

April 13th, 2015

To: The Greenville Town, Water and Sewer Utility Council.

From: Randal Johnes former Vice President of the Greenville Town Council and Town Manager.

Gentlemen I submitted a request to Council Member Greg Redden to be allowed to respectfully address this council on the possible sale of the Heritage Springs Sewer Treatment Plant to a private firm.

To me this is such an important issue I could not be silent and felt I must express my opinion on this issue.

I am writing this down and reading this statement because I do not want to leave out anything I believe would be important to any decision the council would make on this issue.

I will begin by saying that my views on this subject may be slanted. I am trying to approach this issue with an open mind and basing my opinions upon facts I shall contain here in.

I am opposed to the sale of the sewer plant. I do not believe it would be in the best interest of Heritage Springs, Parkland Heights or Old Greenville.

I know that one of your sitting council members has taken credit for the purchase of this plant because of articles in the Banner Gazette and New Albany Tribune. This statement has been made several times by this council member over the last few years. I did not deem it necessary to challenge those statements until now.

After I read both articles in these papers, I contacted Councilman Redden because these statements made were not in accordance with my recollections of why we did what we did and the actual cost of the plant.

Obtaining a Sewage Treatment Plant was a decision made by the majority of the Greenville Council. This process all began back in 2007 when the council was concerned about a report we had been told about by the Floyd County Planner Don Lopp stating that Greenville had a problem with failing septic systems. We were told it would only be a matter of time before Greenville would be required to have a sewer system. At that time we could be forced to hook into the New Albany system. This concerned us because of what had happened in Georgetown.

We were involved in several issues at that time. Another issue besides the sewer situation was planning and zoning.

Councilwoman Hayes was assigned to do research on planning and zoning and I was assigned to research for possible funding to build a Sewer Treatment Plant in Greenville. The search for funding presented many obstacles and because of the lack of participation

required by Greenville Residents to fill out survey forms required to obtain funding we couldn't proceed.

In 2007 I proposed to the council the possibility of annexation of the Heritage Springs Sub-division into the corporate limits of Greenville. The attitude of the council at that time was because of all the additional traffic Heritage Springs would add to US 150 it would be in the interest of the town to proceed with annexation. This would also add much needed tax revenue to the town treasury.

Since I had known the Thienemans for years I was chosen to approach them on the annexation. The Thienemans were very receptive to the ideal. This would be the perfect time to do the annexation since the Thienemans at that time owned over fifty percent of the property.

We began discussions with the Thienemans in 2008 and annexed Heritage Springs in November 2009 {see Ordinance 2009-T-035}.

In 2010 we approached the Thienemans about the possibility of purchase of the Heritage Springs Sewer Plant. We also had another meeting with River Hills to locate stimulus money. We ran into the same problems as before.

In 2010 is when we had a problem with the Water Tower in Galena. It had sprung a leak and was in need of major repair. The Water Utility Superintendent also had the Greenville Tower inspected. It was in bad need of repair also. We received estimates of around \$400,000 dollars to repair both tanks. The council majority decided to research at that time what it would cost to replace both tanks. At that time the Galena Tank held 60,000 gallons. The Greenville Tank was rated at 100,000 gallons but because of its design it was only capable of providing 50,000 gallons.

I was assigned to look into possibility of funding. In my research I found that we were in violation of state law and we needed at least 600,000 gallons in the air because of our customer base. We hired Jacobi, Tombs and Lanz an Engineering firm to help us. They recommended a 400,000 tank for Greenville and put us in touch with people at the state level to acquire SRF Funding. This was a low cost loan and it was decided not to use the Water Company Funds because we were receiving 1.5 percent on our reserves in the bank and the SRF Loan was 1 percent.

We knew we were going to have to raise water rates because of the cost of the loan. To this point there had not been any funds appropriated in our rates for infrastructure improvements. We hired O.W. Krone to do a rate analysis for us. A Public Hearing was held on October 18th, 2010 and Ordinance 2010-W-064 was passed raising rates. I stated all this because new rates included funds for infrastructure to accumulate funds for the erection of a tower in Galena. We never bought the Sewer Plant with the intention of selling it for a profit to erect that tower. Knowing what I know now is that a tank in Galena is not necessary. We have 400,000 gallons in the air at this time. That is four times what we had in 2010. We do circulate the water in the new tower; however it is like a holding tank for water if for some reason our water supply would be interrupted. If the tower were to go down we would still have water supplied to the customers through our piping system directly from our suppliers.

I was made aware of an offer that Thienemans had received from the Hugh Group. I talked with the Council President about what I had heard. He asked me to talk with the Thienemans concerning the rumor and if true inquire as to how much they wanted for the plant. Don Thieneman confirmed that they were looking to sell the plant. He also told me if the town was interested in buying the plant they would work with the town before selling it to anyone else. I asked Don how much they wanted for the plant. He told me one million dollars. I told the Council President what I had found out. It was then brought before the entire council.

The dilemma was where to get the funds. We looked into grants again to meet only with dead ends. We also considered borrowing the money.

During this period of time the Council President had an Engineering Firm come to his home representing a firm that wanted us to buy the Sewer Plant. The Council President scheduled an Executive Session so these engineers could present their proposal to the entire council. We thought these people were going to help us get Free State money to purchase the plant.

I remember so well the presentation they made. They went through their explanation like the Road Runner with the Coyote hot on their trail. When they had finished I asked them to repeat everything and slow down to make sure I heard what I thought I had heard. Their proposal was that the town would obtain free funds from the state to purchase the plant. However because of their help we were to sign the plant over to them at no cost. Naturally this did not fly.

We then were informed that the firm looking to buy the plant intended to tie in the Sewage Plant in Galena {which is land locked}. They also wanted to provide sewer service out of the Greenville Area. They would lobby the state to condemn the septic systems in Parkland Heights and Old Greenville to force people onto sewers or lose their homes.

To protect the residents of Heritage Springs, Parkland Heights and Old Greenville the council made the decision that the best way to approach the purchase was for the Water Company to buy it. In the newspaper article the statement was made that the Water Utility purchased the Sewer Plant as an investment. That statement is not correct for the reason the council purchased the plant at that time. The plant was purchased to protect the residents of Heritage Springs, Parkland Heights and Old Greenville. The council knew we needed to control the plant so they wouldn't have rates raised and be forced to tap in or lose their homes if they couldn't afford the hookup fees. We were given an estimate of ten to fifteen thousand for hookups and we knew the older residents in the area would not be able to afford the cost.

I have heard that the council rushed into the purchase of the plant. That is not correct. I talk to Don Thieneman and informed him that the council requested that they not sell the plant to someone else and allow us to do research and obtain the funds to purchase the plant. He agreed.

On February 14th, 2011 the council passed Ordinance 2011-WO-012 hiring the Engineering Firm Jacobi, Tombs and Lanz to perform an in depth study of the condition of the plant and its capability. It would be an eight step process to determine if it would benefit the

water utility to purchase the plant. The cost of the first step was \$5000.00 dollars. The balance of the steps would be covered under another an additional Ordinance if the results from the Engineering Report were positive.

The Engineering report stated that the plant was a state of the art facility. When brought on line would be totally automated where it would only require an operator to check it periodically throughout the day to make sure that there wasn't any equipment failures. The report also stated the capabilities of the plant once expanded. It would serve not only Greenville but also additional developments around Greenville in the future.

On July 11th, 2011 the Council passed two Ordinances 2011-WO-033 for steps 2 through 5 for the Engineering Study and 2011-WO-044 to hire O.W. Krohn and Associates to do a Financial Feasibility Study for profit and loss.

We signed a Confidentiality Agreement with the Thienemans on September 12th, 2011 to obtain all their records concerning the cost of building and operating the Sewer Plant.

With the completion of the Engineering and Financial Study the Water Utility had spent \$ 39,264.00 dollars.

It was determined at that time that it would not only protect the residents of Greenville, but also would be a wise investment for the Water Utility.

At that time the interest the Water Utility was receiving from First Harrison was adjusted from 1.5 per cent to .5 percent. I spoke with the Council President concerning the cash reserves the Water Utility had on deposit at First Harrison. I suggested using these funds to purchase the plant. My thought was why pay 2 to 3 percent interest on a loan when we were only receiving .5 percent on our cash reserves. We would still have ample amounts in the cash reserves if an emergency were to happen.

I contacted the State Board of Accounts to research the purchase to make sure what we did would be in compliance with state law.

They told me because it was a pre-existing plant that was operating and located within the town boundaries the Water Utility could purchase it and a Public Hearing for the purchase was not required. The only requirements were to keep separate books so during an audit they would know what revenue came in for water and sewer service. I know the statement has been made several times by one council member that the Water Utility loaned the money to the Sewer Plant for the purchase. This is not correct. The Water Utility purchased the Sewer Plant and has ownership. There isn't any loan to be repaid. All revenue which comes into the utility can be used for the Water or Sewage Plant. There is just one pool of money. The Utility operates under only one Federal Identification Number. The only thing you must do is to keep separate books to show where revenues came from and where revenue was spent.

There were also statements concerning the Water Utility Customers and that they should not have to pay for this plant. The Water Utility is not a Co-Op or REMC type entity. The Water Utility provides a service only to those who buy its water. They do not own stock or

have a membership where they are stock holders. If they did it would be a different scenario.

Based on that information the Council President prepared a chart based upon the information provided by Thienemans showing the cost and profits that would be realized by 2022. I wrote a letter for him addressed to Council dated October 7th, 2012 per his request which included his chart explaining the suggested method of payment {letter attached}.

The letter states the purchase price would be \$1,087,000.00 dollars. It states that we would pay \$525,000 dollars in cash and the balance in tap in fees for a total of \$512,000.00 {tap in fee credits for 128 lots yet to be developed}.

The actual sales contract on page two {attached} indicates a total purchase price of \$1,099,000 dollars. Adjustments were made for allowance of tap-ins for three commercial lots in front of Heritage Springs.

The statement was made to me that the chart created was based upon false information provided by Thieneman. The information we received was correct. The intent was for the Water Utility Personnel to operate the plant. The Water Utility Superintendent and Assistant Superintendent were to obtain their state operating license and we agreed to fulfill the contract Thieneman had with the current firm operating the plant. The Superintendent and his assistant were to work with and be trained in the operation of the plant. This plant is supposed to be totally automated in accordance with our Engineering report. The main thing is filling out the reports and performing the test that the state requires. The Water Utility has continued to renew the contract with this firm to operate the plant. I do not know what the current monthly cost of that contract is now. When we assumed ownership I believe it was \$3,500 a month. That is a cost of \$42,000 a year. That will definitely cut into the profits.

I have been told that the current Water Utility Superintendent does not want the responsibility of being responsible for the plant. His predecessor set the priority of the responsibility by doing so. The current Superintendent knew this when he accepted the position as Water Utility Superintendent.

The Council made two offers to Thieneman for the purchase of the plant. The first was 2012-WR-015 dated March 12th, 2012 and the second was 2012-WR-021 dated April 9th, 2012 which was a revised offer.

The Council finally settled on an agreement with Ordinance 2012-WO-060 dated November 19th, 2012 {attached} which was accepted by the majority of the Council and Thienemans. This Ordinance is what all the sales contract and closing documents were based on.

The contracts and purchased was completed on March 13th, 2013 and the Water Utility assumed operations in May 2013.

The article in the Tribune states that we bought the plant for \$600,000 dollars. The offer received according to the article is \$725,000 dollars giving the Water Utility a profit of

\$125,000 dollars. I dispute that claim.

The Water Utility purchased the plant for \$1,099,000 dollars. The Water Utility paid \$525,000 down and agreed to make payments of \$4,000 each per lot per tap-in fee for all remaining lots at time of purchase.

Since the Water Utility took ownership 83 permits have been issued. For this \$4,000 payment Thieneman has been putting in the infrastructure to take the waste from a lot to the plant. This has added value to the Heritage Springs Treatment Plant. At a \$4,000 to lot credit times 83 equals \$332,000 dollars. We also have the cost of the Engineering and Financial Study. That cost was \$39,264 dollars and then we had attorney fees at the closing that cost us \$554.00 dollars.

That is a total of \$896,818 dollars. The statement has been made to me that you can't count the credits as a cost for the plant. I dispute that statement.

To use an analogy it is like when you bought a house in Heritage Springs. The selling price was \$145,000 dollars. You paid \$25,000 dollars down and financed the balance over twenty years. Your payments were \$800.00 dollars a month. Of that \$800.00 dollars, \$500.00 went to principal and the rest went to taxes, insurance and interest. After twenty years you decided to sell your home and move. Over that period of twenty years you paid \$25,000 dollars down and \$120,000 dollars in principal loan payments. If you sell your house you will need to realize at least \$145,000 to break even. If you receive an offer for \$100,000 and accept it you can't say I made a \$75,000 dollar profit because I only paid \$25,000 dollars down. You would be taking a \$45,000 loss because of what you had invested.

The Sewer Plant is the same thing. The Utility paid \$525,000 dollars down and \$4,000 dollars in loan payments through tap-in fee credits to a total of \$332,000 dollars. This is the total of \$ 896,818 dollars. If the plant is sold for \$725,000 dollars as stated in the article that would be a \$171,818 loss.

The Tribune article made a statement that selling the plant to Buckthorne would make sense. That they are a company with an impeccable reputation. I heard similar comments made by the same council member concerning the engineers who made the proposal in the Executive Meeting I mentioned earlier.

The Council who purchased the plant did so to the opposition of the public who attended several of our monthly meetings. The majority of the council stood firm in the face of this opposition. The majority of the council voted to purchase the plant to protect the residents of Greenville. There were those people who came from outside of Greenville and were not customers of the Water Utility who wanted to voice their opposition to the purchase of the plant.

I do refute the majority of what has been stated in both the news articles. The majority of the information I have stated here is supported by Town Minutes and Water Utility Documentation. All the council needs to do is to research the records to verify my statements.

The purpose for purchasing the plant was to protect the residents of Heritage Springs, Parkland Heights and Old Greenville by controlling the plant and its expansion. The long term goal was to accumulate enough cash reserves to expand the plant at little or no cost to residents in Parkland Heights, Old Greenville and the greater Greenville Area. The expansion into Old Greenville will help in the development of lots for businesses and residences which are not usable today.

If the plant was to be sold to a private firm the town will not have any control over the expansion and who is allowed to be serviced by the plant. If this plant is such a money loser why would a private firm be interested in investing their capital in it? They are in business to make money and not lose it.

I wonder why we are receiving unsolicited bids for this plant. Has someone made a statement that the Water Utility was looking to sell the plant?

I was told about a community or plant that had been fined \$ 500,000 by the EPA for a spillage. That person stated that almost happened at the Heritage Springs Plant. That person stated if this happened to the Water Utility it would bankrupt the Water Utility. I told this person that is why the Water Utility has liability insurance. They told me the Water Utility Policy would not cover this type of event. Other communities I am sure have this type coverage. They would be remiss in their responsibility to their residents and customers if they did not. I suggest that the Water Utility Council review the policy they have concerning the plant and make what adjustments that are needed. Even if this does increase the cost of the insurance.

It has only been two years this March since the Water Utility purchased the plant. I find it difficult to understand why a Council Member who was such a strong proponent in support of purchasing this plant that only after two years is such a strong proponent to sell it today at a loss.

I respectfully request that the council consider what I have said in my written statement and stay with the long term goal that was established and not to sell this plant at a \$ 171,818 loss.

Thank you for your time and allowing me to submit this statement.

Respectfully,

RANDAL JOHNES

Randal Johnes
Greenville Town Resident and
Greenville Water Utility Customer

1.5.3. *Account Information.* At the time of the closing, the Seller must furnish the Purchaser with a written schedule sufficient to identify the Purchased Receivables and the amount due on each. After the closing, the Seller must, if requested by the Purchaser, furnish the Purchaser the original of all records relating to specific accounts receivable including initial entry records of charges and credits.

SECTION 2. PURCHASE PRICE. 

2.1. Purchase Price; Manner of Payment. The purchase price of all assets being purchased is One Million Ninety-nine Thousand and No/100 Dollars (\$1,099,000.00), which shall be paid as follows:

2.1.1. The sum of Five Hundred Seventy-five Thousand and No/100 Dollars (\$575,000.00) in certified funds at closing; and,

2.1.2. The sum of Five Hundred Twenty-four Thousand and No/100 Dollars (\$524,000.00) to be used by the Seller or its assignee(s) as a credit towards the purchase of one hundred thirty-one (131) sanitary sewer connection permits from the Purchaser for one hundred twenty-eight (128) residential lots, and three (3) commercial outlots, within Heritage Springs subdivision, at the existing established rate of Four Thousand and No/100 Dollars (\$4,000.00) each (the "Connection Fee Credits"). Purchaser represents and warrants that the cost charged by Purchaser to allow the connection of such remaining lots within Heritage Springs subdivision shall not exceed \$4,000.00 each, and Purchaser shall not assess any capacity availability charges or other costs in excess of that amount. The parties acknowledge, however, that the three (3) commercial lots shall be assessed a connection fee at such rate on a per equivalent dwelling unit ("EDU") basis for the anticipated water use of the improvements to be constructed thereon as calculated pursuant to the provisions of 327 IAC 3-6-11.

2.1.3. The Purchaser acknowledges that Seller intends to assign the entirety of the Connection Fee Credits to its affiliate, Thieneman Developers, LLC, an Indiana limited liability company, at closing. All subsequent assignments shall be effective when made in writing, with a copy being provided to the Purchaser. Any portion of the Connection Fee Credits may thereafter be fully assignable at the discretion of the holder thereof, without necessity of approval or consent by the Purchaser.

2.1.4. Thieneman Developers LLC, or its successor(s), shall be responsible for any future infrastructure required to deliver wastewater from point of origin {remaining 131 Lots} to the existing Heritage Springs WWTP.

2.1.5. The Purchase Price shall be allocated as follows:

Real Estate
WWTP and Equipment {includes existing infrastructure located in Greenville}
Intangible personal property

\$50,000.00
\$525,000.00
\$524,000.00

**Town of Greenville Water Utility
P.O. Box 188, 9706 Clark Street
Greenville, In. 47124
{812} 923-9821**

Date: 10-07-2012

To: All Council Members,

From: Council President Talbotte Richardson,

Subject: Acquisition of the Heritage Springs Treatment Plant from Thieneman Environmental as an investment in the future of the Greenville Water Utility and Town of Greenville.

In proposal negotiations with the Greenville Town Manager the Thieneman Environmental Group has agreed to the following tentative terms of purchase.

PROPOSAL

1. \$ 575,000.00 cash; this will retire the existing mortgage debt held by Thieneman Environmental and give them operating capital for the development of Section Two of Heritage Springs.
2. A \$ 4,000.00 dollar allowance for the remaining 128 lots yet to be developed in Heritage Springs. This will amount to credits of \$ 512,000.00.
3. This will be a total purchase price of \$ 1,087,000.00 upon completion of Heritage Springs Subdivision.

PROPOSED METHOD OF PAYMENT

Because of the current rate of .4 per cent interest the Water Utility is receiving on its cash reserves it would be more prudent to purchase the plant from those funds as opposed to borrowing the monies at 2 to 3 per cent interest.

The required funds of \$ 575,000.00 can be appropriated as follows;

1. The Water Utility General Operating Fund Bank Statements show an available balance of \$ 878,301.93 as of September 30th, 2012. It is proposed to use \$ 275,000.00 from this fund for the purchase of the Heritage Springs Sewage Plant. This will leave \$ 603,301.93 in the Water Utility Operational Account.
2. The Water Utility Special Checking Accounts Bank Statement as of September 30th, 2012 shows an available balance of \$ 488,698.36. It is proposed to use \$ 300,000.00 from this account for the purchase of the Heritage Springs Sewage Plant. This will leave \$ 188,698.36 in the Special Projects Checking Account.
3. After purchase of the Heritage Springs Sewage Treatment Plant total available cash for Water Utility Operation as mentioned in {1} and {2} would be \$ 792,000.29.

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P.O. Box 188, 9706 Clark Street
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ANTICIPATED COST OF WATER UTILITY OPERATION 2013

1. A study of the Water Utility Operation Fund for the months of February through September 2012 indicate an average profit of \$ 16,154.12 per month {I believe this will hold true for a 12 month period + or -} or \$ 193,849.44 per year.
2. Loan payments just recently signed for the new Water Tower and Pumping Station Relocation with SRF indicate payments beginning in January 2013 will be \$ 8,161.07 per month {these payments will decrease over time}. This will be an additional cost of \$ 97,932.84 for 2013.
3. After deducting this additional cost for the loan payment it is anticipated the Water Utility should show a net profit of \$ 95,916.60 per year.

ACQUISITION OF THE SEWAGE TREATMENT PLANT

Acquisition of the Heritage Springs Sewage Treatment Plant would be a wise investment for the Water Utility as indicated by the chart below.

THIS CHART IS BASED UPON TEN YEARS OF OPERATION

YEAR	#HOUSES	MONTHLY BILL	MONTHLY RECEIPTS	YEARLY RECEIPTS	YEARLY OPERATING EXPENSES	YEARLY NET INCOME	TEN YEAR NET ACCUM.
2013	75	\$ 65.00	\$ 4,875	\$ 58,500	\$ 24,000	\$ 34,500	\$ 34,500
2014	95	\$ 65.00	\$ 6,175	\$ 74,100	\$ 24,000	\$ 50,100	\$ 84,600
2015	115	\$ 65.00	\$ 7,475	\$ 89,700	\$ 24,000	\$ 65,700	\$ 150,300
2016	135	\$ 65.00	\$ 8,775	\$ 105,300	\$ 26,000	\$ 79,300	\$ 229,600
2017	155	\$ 65.00	\$ 10,075	\$ 120,900	\$ 28,000	\$ 92,900	\$ 322,500
2018	175	\$ 65.00	\$ 11,375	\$ 136,500	\$ 30,000	\$ 106,500	\$ 429,000
2019	195	\$ 65.00	\$ 12,675	\$ 152,100	\$ 32,000	\$ 120,100	\$ 549,100
2020	202	\$ 65.00	\$ 13,130	\$ 157,560	\$ 34,000	\$ 123,560	\$ 672,660
2021	202 +	\$ 65.00	\$ 13,130+	\$ 157,560+	\$ 36,000	\$121,560+	\$ 794,220+
2022	202+	\$ 65.00	\$ 13,130+	\$ 157,560+	\$ 38,000	\$119,560+	\$ 913,780+

Total 10 year income receipts \$ 1,209,780.

Total 10 year operating expenses \$ 296,000.

Total 10 year net profit \$ 915,720.

This would be a 59% return on the investment at the end of 10 years.

Talbotte Richardson President,
Greenville Water Utility Council

TOWN OF GREENVILLE
ORDINANCE NO. 2012-WO-060

**ORDINANCE CONCERNING THE TERMS OF PURCHASE OF THE
HERITAGE SPRINGS SEWAGE TREATMENT PLANT FROM
THIENEMAN ENVIRONMENTAL LLC BY THE GREENVILLE WATER
UTILITY OF GREENVILLE, INDIANA**

WHEREAS, the Water Utility Council for the Town of Greenville, Indiana, in the interest of making prudent investments on behalf of the Greenville Municipal Water Utility through this Ordinance proposes to purchase the Heritage Springs Sewage Treatment Plant located within the Corporate limits of the Town of Greenville from Thieneman Environmental LLC; and

WHEREAS, it is the opinion of the Water Utility Council that a Public Hearing is not required to purchase the Heritage Springs Sewage Treatment Plant in accordance with State of Indian Code I.C. 36-9-23 and that opinion has been confirmed by the Indiana State Board of Accounts {see E-mail attached}; and

WHEREAS, the Greenville Water Utility cash reserves reported through First Harrison Bank Statements on September 30th, 2012 a total of One Million Three Hundred Sixty Seven Thousand U.S. Dollars and Twenty Cents {\$1,367,000.20} for Water Utility Operation and Special Projects; and

WHEREAS, the up-front cash payment agreed to with the Thieneman Environmental LLC is Five Hundred Seventy Five Thousand U.S. Dollars {\$575,000.00}; and

WHEREAS, the rate of interest being received from the First Harrison Bank of 0.4 % makes it more prudent to use the Greenville Water Utility cash reserves for this payment verses obtaining a loan at 2 % to 3% interest; and

WHEREAS, the analysis for the cost of operation for the Water Utility indicates that the use of these funds will not affect the financial security of the Greenville Water Utility; and

WHEREAS, the cost of development evaluation performed by O.W. Krohn and Associates presented to the Greenville Water Utility Council on March 17th, 2012 {attached}, the value of the Heritage Springs Sewage Treatment Plant is One Million One Hundred Thousand U.S. Dollars {\$1,100,000.00} including existing collection system; and

WHEREAS, the investment of Five Hundred Seventy Five Thousand U.S. Dollars {\$575,000.00} up front for ownership with Five Hundred Twelve Thousand U.S. Dollars {\$512,000.00} deferred payment will give the Greenville Water Utility a Five Hundred Twenty Five Thousand U.S. Dollar {\$525,000.00} equity in the Heritage Springs Treatment Plant makes this a prudent investment for the future of the Greenville Water Utility:

TOWN OF GREENVILLE
ORDINANCE NO. 2012-WO-060

NOW, THEREFORE, BE IT ORDAINED BY THE WATER UTILITY COUNCIL OF THE TOWN OF GREENVILLE, INDIANA, AS FOLLOWS:

PROPOSAL OF PURCHASE FROM THE GREENVILLE WATER UTILITY
GREENVILLE INDIANA TO THIENEMAN ENVIRONMENTAL LLC IS AS FOLLOWS:

In the acceptance of this proposal and in consideration for monies to be received Thieneman Environmental LLC agrees to provide the following.

1. Prior to signing of a purchase contract to be prepared by the Greenville Water Utility Attorney, Thieneman Environmental LLC agrees to provide the Greenville Water Utility Council President an inspection report by a certified Professional Engineer with expertise in Waste Water System Plants that the Heritage Springs Sewage Plant is operating properly with the current number of homes connected to the system. The Professional Engineer shall also certify that the Heritage Springs Sewage Plant is also free of any known design defects.
2. Prior to signing of a purchase contract to be prepared by the Greenville Water Utility Attorney, Thieneman Environmental LLC agrees to contact provider of the equipment used in the Heritage Springs Sewage Treatment Package Plant to meet with the Water Utility Personnel and Water Utility Council President to demonstrate the operation and maintenance required to keep the plant in proper working order.
3. Prior to signing of a purchase contract to be prepared by the Greenville Water Utility Attorney, Thieneman Environmental LLC agrees to provide the Greenville Water Utility Council President a copy of all past and current State of Indiana Inspections of the Heritage Springs Sewage Treatment Plant.
4. At signing of purchase contract monies to be exchanged between the Greenville Water Utility and Thieneman Environmental LLC shall be held in an escrow account at First Harrison Bank Greenville, Indiana. Thieneman Environmental LLC agrees to submit to the Jerry Dittmer, Section Chief Municipal NPDES Permits Section Office of Water Quality, IDEM the ADVANCE NOTIFICATION OF TRANSFER OF OWNERSHIP REQUEST FORM {attached} at least 30 days prior to the transfer of ownership, this shall also include transfer of National Pollutant Discharge Elimination System Permit {NPDES}.
5. After items 1 through 4 have been completed and verified then the funds in the First Harrison Escrow Account Greenville, Indiana shall be released to Thieneman Environmental LLC and any liens existing against the Heritage Springs Sewage Treatment Plant shall be paid.

TOWN OF GREENVILLE
ORDINANCE NO. 2012-WO-060

NEGOTIATED PURCHASE PRICE BETWEEN THE GREENVILLE WATER UTILITY AND
THIENEMAN ENVIRONMENTAL LLC

1. The Greenville Water Utility agrees to place in an escrow account at First Harrison Bank of Greenville, Indiana the sum of Five Hundred Seventy Five Thousand U.S. Dollars {\$575,000.00}

After all terms listed in PROPOSAL OF PURCHASE FROM THE GREENVILLE WATER UTILITY GREENVILLE, INDIANA TO THIENEMAN ENVIRONMENTAL LLC stated above escrow funds shall be released.

2. All existing liens against the Heritage Springs Sewage Plant shall be retired first. Remaining funds shall be issued in a form of a certified check to Thieneman Environmental LLC.

3. The Greenville Water Utility agrees to wave sewer tap-in fees of Four Thousand U.S. Dollars {\$4,000.00} for One Hundred Twenty Eight Additional Homes {128} yet to be constructed in the Heritage Springs Sub-Division. This will amount to a credit to Thieneman Builders {Don and Steve Thieneman} of Five Hundred Twelve Thousand U.S. Dollars {\$512,000.00}.

4. This shall amount to a total purchase price over the life of the Heritage Springs Sub-Division Development of One Million Eighty Seven Thousand U.S. Dollars {\$1,087,000.00}.

5. The Thieneman Groups {Don and Steve Thieneman} agrees to reserve additional property around the Heritage Springs Treatment Plant in enough quantity for future purchase by the Greenville Water Utility to expand the facility operation to its maximum potential. The Greenville Water Utility shall have first option purchasing rights on the property based upon reasonable market value at the time of purchase.

6. The Thieneman Groups {Don and Steve Thieneman} are responsible for the material and installation of the collection system from point of origin to and hooked onto the Heritage Springs Sewage Treatment Plant. After completion of the Heritage Springs Sub-Division ownership of the distribution system will be transferred to the Greenville Water Utility.

7. The Greenville Water Utility agrees to maintain the monthly service fee to existing Heritage Springs Sub-Division Customers at \$65.00 per month. Any increase in these fees shall require a Public Hearing of the customers serviced by the Heritage Springs Sewage Treatment Plant.

8. The Greenville Water Utility agrees to contain the service area to the Heritage Springs Sub-Division as approved by IDEM. Further expansion of the service area shall require approval by IDEM and a Public Hearing.

TOWN OF GREENVILLE
ORDINANCE NO. 2012-WO-060

GREENVILLE WATER UTILITY ATTORNEY'S RESPONSIBILITIES
UNDER THIS ORDINANCE

1. Verify all information listed in PROPOSAL OF PURCHASE FROM THE GREENVILLE WATER UTILITY GREENVILLE INDIANA TO THIENEMAN ENVIRONMENTAL LLC IS AS FOLLOWS above.
2. Perform Title search for any existing liens on Heritage Springs Sewage Treatment Plant.
3. Provide legal description of property {should be able to obtain from Thieneman Environmental LLC}.
4. Draft Contract Documents for signage by all parties based upon terms of this Ordinance.
5. Provide preliminary draft contract to all parties for review and comment prior to scheduling contract signing meeting.
6. Contract signing shall take place at the Greenville Town Hall.
7. Contract shall provide for signage by the Greenville Water Utility President, Attested to and notarized by the Greenville Water Utility Clerk / Treasurer, Thieneman Environmental LLC representatives Don Thieneman and Steve Thieneman and their witness of choice.

GREENVILLE WATER UTILITY CLERK/TREASURER RESPONSIBILITIES
UNDER THIS ORDINANCE

1. Acquiring the Heritage Springs Sewage Plant necessitates a name change for the Greenville Water Utility. The name shall be changed to "Greenville Municipal Water and Sewer Utility". Clerk / Treasurer shall contact appropriate State and Federal Officials to notify them that the Greenville Water Utility shall be doing business as {DBA} "Greenville Municipal Water and Sewer Utility ". The current issued FID # 35-1107592/0 shall remain in effect.
2. The Water Utility Clerk/Treasurer shall set up separate checking accounts and record keeping for the Water Utility and Sewer Utility. This shall be done per request of the Indiana State Board of Accounts.
3. Separate invoice billing shall be instituted for Sewer Service Billing to customers from Water Service Billing to customers.

TOWN OF GREENVILLE
ORDINANCE NO. 2012-WO-060

GREENVILLE WATER UTILITY AND COUNCIL RESPONSIBILITIES
UNDER THIS ORDINANCE

1. Current Water Utility Personnel shall assume responsibility of operation of the Heritage Springs Sewage Treatment Plant after passage of this Ordinance, fulfilment of signed contracts and transfer of ownership.
2. The Greenville Water Utility Superintendent shall be responsible to arrange any training and certification required for Water Utility Personnel.
3. Water Utility disconnection of service for non-payment of water service shall be revised to include non-payment of sewer service shall constitute grounds for the disconnection of water service. All delinquent sewer bills must be paid and a reconnection fee for water service before water service shall be reinstated.

ADOPTED BY THE WATER UTILITY COUNCIL OF THE TOWN OF GREENVILLE,
INDIANA, ON THE 19th DAY OF NOVEMBER, 2012.

PRESIDENT OF THE WATER
COUNCIL , GREENVILLE, INDIANA


TALBOTTE RICHARDSON,


JACK TRAVILLIAN,
CLERK/TREASURER
WATER UTILITY COUNCIL

PREPARED BY: RANDAL JOHNES

THIENEMAN ENVIRONMENTAL REPRESENTATIVE ACCEPTANCE OF THIS
PROPOSAL ORDINANCE.



DATE: 11-19-12

johnesdrafting

From: "johnesdrafting" <johnesdrafting@insightbb.com>
To: "Greenville Council President Richardson" <C.Richardson2@insightbb.com>; "Greenville Attorney Chris Lane" <lanelawoffice@gmail.com>
Sent: Tuesday, October 09, 2012 9:26 AM
Subject: Fw: Need your opinion

----- Original Message -----

From: johnesdrafting
To: Pride, Charlie
Sent: Tuesday, October 09, 2012 9:23 AM
Subject: Re: Need your opinion

Thanks.. and we will be keeping separate books for the sewage plant..

Randal Johnes

----- Original Message -----

From: Pride, Charlie
To: 'johnesdrafting'
Sent: Tuesday, October 09, 2012 8:56 AM
Subject: RE: Need your opinion

I would agree. One thing you need to consider is the accounting for this new venture.

From: johnesdrafting [mailto:johnesdrafting@insightbb.com]
Sent: Tuesday, October 09, 2012 8:11 AM
To: Pride, Charlie
Subject: Re: Need your opinion

10-09-2012

Mr. Pride,

Yes I have and I do not see where we would be required to hold a Public Hearing. I do understand we must pass an Ordinance to purchase the plant which would be read at a monthly meeting and I understand that. However I do not believe we need to hold a Public Hearing. I am just looking for a confirmation on my opinion from the State Board of Accounts before I proceed with the Ordinance.

----- Original Message -----

From: Pride, Charlie
To: 'johnesdrafting'
Sent: Tuesday, October 09, 2012 7:34 AM
Subject: RE: Need your opinion

Mr. Johnes:

Have you looked at the provisions of IC 36-9-23?

From: johnesdrafting [mailto:johnesdrafting@insightbb.com]
Sent: Sunday, October 07, 2012 6:04 PM
To: Pride, Charlie
Cc: Greenville Attorney Chris Lane; Greenville Council President Richardson
Subject: Need your opinion

10/9/2012

10-07-2012

Mr. Pride,

It has been awhile since I have spoken with or e-mailed you. I hope everything is fine with you. I do have a question I need to run by you. The Council President, Town Attorney and I have been researching the Indiana State Codes concerning the purchase of the existing Sewage Treatment Plant located in Greenville. We are not looking to expand it beyond the homes that had already been designated to be hooked on as the Heritage Springs Sub-Division developed over the next ten years. As you will see by the attached letter the manner in which we intend to buy it is based upon ready cash reserves of the Water Utility. The plant would become part of the Water Utility Operation. The plant as it exists has already been approved for the number of homes in the Sub-Division.

In our research our conclusion is that we believe we do not need to hold a Public Hearing to purchase this plant since it is just the matter of transferring ownership from the existing owner to us. It is also because we are not borrowing any monies or issuing bonds for the purchase. At this time or in the near future there are not any plans to expand this plant. We are just taking over ownership from a private firm that wants to sell it.

Please give me your opinion as soon as possible. Hopefully tomorrow morning since I have a meeting at 3:00 pm with the Council President and Town Attorney.

Thanks,
Randal Johnes
Town Manager / Water Utility Consultant
Greenville, Indiana

10/9/2012

3/17/12 KROWN AND ASSOCIATES

Greenville - Proposed Acquisition of WWTP		12/31/2010 - CTA Potential	
		Total Plant	WWTP - 206
Actual WWTP Capital Cost (per Monroe Shine Depreciation Schedules)		\$ 827,785	\$ 827,785
Estimated Cost of Collection System & Off Balance Sheet Capital		272,215	-
Gross Capital Costs incurred by Thienemans		\$ 1,100,000	\$ 827,785
Average Investment per Platted Lot within existing CTA	206	\$ 5,340	\$ 4,018
Capital Costs Recovered from Existing Customers	38	\$ 202,920	\$ 152,698
Net Capital Costs - Credit for Future Customers		\$ 897,080	\$ 675,087
Allocation of Net Capital Costs to Existing CTA	168	\$ 897,120	Capacity Credits \$ 675,087
Purchase Price - After Allocating Capacity Credits for CTA	Total Value	\$ 978,190	Net Cash Pmt \$ 303,103

Town of Greenville Proposed Asset Purchase Options - Thieneman Environmental, LLC

Greenville to pay Thienemans the net purchase price, after allocating cost of WWTP capacity to their remaining lots within their CTA. Greenville will guarantee WWTP capacity for remaining lots within CTA at no cost to Thienemans. Thienemans must construct the collection system within their subdivision and dedicate to Town. Greenville will operate & maintain the sewage collection system and WWTP and agrees to maintain the current rate for customers within the CTA for a minimum of 5 years.

Net Cash paid to Thienemans to acquire utility	\$ 303,103
Credit for capacity allocation for future users within Thieneman's CTA	\$ 675,087
Total acquisition cost / value to Thienemans - Includes credit for future capacity allocations	\$ 978,190

johnesdrafting

From: "Gary" <super-gre-water@insightbb.com>
To: "johnesdrafting" <johnesdrafting@insightbb.com>
Sent: Thursday, October 11, 2012 11:55 AM
Attach: TransferOwnership-Advanced.doc; TransferOwnership-Late.doc
Subject: FW: Application for Transfer of an NPDES permit

Randy, I just spoke with this person, Jerry Dittmer about how IDEM would be involved in the event that the Town of Greenville purchases the Heritage Springs wastewater treatment facility. Mr. Dittmer informed me that as long as there are no operational or constructional changes made to the plant, a construction permit would not be required. The only thing that would need to be done is to make application for the transfer of ownership, this also includes transfer of the National Pollutant Discharge Elimination System permit (NPDES). As you can see, if we notify IDEM of transfer of ownership at least 30 days prior to transfer it takes one application without any fees. The other application will have a \$50.00 modification fee along with a 30 day public hearing notice requirement. If you have any questions please call me and I probably won't be able to answer them. Thanks

From: Dittmer, Jerry [<mailto:JDITTMER@idem.IN.gov>]
Sent: Thursday, October 11, 2012 10:32 AM
To: super-gre-water@insightbb.com
Subject: Application for Transfer of an NPDES permit

Gary- attached are two different files- the first is the one to use if the town will notify IDEM of the transfer of ownership of the wastewater plant at least 30 days prior to the transfer occurring. If there is less than 30 days advanced notice (or notice is received after the transfer), then the second attachment should be used. Likely, the only thing that will change will be the first page of the NPDES permit which lists the responsible party. Let me know if you have further questions.

Regards,
Jerry Dittmer, Section Chief
Municipal NPDES Permits Section
Office of Water Quality, IDEM
317-233-0469

No virus found in this incoming message.
Checked by AVG - www.avg.com
Version: 8.5.455 / Virus Database: 271.1.1/5323 - Release Date: 10/10/12 18:37:00

**ADVANCE NOTIFICATION
OF
TRANSFER OF OWNERSHIP
REQUEST FORM**

This form is to be utilized for the notification of a transfer of ownership at least 30 days prior to the proposed transfer of ownership date, per 327 IAC 5-2-6(c) and 327 IAC 5-2-16(e)(4). *If notification of the transfer of ownership is received by IDEM 30 days prior to the transfer, no modification fee is required.*

Paul Higginbotham, Chief
Permits Branch
Office of Water Quality
Indiana Department of Environmental Management
100 North Senate Avenue
Indianapolis, IN 46204-2251

Date

Dear Mr. Higginbotham,

Please find enclosed the information necessary for NPDES Permit No. IN _____

to be transferred from _____,
(Insert: Legal Name of Current Permit Holder)

to _____.
(Insert: Legal Name of Person to whom Permit will be Transferred)

If you have any questions, please feel free to contact _____,

at _____. Thank you.

Sincerely,

**NOTIFICATION OF TRANSFER OF
NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM PERMIT**

Pursuant to 327 Indiana Administrative Code (IAC) 5-2-6(c), the undersigned parties hereby notify the Indiana Department of Environmental Management (IDEM) of their intention to transfer National Pollutant Discharge Elimination System (NPDES) Permit No.

IN _____ from _____, the
(Insert: Permit Number) (Insert: Legal Name of Current Permit Holder)

"current permittee" and _____ of the facility,
(Insert: current or previous) (Insert: owner, operator, or owner and operator)

to _____, the "transferee" and
(Insert: Legal Name of Person to whom Permit will be Transferred)

_____ of the facility, effective as
(Insert: current or future) (Insert: owner, operator, or owner and operator)

of _____, 20____.
(Insert: proposed date of permit transfer)

The current permittee acknowledges liability for violations up to the proposed date of permit transfer, and the transferee acknowledges liability for violations on and after the proposed date of permit transfer.

The transferee certifies that it is its intention to operate the facility for which NPDES Permit No. IN _____ is issued without making such material and substantial
(Insert: Permit Number)
alterations to the facility as would significantly change the nature or quantities of pollutants discharged, and thus constitute cause for permit modification under 327 IAC 5-2-16(d).

The undersigned parties understand that the permit transfer will become effective on the proposed date of permit transfer provided that:

1. The information contained in this notification is complete, true, and accurate;
2. This notification is received by IDEM at least 30 days prior to the proposed date of permit transfer; and
3. IDEM does not, within 30 days of receipt of this notification, advise the undersigned parties of its intent to modify, revoke and reissue, or terminate the permit, and to require that a new NPDES permit application be filed, rather than agreeing to the transfer of the NPDES Permit.

"Current Permittee" Information and Signature Page

Please provide the following information regarding the facility for which the NPDES Permit is currently issued:

Current Name of the Facility:

Current Address of the Facility:

Current Phone Number of the Facility:

Please provide the following information regarding the "Current Permittee":

Name of the Responsible Official:

Title of the Responsible Official:

Address of the Responsible Official:

Phone Number of the Responsible Official:

Certification Statement

"I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations."

Signature of Responsible Official

Date

“Transferee” Information and Signature Page

Please provide the following information regarding the facility for which the NPDES Permit is proposed to be transferred:

New Name of the Facility (if different from current name):

New Address of the Facility (if different from the current address):

New Phone Number of the Facility (if different from the current phone number):

Please provide the following information regarding the “Transferee”:

Name of the Responsible Official:

Title of the Responsible Official:

Address of the Responsible Official:

Phone Number of the Responsible Official:

Certification Statement

"I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations."

Signature of Responsible Official

Date



REGISTERED RETAIL MERCHANT CERTIFICATE

Indiana Department of Revenue
Government Center North
Indianapolis, Indiana 46204
(317) 616-2700

CONTROL NUMBER
1100079969036

GREENVILLE WATER UTILITY COMPANY
9706 CLARK ST
GREENVILLE, IN 47124-9661

IS AUTHORIZED TO COLLECT INDIANA RETAIL SALES TAX
AT THE ADDRESS ABOVE IF DIFFERENT FROM BELOW.

TID: 0001927515
LOC: 001
FID: 35-1107592/0
ISSUED: 01/02/2011
EXPIRES: 01/31/2013

THIS LICENSE:
IS NOT TRANSFERABLE TO ANY OTHER PERSON.
IS NOT SUBJECT TO REBATE.
IS VOID IF ALTERED.



GREENVILLE TOWN OF
P O BOX 188 WATER UTILITY
GREENVILLE, IN 47124

COMMISSIONER

1100079969036

MUST BE DISPLAYED BY MERCHANT IN LOCATION SHOWN



Jacobi, Toombs & Lanz, Inc.
Consulting Engineers & Land Surveyors

October 17, 2012

Randal Johnes, Town Manager
Town of Greenville
P.O. Box 188
Greenville, IN 47124

RE: Heritage Springs Waste Water Treatment Plant

Dear Mr. Johnes:

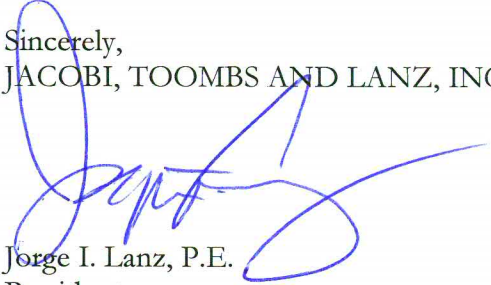
The purpose of this letter is to report on the current operational status of the Heritage Springs Waste Water Treatment Plant which the Town is considering purchasing from its current owner.

As we reported in June 2011, the treatment plant as constructed has an initial treatment capacity of 100,000 gpd. It was constructed in 2007, and consists of an activated sludge, extended aeration process. The treatment is to be provided by a SEQUOX System furnished by AERO-MOD, Inc.

At the time of our study, only about 33 homes in Heritage Springs were built and connected the sewers, resulting in an average daily flow of about 10,000 gpd, or 10% of the plant's capacity. I was informed by the operator that at this flow rate, the plant was being operated only as extended aeration and that the SEQUOX process was not being utilized. Nevertheless, I am not aware of any effluent permit violations. As such we cannot identify any treatment design issues or defects with the plant.

Please call if you have any questions regarding this matter.

Sincerely,
JACOBI, TOOMBS AND LANZ, INC.


Jorge I. Lanz, P.E.
President

1829 E. Spring Street
New Albany, IN 47150
812-945-9585
812-945-6656 Fax

1060 N. Capitol Avenue, Ste E360
Indianapolis, IN 46204
317-829-3474
317-829-3473 Fax

1400 South 1st Street
Louisville, KY 40208
502-583-5994
502-583-7321 Fax

Clarksville, IN • Indianapolis, IN • Louisville, KY
www.jtleng.com

Town of Greenville Water Utility
P.O. Box 188, 9706 Clark Street
Greenville, In. 47124
{812} 923-9821

11-19-2012

To: Jack Travillian Water Utility Clerk / Treasurer
From: Talbotte Richardson Water Utility Council President

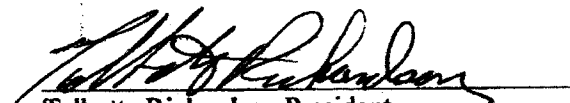
Subject: Escrow Account at First Harrison Greenville Branch for purchase of Heritage Springs
Sewer Treatment Plant.

Jack,

After passage of Ordinance 2012-WO-060 this is the manner the Council desires to have the monies transferred from the Water Utility Operating Checking Account and the Water Utility Special Checking Account.

On October 31st, 2012 the Bank Statements from First Harrison Greenville Branch stated the following.

1. Greenville Water Utility Operating Checking Account shows a balance of \$895,011.33. The Council is requesting a transfer of \$275,000.00 from this account into the Escrow Account for the purchase of the Heritage Springs Sewer Plant. This will leave a balance of \$620,011.37 in the Greenville Water Utility Operating Account.
2. Greenville Water Utility Special Project Checking Account shows a balance of \$488,864.38. The Council is requesting a transfer of \$300,000.00 from this account into the Escrow Account for the purchase of the Heritage Springs Sewer Plant. This will leave a balance of \$188,864.38 in the Greenville Water Utility Special Checking Account.
3. The Escrow Account should still be an interest bearing account of .4 % as long as the monies are held in it as per our agreement with First Harrison..
4. After transfer of these monies into the Escrow Account it shall leave available cash reserves of \$808,875.75 for operations of the Water Utility between the Water Utility Operating and Special Checking Accounts.


Talbotte Richardson President
Greenville Water Utility Council

Debating the selling points of Greenville sewer plant

By CHRIS MORRIS | Posted: Sunday, March 22, 2015 1:43 pm

GREENVILLE — Talbott Richardson said the deal is too good to pass up: Sell the town-owned sewer plant which services about 110 homes in Heritage Springs subdivision for \$725,000 to Buckthorne Public Service.

Not only would all the 1,750 Greenville water customers benefit from the money — which would be used for upkeep and improvement to the water service — but the town would no longer have to worry about hiring a company to operate the sewer plant. Buckthorne also promised to freeze sewer rates until Jan. 1, 2020.

But David Moore says not so fast.

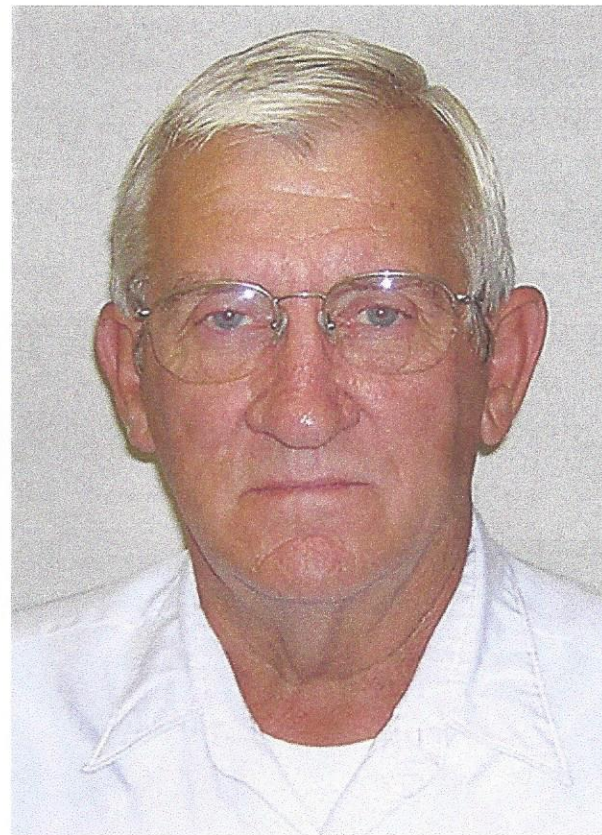
The president of the Greenville Town Board said he has formed a committee, chaired by town board member Greg Redden, to look into the possibility of selling the Heritage Springs plant, and that committee will report back to the board at its April 13 meeting. All five town board members also makeup Greenville's water board.

The offer from Buckthorne expires May 1.

“There is a lot that goes in to selling a public utility. You just don't do it overnight,” Moore said. “He [Richardson] wants to ramrod the sale through, but now the board has some new members and we are not going to sell something arbitrarily or just because someone wants us to without studying it first.”

The town purchased the sewer plant for \$600,000 almost two years ago when Richardson, a longtime council member, was president. While there are 112 customers serviced by the facility, there is room for more growth in the development as well as the undeveloped 200 acres across from Heritage Springs on U.S. 150, Moore said.

But Richardson said it makes no sense not to accept the offer from Buckthorne. He recently dropped off a letter to every household in the Heritage Springs development, explaining the reasons why the town should sell the plant, hoping residents will put pressure on the other four council members. In the letter, Richardson writes “selling the wastewater plant is a no-brainer. Everyone wins. First, the water company gets its investment back and makes a nice profit. Second, you get a company with an impeccable reputation, with the knowledge, experience, money and immediate financing.”



Talbott Richardson

He said he pushed for the town to purchase the plant as an investment, and said it will earn a \$125,000 profit, in just two years, if the sale goes through.

“The only way the town can make money on that sewer plant is to sell it,” he said. “You can’t make money operating a sewer plant. It would benefit the 1,750 water customers if they sold it. And we wouldn’t have to worry about hiring a company to operate it, they would do all the work. It doesn’t make sense to me.”

Moore said Buckthorne just presented its offer for the sewer plant and added that if the town was to advertise it, another company may come up with a bigger and better offer.

“This was an unsolicited bid,” Moore said. “They came to us and said they wanted to buy it.”

Richardson said that’s false hope.

“They [board] act like they can get more but they can’t,” he said. “They all don’t want to sell it for different reasons.”

Redden said he is gathering information, forming the committee and hopes to have some sort of update at the April 13 meeting. He also said it is important to get numbers and facts before jumping into an agreement.

“I have some information, but I am not sure we will be able to meet before the April [town council] meeting,” Redden said. “I have spent a number of hours gathering information. I am a data guy, I just don’t want to jump into it because someone wants us to. I think you need to have all the information, one way or the other. And right now I just don’t know.”

“We want to our due diligence on this. We don’t want to put the town, or the [Heritage Springs] residents at risk.”

In his letter, Richardson said if the plant has a “major breakdown” now, the town would have to borrow money to fix it and it could take months. But if Buckthorne purchased it, the company would be able to make immediate repairs, and the town would have nothing to worry about.

He also said the other four board members seem to be playing politics with the issue, and are not looking out for the town’s best interests.

“People, this offer is over the top,” he writes in the letter.

Text Size

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The Banner-Gazette

To sell or not to sell -- Greenville Council discussing the Waste Water Treatment plant

WRITTEN BY GEORGE BROWNING

WEDNESDAY, 25 MARCH 2015 00:00

When the Greenville Town Council decided the town's water company would purchase a waste water treatment plant a little less than two years ago, not every one was on-board.

By his own admission the main person pushing that purchase was council member Talbotte Richardson.

Now, Richardson is making another push, this time to sell the Waste Water Treatment plant, for a profit.

Richardson said the water utility purchased the waste water plant for \$525,000 and selling the facility would re-pay the water company's initial investment and make also earn a substantial profit.

Another advantage, according to him, should major repairs be needed the company that purchases it, would be on the hook to make them and not the water company.

"Listen if we were to have a half a million or million dollar break down, the money is not there to pay for that," Richardson said. "I was the driving force in the town making the purchase and I think getting out now, while there is profit, is the smart thing to do."

Other council members say they don't disagree with Richardson, but they don't agree either.

In fact, they say it's far to large a decision to make without crunching the numbers.

Council President David Moore said the offer of \$725,000 by Buckthorne Public Service, was not put out for bid, which is just one of the things that make him hesitant to rush into a sell.

"Usually if it's an unsolicited bid, it's about 30 percent less than what you could get if you advertised it," Moore said. "The thing of it is, we don't have enough information. Talbotte was president when we bought the plant and there is not enough data to make an intelligent decision whether to sell, keep it, or whatever."

That's why Moore said he formed a committee headed up by Councilman Greg Redden.

"I've charged them with looking at the waste water plant as a whole," he said. "They are looking at whether or not it can be profitable, if we need to put more money in it and how much, or whatever. We honestly don't know right now. We probably won't know for many more months. You just don't sell something like this right out of the gate.

"We want to look at every angle, like development and things like that. Right now, we just don't know."

Redden agreed. He said he lives in Heritage Springs neighborhood and has spent time recently at the plant with another town board member and the plant's operator.

"We want to be diligent," Redden said. "We want to look at all the financials, take time to project revenue that could be generated once it's built out and just really take the time to make a good decision.

"I won't speak for the other board members, but I don't know if anyone is swayed one way or the other but Talbotte, until we look at it from all angles. No one wants to jump in and sell it without all the information."

Richardson has lobbied fellow councilmen and he even took to campaigning by sending a distributing a letter to residents in Heritage Springs.

The letter explains Richardson's position and encourages residents to support the sell.

Redden said the final outcome could in fact be to sell the plant, but there is no hurry to rush into a decision.

In addition to the \$725,000 offer, Buckthorne's contract states that they will not raise rates more than \$75 a month for the next 30 years or Dec. 31, 20145.

Moore said the council would love to hear input from the public on the matter.

The Greenville Council meets on the second Monday of every month.

The next meeting will April 13 at 7 p.m.

FC product leads IUS to season-opening win



WRITTEN BY ADMINISTRATOR
WEDNESDAY, 25 MARCH 2015 00:00

Floyd Central product Caroline Cato threw a no-hitter in her first collegiate start as the Grenadiers rolled past Midway College in the season opener for IU Southeast.

[Read more...](#)

First Lady Karen Pence awards grant to Brandon's House Counseling Center



WRITTEN BY ADMINISTRATOR
TUESDAY, 17 MARCH 2015 10:27

First Lady Karen Pence hosted the third award reception for grant recipients of the Indiana First Lady's Charitable Foundation at the Governor's residence on Tuesday, where she awarded \$30,500 to 35 organizations and charities that serve Hoosier families and children across the state. Brandon's House was represented by Susan Parr, director, and her husband, Rolf Parr, who were on hand to receive the award.

[Read more...](#)

More Articles...

- [YMCA SI: March schedule of events](#)
- [March Mania 3-on-3 in Pekin](#)
- [Graddy selected for open board position](#)
- [Lanesville Christian Church Sportsman's Banquet](#)

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Harrison County CF awards \$151,138 in Spring grants



WRITTEN BY ADMINISTRATOR
TUESDAY, 17 MARCH 2015 10:26

The Harrison County Community Foundation (HCCF) recently awarded \$151,138 to seven agencies serving the Harrison County community. These grants were made possible by the generous support received from community donors and Horseshoe Southern Indiana. To date, the HCCF has awarded over sixty-eight million dollars (\$68,000,000) to a variety of programs and projects.

[Read more...](#)

Floyd Central High School announces three National Merit Finalists



WRITTEN BY ADMINISTRATOR
WEDNESDAY, 11 MARCH 2015 09:05

Floyd Central High School recently learned they have three National Merit Finalists.

[Read more...](#)