

The Plain Truth

About Your Water Conservancy District

The Town of Battle Ground operated a water system in the town beginning with the construction of the old tower in the 1920's. The system covered the historic part of town. The Battle Ground Conservancy District (BGCD) was established by order of the Tippecanoe County Circuit Court on November 18, 1977 and was originally completely within town boundaries and was managed by the Town Council. During the 1970's and into the early 1980's, the town's oversight and operation of the water system was found to be operationally substandard. By order of the Tippecanoe County Circuit Court in 1985, the operation and maintenance of the water system was removed from the oversight of the Battle Ground Town Council and placed under the guidance of a new, independent body (the Battle Ground Conservancy District) in accordance with the Indiana Conservancy Act. All respective land assets were intended to be transferred to the BGCD.

This is important background information in light of the considerable misinformation that has been anonymously circulated and posted to the internet regarding BGCD operations, ethical behavior, and system water quality. These published statements are false and/or misleading and have similarities in tone and content to a petition against the lease financing agreement for the tower project. In September 2018, the Indiana Department of Local Governance Finance conducted a public hearing in Tippecanoe Township Fire Station to review merits of the petition against lease financing; the DLGF ruled in favor of the BGCD. There has since ensued focused effort to impede the BGCD.

To address misinformation and inform our constituents, the BGCD board presents

- 1) a summary of responses to the points in the anonymous circulating petition; and
- 2) a set of comprehensive answers for further clarification.

Anonymous Accusations	The Truth is.....
1. “Lack of water pressure and water quality throughout Town”	Water mains throughout the BGCD deliver 40-60 psi, but individual home plumbing influences water pressure. Required water main flushing can temporarily increase iron content that is typical of Teays River aquifer. BGCD publicizes this flushing. Daily water testing is done to ensure water quality.
2. “Unsafe fire flows from 4” mains in 16% of Town”	The Tippecanoe Township Volunteer Fire Department confirms safe fire flows.
3. “Annual boil orders with no notification to restaurants”	There is no such thing as an “annual boil order.” Restaurants are notified; emergency alert notification process is available.
4. “Lack of functionality at 33% of wells”	All three wells are fully functional.
5. “Lead connections and out of date infrastructure”	The Indiana Department of Environmental Management approves BGCD’s sampling plan for lead and copper. Water quality exceeds all state and federal water quality standards.
6. “Fiscally irresponsible financing of \$1.3M water tower with 10% floating interest rate, costing an additional \$400,000+ in interest”	The current interest rate is 3.63% and is for more than the tower (150,000 gallon tower, a new generator, new tower level and well controls, upgraded electrical systems, and old tower demolition). Know the Facts document (on the BGCD website) transparently describes all options.
7. “20+ year delay to replace the old water tower”	Tower replacement has been in the long range plan. Active planning began in 2014 with design research with IDEM concurrence.
8. “Disregard for a plan to tear down the old water tower”	Build contract includes demolition as well as site recovery.
9. “Inappropriate election practices”	Elections are held during the annual meeting per Indiana Code 14-33-5-4.6 and are advertised by a legal ad in the paper, on signage, and on the website. All annual/monthly meetings are open and posted.
10. “Unnecessary and wasteful Water Conservancy Board”	The salary expense for the BGCD board is less than \$9000 per year. It would be far more costly for the Town of Battle Ground to provide the same level of knowledge and experience. The town has no employees with water expertise; even if the town hires a “Town Manager” it is unlikely that person would have the necessary certification and experience to meet IDEM requirements for a certified water operator.
11. “Lack of a master plan and associated rate study (built around the master plan)”	BGCD has a five-year plan and sets rates based on this plan. Rates are reviewed by independent consultants.
12. “Excessive rate and tax increases with no true plan or value add”	Only a portion of your monthly utility bill is for water. Utility rates increased five times in 10 years (four increases were from the Town Council for sewage and storm water and one was from BGCD in 2016). BGCD water rate increases are only done after recommendation by an independent financial consulting company.
13. “Inconsistent billing across neighborhoods”	Users within the district pay property tax and rates based on a common schedule. Users outside the district, such as Prophetstown State Park are charged 150% water rate to compensate.

1. “Lack of water pressure and water quality throughout Town”

Water pressure in the water mains is frequently assessed throughout the BGCD and was recently confirmed ([May 22nd Special Meeting held on Tomahawk Lane](#)) to be 45 psi in historical Battle Ground. Of note, system-wide water pressure is a function of the height and fill of the water tower. The new tower will be higher and will increase water pressure in this neighborhood by about 8 psi.

Some homes demonstrate less pressure or rate of flow when drawing water through lines inside the house. In fact, this “draw pressure” was found to be as low as 5.5 psi at one residence, which is far too low for many appliances to function properly (most appliances require 20 - 40 psi). Water pressure inside your home is affected by your individual plumbing. Indiana Administrative Code places responsibility on each property owner for water service lines from the main to their home (327 IAC 8-10-1 Sec 1. (10-12)). The BGCD owns and is responsible for the water main up to the customer property. Your BGCD directors and Water Superintendent are committed to quickly responding to problems and identifying solutions for customers who have said their residential water pressure is a concern. If you are experiencing low draw pressure, please let your Water Superintendent or your BGCD directors know; we would welcome the opportunity to assist. Your lines may need to be flushed free of sediment if they have been idle or if there have been any nearby repairs. Your Water Superintendent would be able to make a targeted service recommendation based on his experience troubleshooting these issues.

The primary complaint regarding water quality is its iron content that causes discoloration. This is a function of the water source—the Teays River underground aquifer. Water mains are flushed every six months to help clean the water mains. Because the flushing process can dislodge iron collected inside the main pipes, the BGCD publicizes when the flushing process will be conducted to make customers aware that they may see a temporary increase in iron content. Construction and repairs may also cause temporary discoloration, which is also alleviated by flushing. The [Consumer Confidence Report](#), which demonstrates the compliance of the water provided, is mailed out to all customers and can also be found on the BGCD website.

2. “Unsafe fire flows from 4” mains in 16% of Town”

The local fire department confirms that the BGCD water system is quite adequate for fire needs. Long range plans include upgrades to the 4” mains found in historic Battle Ground. The older 4” mains have been supplemented with projects over the years but not totally replaced due to the cost and disruption of service it would require. The current concept for Battle Ground includes laying a new “backbone” of 8” main on Main Street, Winans and Prophets Rock Road, providing impact with least disruption. New hydrants located on the upsized main will serve side streets with greater capacity and pressure. This was slated to begin in 2020, however the delay of the tower replacement, which precedes the water main replacement, makes the likely plan horizon 2022 or later.

Furthermore, contrary to misinformation that is circulating, the town of Battle Ground does not have any broken fire hydrants. If one does break, it is repaired expediently.

3. “Annual boil orders with no notification to restaurants”

There is no such thing as an “annual boil order.” Boil orders are a rare occurrence and only issued in response to a cause (such as a power failure or an accident) that results in too low pressure or a potential for contamination. Boil orders are immediately publicized via television and radio public service announcement and web site posting. We also have an Emergency Alert system that will inform individuals immediately of boil orders, planned hydrant flushing, and construction that may affect service. Furthermore, in addition to sending a message via the Emergency Alert system and contacting the media outlets, all local restaurants that would be affected by the boil order are called. All customers are encouraged to sign up for alerts (text and email alerts available). This information is shared as much as possible on mailings, including on the back of your monthly bill. You may sign up for alerts on the BGCD website:

<https://water.battleground.in.gov/home>

Or on the Town of Battle Ground website:

<https://battleground.in.gov/2017/04/09/battle-ground-emergency-alert-service/>

4. “Lack of functionality at 33% of wells”

All three wells are and have been operable. The well north of CR 600 is used less than the two wells in historical Battle Ground because its water contains one-half point (0.5) more iron which requires slightly more chemical additive, therefore not used as often as a cost saving measure. The well is operational at any time, and is used most frequently when the system has increased demand such as the summer months.

5. “Lead connections and out of date infrastructure”

Lead connections are a concern in many communities; virtually all older water systems contain some lead connections. The BGCD system does contain some lead fittings because of the system’s age. Communities that have an actionable issue with their lead levels are immediately identified by IDEM and the EPA because it is highly regulated.

Testing for copper and lead content is conducted from water samples taken inside residences that have been determined to be at the highest risk for these heavy metals due to their older infrastructure and potential for lead fittings. The criteria for the sampling plan as well as for the test method itself is defined. The Indiana Department of Environmental Management has approved of the BGCD’s sampling plan for lead and copper, and our **water quality exceeds all state and federal water quality standards.**

The potential for lead to leach from these old connections is mitigated chemically. The BGCD uses phosphate additives in the water supply for corrosion control. This chemical applies a thin coating that covers any exposed lead fitting inside the lines and prevents leaching to the water. Testing at multiple sites on the system is reported to IDEM and is below the action level set by IDEM as well as the Environmental Protection Agency. The lead fittings are replaced as they are found during maintenance of the system to maintain steady progress toward the goal of lead-free components.

6. “Fiscally irresponsible financing of \$1.3M water tower with 10% floating interest rate, costing an additional \$400,000+ in interest”

The Indiana Department of Local Government Finance reviewed the \$1.25M project lease-purchase financing terms, and determined them to be fiscally responsible compared to

other options. An independent consultant reviewed financing options and also showed the lease to be a sound financial decision. The current borrowing interest rate for the project is 3.63%. It has been suggested that the tower could have been financed other ways (namely through state revolving funds) to save money. Options were researched and found lacking; please refer to the document titled, "[Know the Facts](#)," which can be found on the BGCD website. There is *no prepayment penalty* if lower cost financing would be available *at any time* during the term of the loan.

The lease project was developed with a \$1.25 million budget target. The project developer was prepared to cover all costs until the lease could be finalized and funds dispersed at a closing. The agreement was that if for any reason the developer was not selected to finish the project, or did not use lease financing, the BGCD would reimburse all expenses. Due to a taxpayer petition and the schedule interruption it caused, expenses were greater than anticipated (such as attorney fees and delay of construction bids) and not all the original project elements were able to be implemented. One generator, some new well controls and some electrical upgrades had to be postponed. The lease amount was sufficient to upsize the tower by 50,000 gallons, to help provide for future system growth.

When the petition stopped the progress of design and bid, the BGCD board decided to use an existing general services agreement with the project engineering firm to expedite tower design. Expense for initial design was paid from funds already budgeted for capital projects. The Conservancy Board did not accept reimbursement for the design plans to avoid increasing the loan amount and associated interest charges.

7. "20+ year delay to replace the old water tower"

The BGCD began financial planning for the tower years ago and formally researching building plans about 5 years ago in collaboration with IDEM's formal report that the old 1927 tower structure was becoming deficient.

There was a court determination and subsequent agreements concerning the transfer of assets when the Battleground Water Conservancy District (BGCD) was first created in 1977. Unfortunately, the transfer of land assets to the BGCD was never formalized, as it should have been decades ago. The request for access to the new tower site at the well fields was first

presented in 2016 and then again formally to the entire Town Council in January 2017, but the council deferred a decision and so an alternative location for the tower was researched by the BGCD. This alternative land parcel had use restrictions so that location was abandoned. The Indiana Department of Environmental Management requires the BGCD to be in control of the land that supports water system components. In March 2018 the BGCD sent a formal request to the Town Council's attorney to work toward resolving the wellfield land ownership and facilitate advancing the tower project at the same time. In early June 2018 the BGCD board presented documents via the Town Council's attorney to allow occupancy for the purpose of tower construction. The transfer was finally signed by the council in December of 2018. The lack of cooperation in transferring assets resulted in increased expenses to the water utility and ultimately, Conservancy members.

8. “Disregard for a plan to tear down the old water tower”

The contract to build the new tower includes the demolition and site recovery of the old tower. After demolition the location will be returned to normal grade.

9. “Inappropriate election practices”

The election process is defined in statute and the court order which in 1984 established the Conservancy to be independent of the Battle Ground Town Council. (IC 14-33-5(4-6))

The BGCD is owned by the “freeholders” (property owners) within the District, and as such any freeholder may run for a seat on the board. Elections for available terms occur prior to February 1 at the advertised Annual Meeting of the membership. This meeting is usually held just prior to the regular monthly meeting in January so the newly elected officers can join the board at the first meeting.

Meetings are advertised in the paper, on signage, as well as on the website. The BGCD holds monthly meetings that are open to the public; only on very rare occasions are meeting times adjusted to accommodate a regulatory deadline or in order to have the required quorum available. These rare adjustments are appropriately advertised.

10. “Unnecessary and wasteful Water Conservancy Board”

The idea that this board is expensive and wasteful is difficult to comprehend. The cost of the BGCD board is minimal. Per IC 14-33-5-16, BGCD board members receive \$100 per called meeting, *if they are in attendance*. BGCD board compensation in 2018 was less than \$9,000 for the year. Most board members give considerable effort to board considerations outside board meetings and consider the time and effort as a means to serve the community. Directors were paid nothing prior to 2007; between 2007 and 2012 directors were paid \$50 per attended meeting. For salaries provided to members of the Town Council, please refer to town salary ordinance ([18-574](#)), showing salary range \$3600 – 4400 per member or a total of \$19,200 in council compensation. The ordinance also shows a salary for a new, yet to be filled Town Manager position possibly costing up to \$90K including benefits ([please refer to Town Council meeting minutes for 7.31.18](#)).

On August 27, 2018, the Battle Ground Town Council passed resolution [18-92](#) to pay for legal expenses to investigate processes for forcing the dissolution of the BGCD. The cost to the Battle Ground constituency is estimated to be \$25,000—2.5 times the annual compensation of BGCD directors, a board which provides considerable collective expertise. That amount used as a match for an INDOT Community Crossing Grant application could have purchased \$100,000 in road repairs around town.

11. “Lack of a master plan and associated rate study (built around the master plan)”

A water rate study which incorporated a then-current five year plan was completed by Baker Tilley municipal advisors in 2018 with revisions in April of 2019. The final study does address five year operating and improvement needs. In response, a recent water rate adjustment will provide funds for that plan and beyond.

12. “Excessive rate and tax increases with no true plan or value add”

Please remember that your utility bill reflects water, wastewater, and storm water fees; your “water” bill from the BGCD is only a portion of your total monthly utility bill. This is a far too common misunderstanding. It is true utility fees have increased five times in the last 10 years; however, four of the increases were enacted by the Battle Ground Town Council: three

increases in the sewage rate (2009, 2010 and 2012), and the addition of the storm water utility in 2018. The recent storm water utility adjustment set the fees to be \$6 per month in 2018, \$7 per month in 2019, and so on up to \$11 per month in 2023 for residential customers.

Conversely, the BGCD has implemented one rate increase in the last decade (2016). A new water rate increase was effective July 16, 2019. Each rate increase by design is preceded by an independent company review and analysis of the BGCD cost of operation and takes the five-year future planned major investments in consideration, including the IDEM-required water tower project. The BGCD board considers the independent recommendation and considers what it believes is reasonable for customers to accommodate. BGCD rates are very similar to those of similarly sized water systems in the area.

13. “Inconsistent billing across neighborhoods”

Customers within the district have lower water fees than customers who are outside the district boundaries. The water rate schedule for non-member customers is 50% higher to compensate for the fact they are not assessed the district property tax on real estate.

The Battle Ground Conservancy Board remains committed to serving our Battle Ground constituents faithfully, effectively, and efficiently now and in the future. If you have any further concerns or questions, please call (765) 567-2603, reach out to a BGCD board member, or come join us at our monthly meeting.