



Marion County Alliance of Neighborhood Associations, Inc.
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(established 1990)

POSITION ON THE PROPOSED SALE OF THE INDIANAPOLIS WATER COMPANY TO CITIZEN'S ENERGY GROUP

The Marion County Alliance of Neighborhood Associations believes that maintaining an adequate, safe, secure, affordable and accessible public water source is one of the most critical functions our local government performs for our community. While we appreciate the administration's desire to seek financial and functional efficiencies within government and explore alternatives for funding sorely needed repairs and improvements to some of our City's infrastructure, we do not believe that selling such a critical public asset is appropriate and that doing so would set an alarming precedent for selling off other assets that should reside in the public domain.

We agree that Citizen's Energy Group has provided and managed distribution of natural gas resources to the Marion County community in an effective and cost-effective manner and believe that the application of the same management principles would be advantageous to the customers of the current Indianapolis Water Company. We strongly believe that same model could be accomplished through leasing the Water Company and Sanitary Sewer operations to Citizens Energy, thereby insuring that the most valuable public natural asset we own remains in the public view and domain.

We therefore strongly urge the City of Indianapolis to retract efforts to sell the water company and instead explore the financial and management benefits that could be achieved through either a lease option with Citizens Energy Group or a contract to manage the operations, rather than pursuing an outright sale.

However, if the City persists in pursuing the sale of the Water Company, we feel that the current proposal is deficient in several aspects and requires attention to the following at the very minimum:

- 1) There **MUST** be a public pathway created for citizen input on the local level. Relying on the state level at the IURC will make citizen input into the Water Company difficult. If the IURC is the only avenue for public concern and interest, we will be in competition with other demands for oversight of all utilities within the purview of the IURC.
- 2) The City **MUST** retain oversight for the operation of both the water and sanitary sewer operation.
- 3) The City County Council **MUST** have the authority to act on the **FINAL** agreement, once all details have been specified and recorded.
- 4) There **MUST** be standards set **BY THE CITY** to protect water quality, quantity and flow in our natural waterways and aquifers for the residents of Marion County.
- 5) Funds generated through an altered operation of the water and sewer system **MUST** be used to reinvest in those systems. Such funds should remain dedicated to enhancing and maintaining the water and sewer systems and **MUST NOT** diverted for other uses.
- 6) There **MUST NOT** be bonds floated or tax anticipation notes levied in anticipation of **PILOT** dollars. Should **PILOT** payments fall short, we will lack the resources to repay the bonds or notes.
- 7) Any savings realized through efficiencies and improved operations should be used to keep user rates as low as possible.