest in the infrastructure our community depends on—and just as importantly, to make sure residents have options when they need assistance.

RESPONSIBLE GOVERNMENT PLANS FOR BOTH.

VISIT CITY WEBSITE FOR INFORMATION AND COMMENTS

<https://michigancityin.gov/city-departments/sanitary-district/>

MICHIGAN CITY INDIANA

Government ▾ Departments ▾ Residents ▾ Business ▾ Calendar

Sanitary District

Financial State of the District Handout
A visual summary of the Michigan City Sanitary District's current financial condition, rate history, deferred maintenance challenges, proposed rate plan, and priority infrastructure projects.
[View Financial State Handout >](#)

Rate Plan Executive Summary
Review a concise overview of the proposed wastewater utility rate plan, including operating cost increases, phased rate adjustments, capital funding needs, system development charges, and long-term financial goals.
[View Rate Plan Summary >](#)

City Council Workshop #1
Explore the full presentation from Joint Workshop #1 between the Michigan City Sanitary District and Michigan City Common Council, covering service area, customer base, financial health, rate planning, affordability, growth strategies, and next steps.
[View Workshop Presentation >](#)

City Council Workshop #2
Explore the full presentation from Joint Workshop #2 between the Michigan City Sanitary District and Michigan City Common Council, covering service area, customer base, financial health, rate planning, affordability, growth strategies, and next steps.
[View Workshop Presentation >](#)

2-Year Work Plan
[View 2-year Work Plan >](#)

Proposed Rate & Fee Increase Resolution
[View Proposed Resolution >](#)

Public Comment Form

Share your comments, questions, or concerns regarding the proposed sewer rate adjustments and charges. Your feedback is important to the future of the Sanitary District.

[Submit Public Comment](#)

Impact of “Wet Weather” Flow: When it Rains, there is more Flow to the WWTP



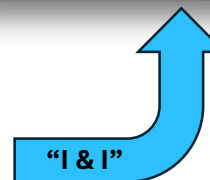
“Dry Weather” Conditions
(Dry Weather flow can Resume from 4 to 14 days after Rain Events)



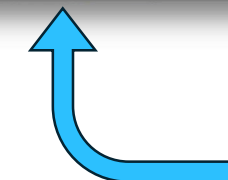
**About 6 Million
Gallons per Day**



“Wet Weather” Conditions
(Any Day with Measured Rainfall)



**Inflow & Infiltration
(During & After Rain)**



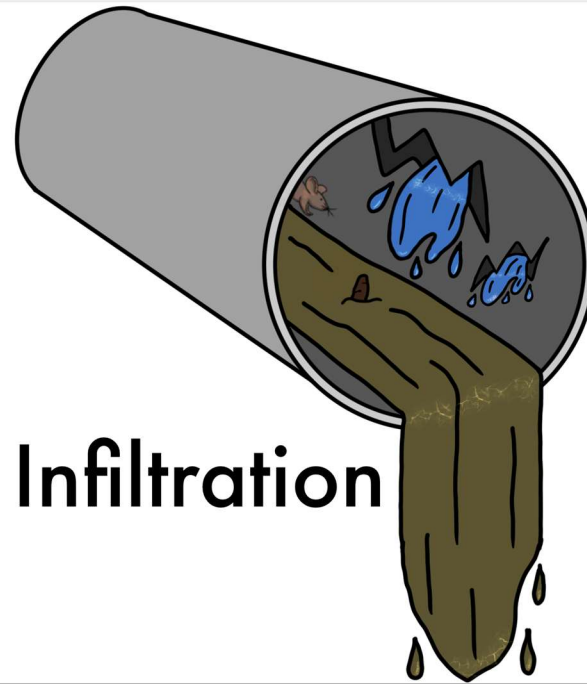
**Combined Sewer Flow
(During Rain)**

Impact of “Wet Weather” Flow: When it Rains, there is more Flow to the WWTP

What is “Inflow”?

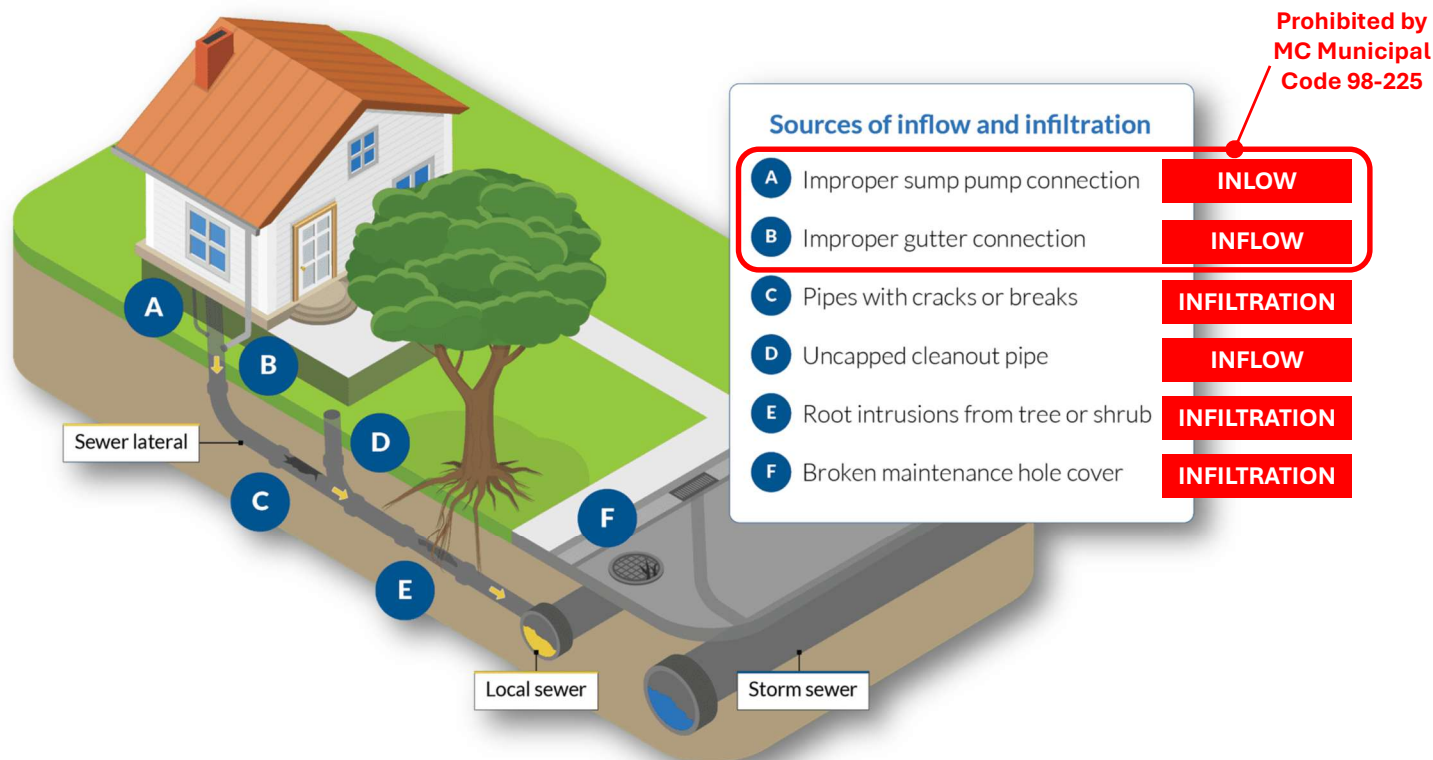


What is “Infiltration”?

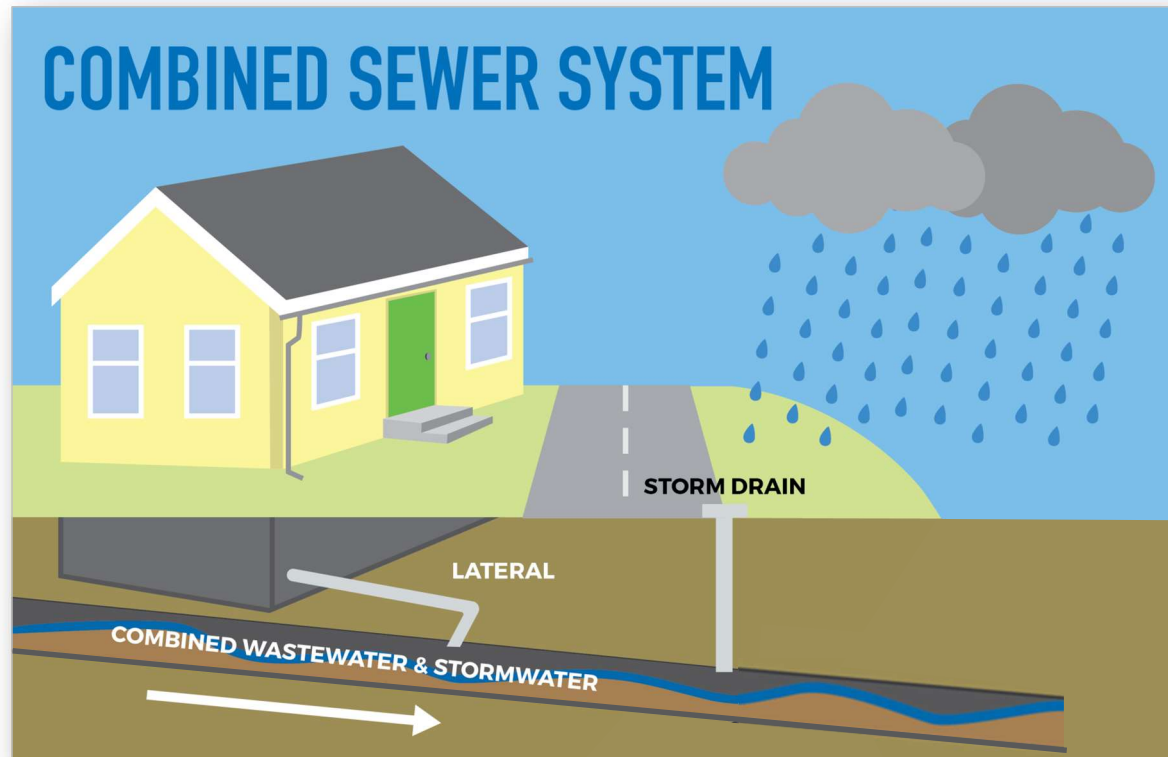


What is “Inflow”?

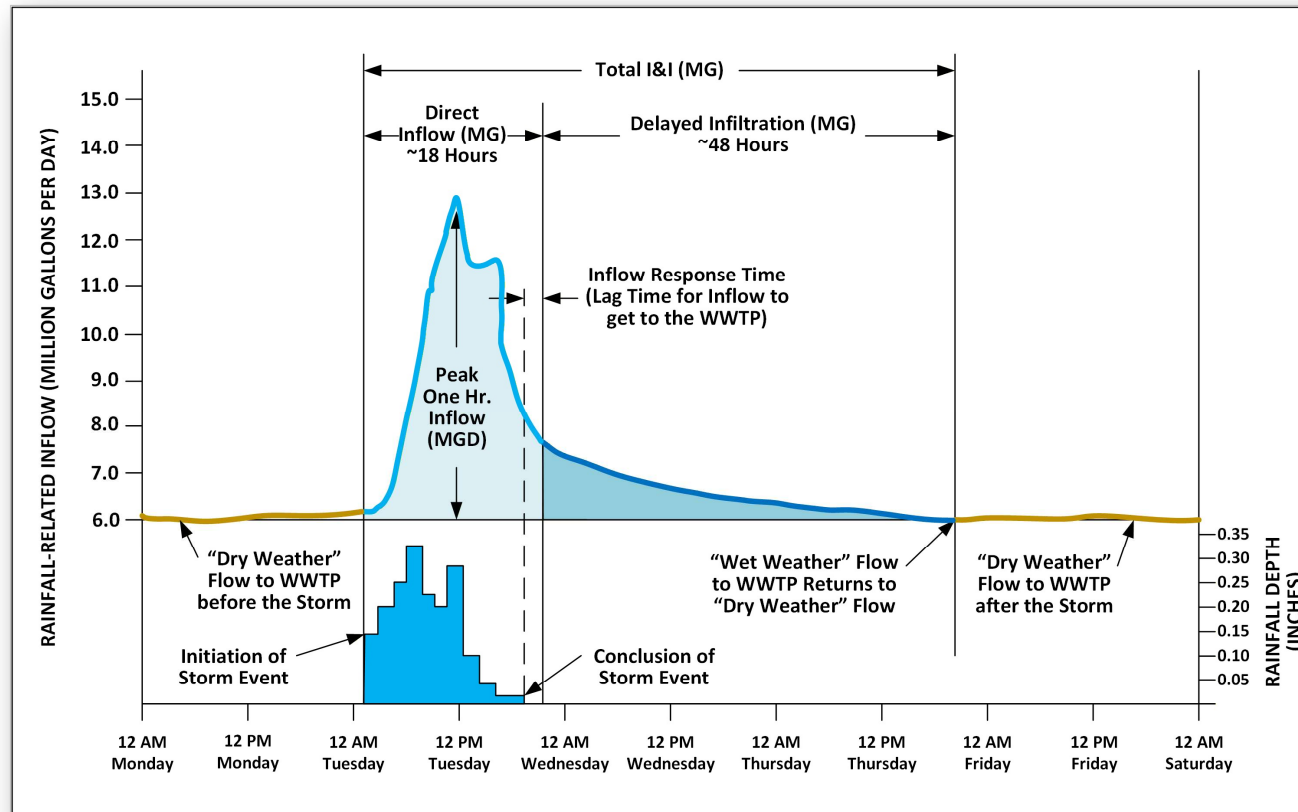
What is “Infiltration”?



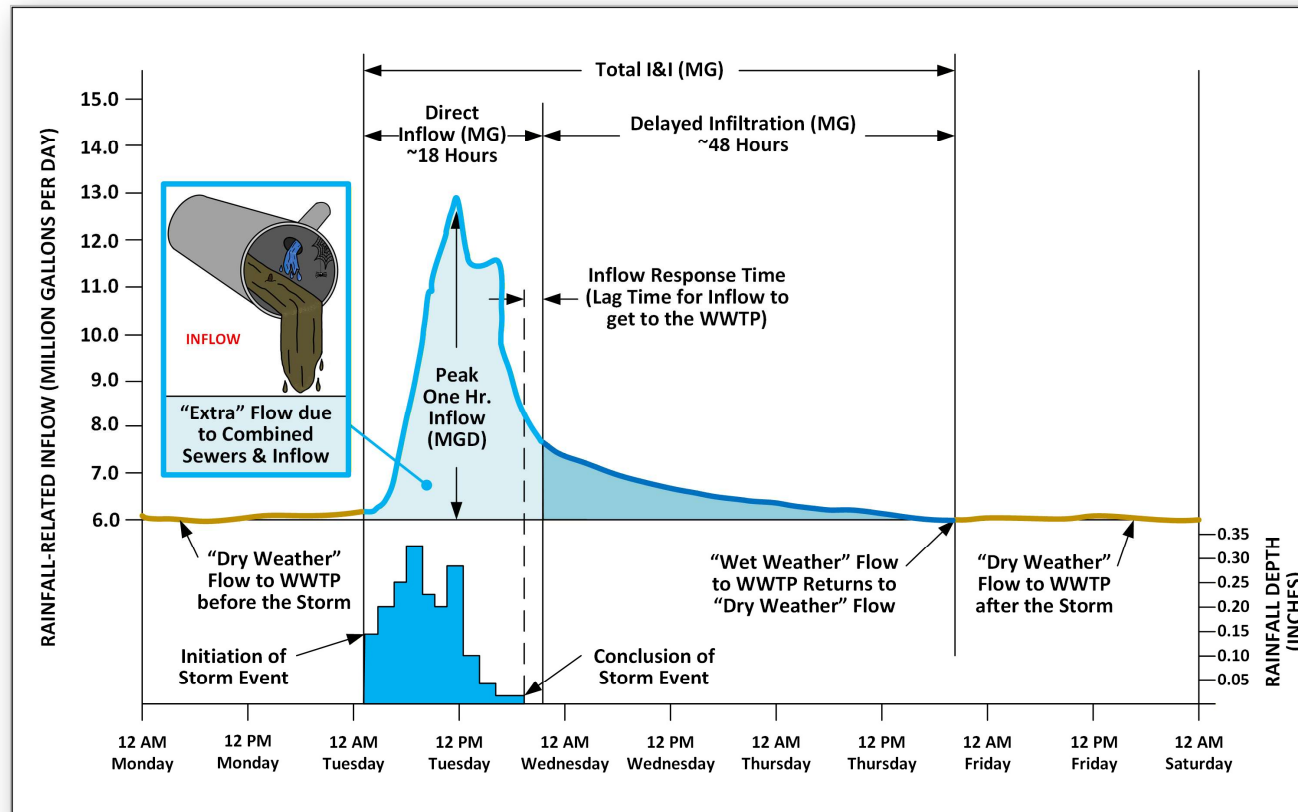
**“Wet Weather” Flow: When it Rains, there is more Flow to the WWTP
How do “Combined Sewers” Work?**



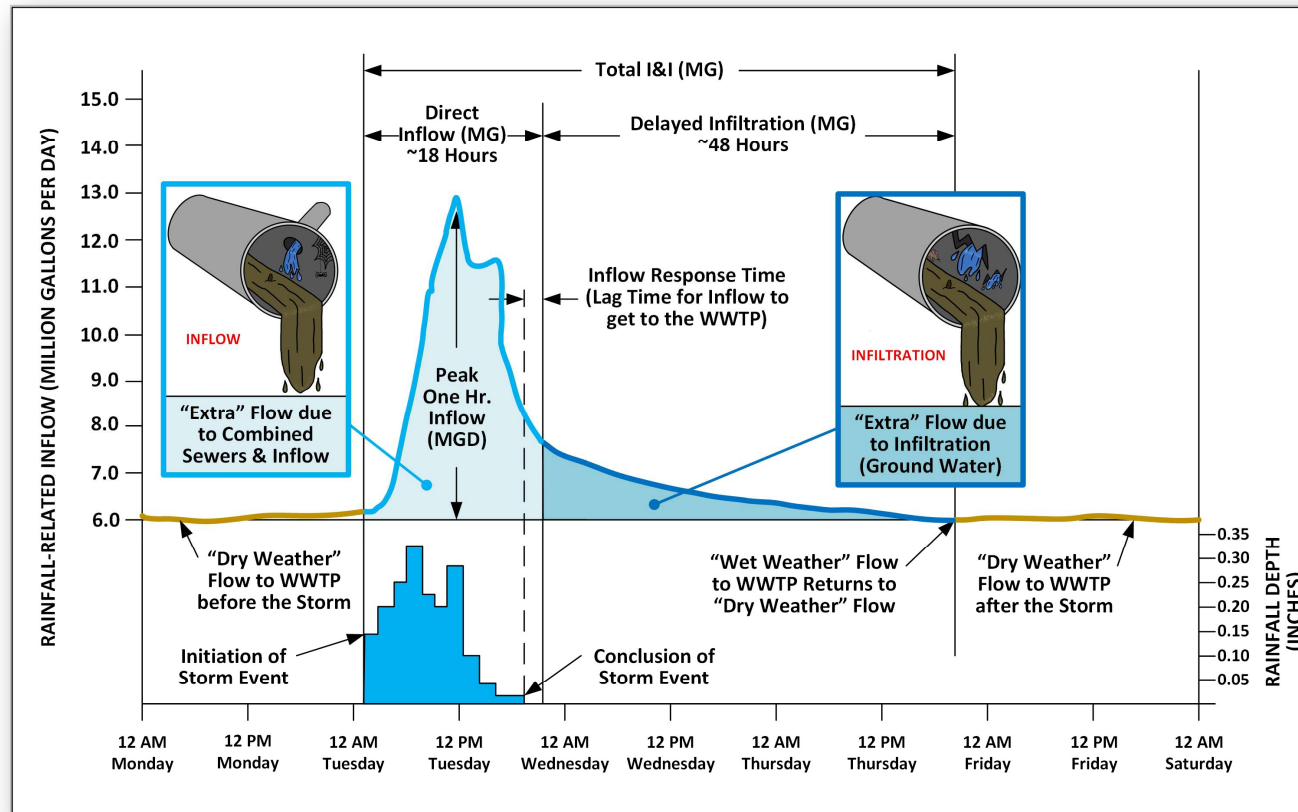
“Wet Weather” Flow: When it Rains, there is more Flow to the WWTP



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“Wet Weather” Flow: When it Rains, there is more Flow to the WWTP



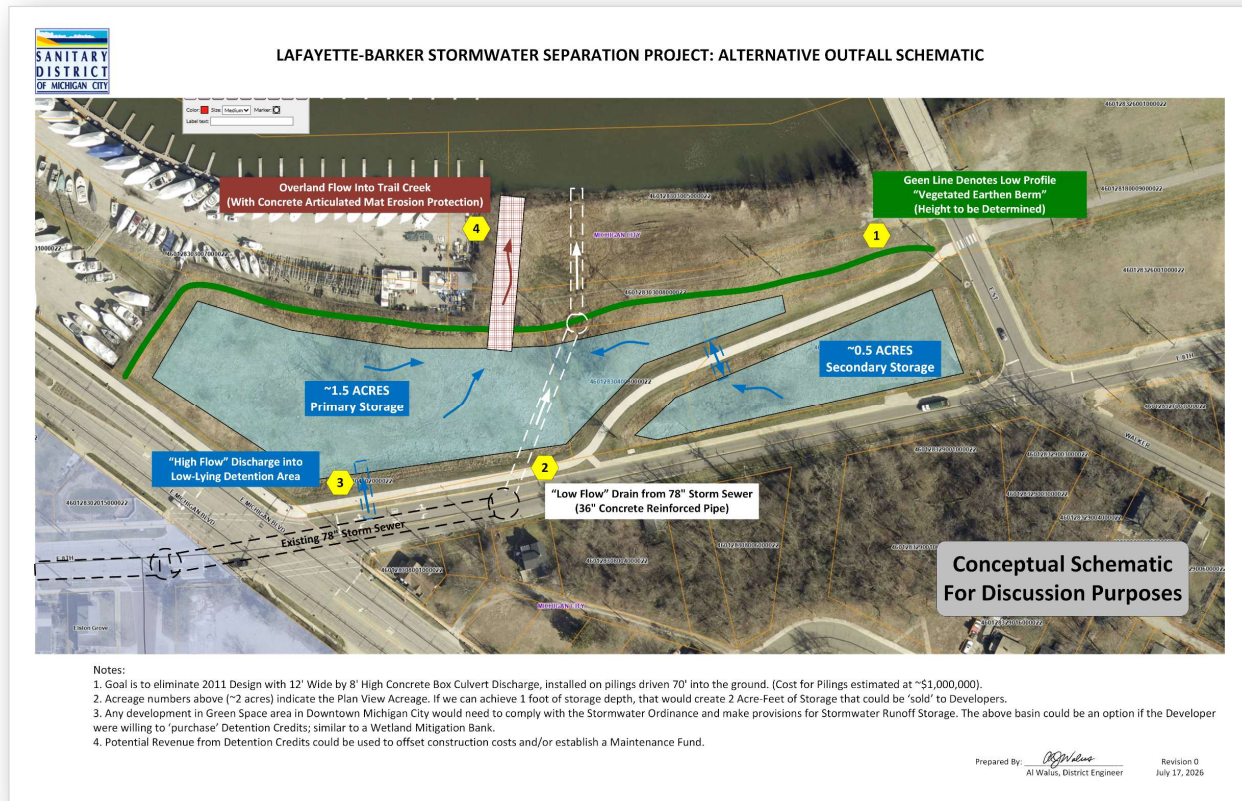
“Wet Weather” Flow: When it Rains, there is more Flow to the WWTP
Calculating the Cost Impact of “Wet Weather”

EXPENSE CATEGORY	TYPE	IS THIS COST/EXPENSE IMPACTED BY ADDITIONAL “WET WEATHER” FLOW?
SALARIES AND WAGES	FIXED	NO
EMPLOYEE BENEFITS	FIXED	NO
OFFICE SUPPLIES	FIXED	NO
OPERATING SUPPLIES	VARIABLE	YES
CHEMICALS	VARIABLE	YES
REPAIRS AND MAINTENANCE	VARIABLE	YES
PROFESSIONAL SERVICES	FIXED	NO
COMMUNICATION & TRANSPORTATION	FIXED	NO
WORKERS COMPENSATION	FIXED	NO
UTILITY BILLS	VARIABLE	YES
OTHER EXPENSES	VARIABLE	YES

**“Wet Weather” Flow: When it Rains, there is more Flow to the WWTP
Calculating the Cost Impact of “Wet Weather”**

EQUIVALENT DRY WEATHER FLOW IN 2024 “Dry Weather” Flow of 6 Million Gallons per Day times 365 Days	TOTAL FLOW TO THE WWTP IN 2024 Including All “Wet Weather” Flow (Largest One Day Flow was 13,620,000 Million Gallons)	ADDITIONAL FLOW TREATED IN 2024	COST TO TREAT ADDITIONAL FLOW IN 2024 Variable Cost to Treat Additional Flow at \$0.0005 per Gallon Treated
2.19 Billion Gallons	2.88 Billion Gallons	.69 Billion Gallons (or 690 Million Gallons; 32% more Additional Flow)	\$345,000 per Year

Impact of “Wet Weather” Flow: When it Rains, there is more Flow to the WWTP Updated Plan for Lafayette-Barker Outfall



SANITARY SEWERS

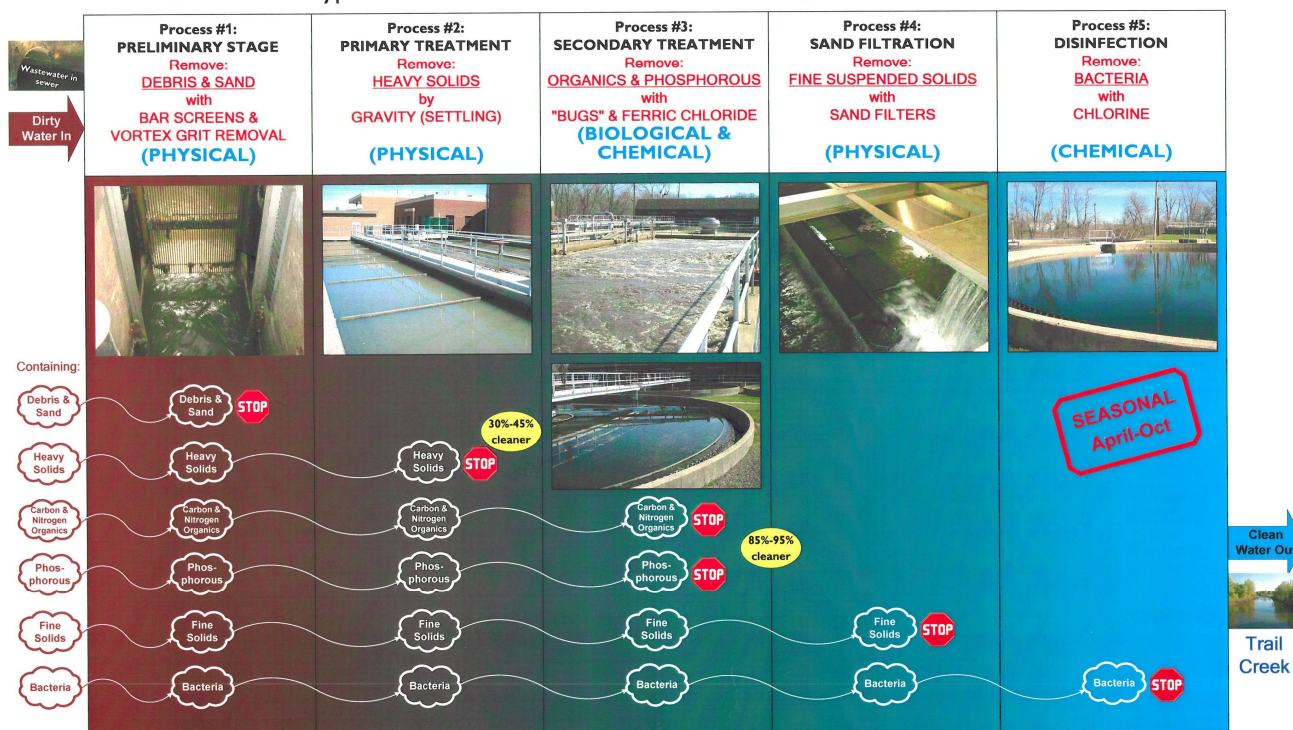
WASTEWATER TREATMENT
PLANT

SUCCESSION PLANNING

REFUSE SERVICE

Summary of Wastewater Flow through the J.B. Gifford Wastewater Treatment Plant

There are three types of waste removal methods: **PHYSICAL, BIOLOGICAL & CHEMICAL**



SANITARY SEWERS

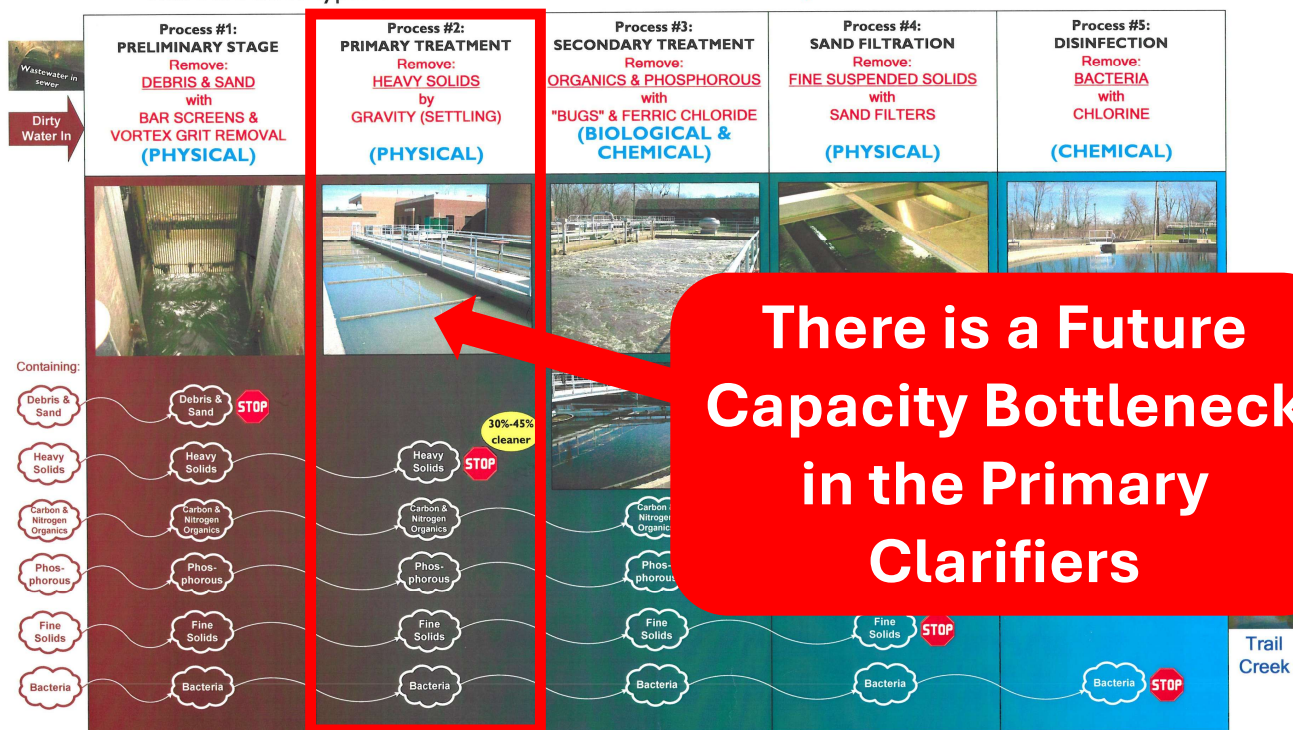
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SANITARY SEWERS

WASTEWATER TREATMENT
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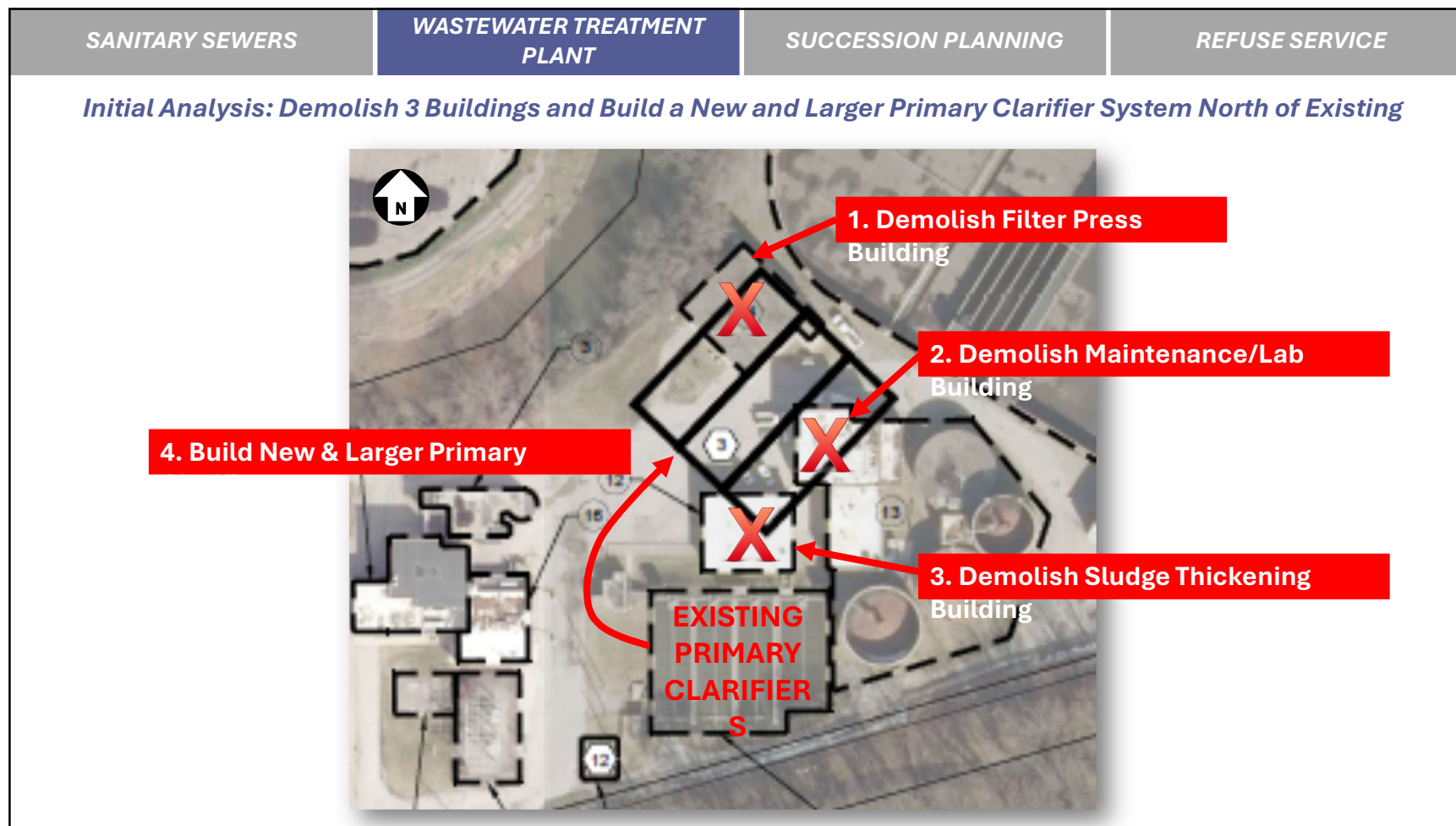
A Slide from Mayor Angie's Recent "State of the City" Presentation...

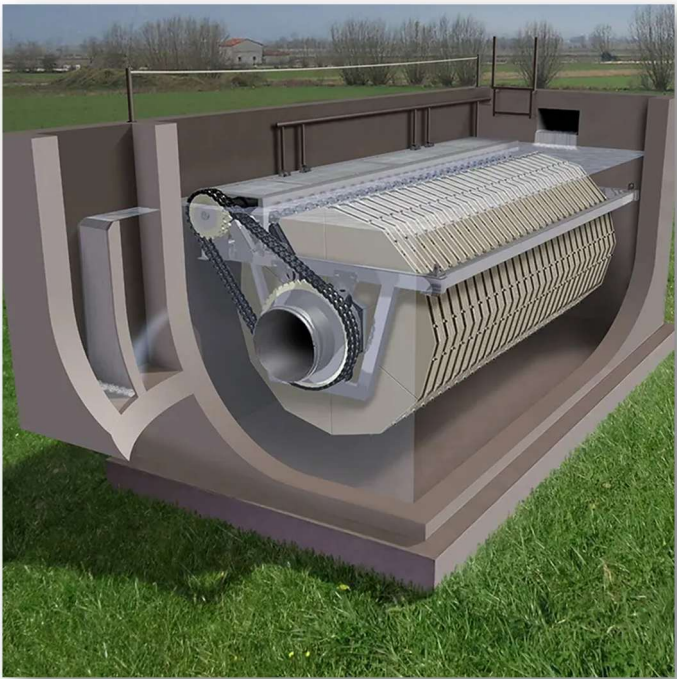
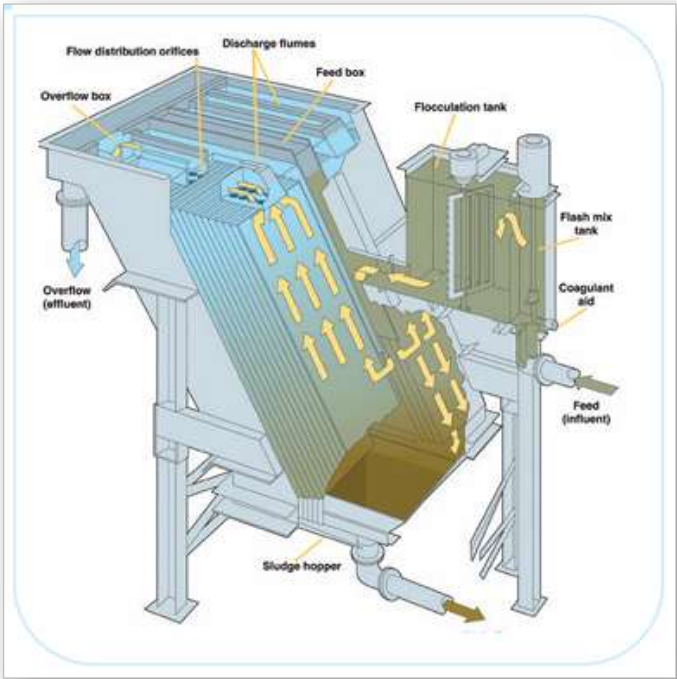
More Housing Moving Forward

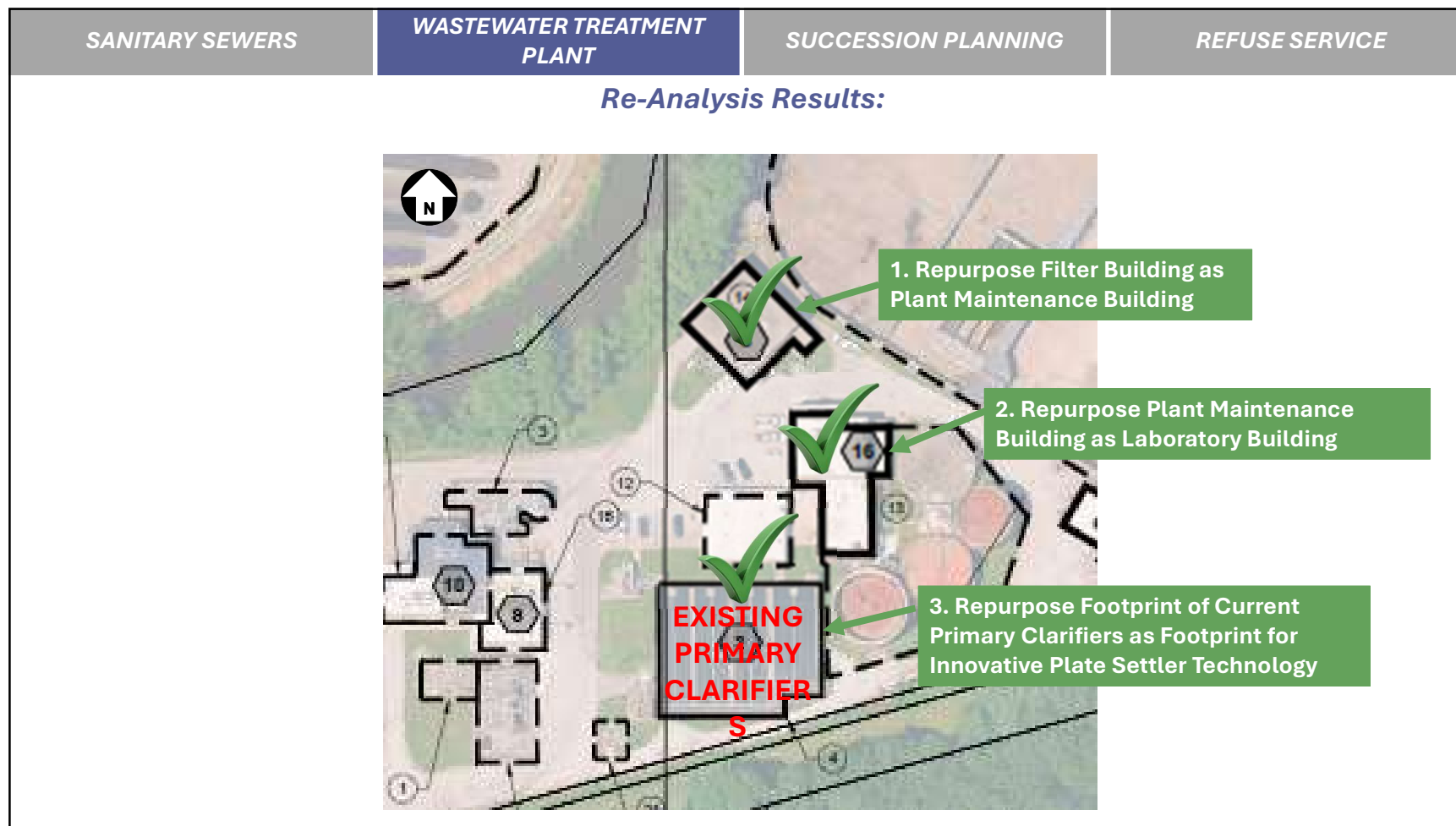


2,000 units under construction/permitted over 5 years





SANITARY SEWERS	WASTEWATER TREATMENT PLANT	SUCCESSION PLANNING	REFUSE SERVICE
Re-Analysis: Consider Innovative Primary Clarification Technology – 2 Options that have much Smaller Footprints			
Cloth Media		Plate Settler	
			



SANITARY SEWERS	WASTEWATER TREATMENT PLANT	SUCCESSION PLANNING	REFUSE SERVICE
Based on the Pilot Test Results, the Capacity Bottleneck in Primary Treatment can be Solved Using a Smaller Footprint than Simply Expanding the 1930's Technology. This will Eliminate the need for a Brand-New Plant Maintenance Building and a Brand-New Laboratory Building. Instead, a Building that Houses Equipment to be Decommissioned can be Repurposed and the Cost Savings are as Follows:			
ELIMINATE CAPACITY BOTTLENECK USING 1930'S TECHNOLOGY		ELIMINATE CAPACITY BOTTLENECK USING INNOVATIVE TECHNOLOGY	
New Building to Relocate Plant Maintenance Staff	\$2,254,000	Repurpose Existing Bldg. for Plant Maintenance Staff	\$1,000,000
New Building to Relocate Plant Laboratory Staff	\$2,728,000	Repurpose Existing Bldg. for Plant Laboratory Staff	\$1,000,000
New Primary Clarifiers	\$4,489,000	New Primary Clarification Technology	\$2,000,000
	Total: \$9,471,000	58% Less Cost Using Innovative Technology	Total: \$4,000,000
		Savings:	\$5,471,000
Over \$5 Million Saved by Considering Innovative Technology			



JOINT WORKSHOP #3:

Proposed Rate/Fee Increase and System Development Charges Discussion

**MICHIGAN CITY SANITARY DISTRICT
and the
MICHIGAN CITY COMMON COUNCIL**

July 28, 2026