

RESOLUTION NO. 2008 - 1

CONTINUING RESOLUTION FOR OPERATION OF  
JENNINGS NORTHWEST REGIONAL UTILITIES' UTILITIES

WHEREAS, Jennings Northwest Regional Utilities ("JNRU") is a regional water and sewer district organized and operating under Indiana Code Title 13, Article 26, with a Board of Trustees as its governing body; and,

WHEREAS, JNRU provides water distribution and wastewater collection and treatment services to residents in Country Squire Lakes and surrounding areas; and,

WHEREAS, JNRU's utilities are subject to the regulation of the Indiana Department of Environmental Management ("IDEM") as to their operation; and has entered into Agreed Orders regarding the wastewater utility's continued operation, its repairs, maintenance and improvements to its sewage collection and treatment system; and,

WHEREAS, JNRU has incurred a substantial bond indebtedness obligation to the State of Indiana's Bond Bank, which indebtedness requires on-going regular bond and interest payments to discharge; and,

WHEREAS, JNRU is financially constrained to provide said debt service, as well as the on-going operation, repairs, maintenance and improvements to its utilities and comply with the requirements of IDEM's Agreed Orders; and,

WHEREAS, JNRU, through its Board of Trustees, has sought financial assistance from the State of Indiana, the City of Lawrenceburg Economic Development Grant Program, the State Tribal Assistance Grant Program, the Indiana Department of Environmental Management, the Indiana Department of Commerce and the United States Department of Agriculture's

Rural Development programs, none of which assistance has been forthcoming;  
and,

WHEREAS, the Board of Trustees of JNRU has adopted Resolution 2007-1, indicating it will resign effective March 1, 2008; and,

WHEREAS, the operation of JNRU's utilities to provide continuous on-going service to its customers, as well as the necessary and required repair, maintenance and improvement to the utilities is essential.

BE IT, THEREFORE, RESOLVED by the Board of Trustees of JNRU that after the Board's resignation and until the appointment of a new Board of Trustees by the Jennings County Commissioners, the utilities shall continue to operate as follows:

1. That JNRU's water and wastewater utilities will continue to operate under the supervision and direction of its Utility Manager, Jeffrey Fish.

2. That the Board's former Treasurer, David Brinkman, shall serve as JNRU's Chief Financial Officer at an employment rate of Two Hundred Dollars (\$200) per week.

3. That the Utility Manager shall be responsible for the continued day-to-day operations of the utilities and with the concurrence and approval of its Chief Financial Officer as to the required funding being available, shall have the authority to:

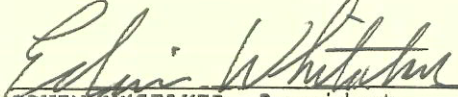
- a. employ, promote, discipline, discharge and manage, all utility personnel;
- b. make such repairs, maintenance and improvements to the utility systems which he deems appropriate to keep the utility systems in operation, and comply with Indiana Department of Environmental Management's Agreed Orders, and the State of Indiana's laws, statutes, rules and regulations;
- c. to incur liability and make such purchases as are necessary to keep the utility's systems in operation,

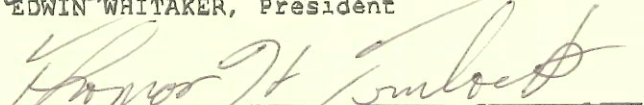
and comply with Indiana Department of Environmental Management's Agreed Orders, and the State of Indiana's laws, rules and regulations;

- d. establish and maintain a cash reserve for operations of each utility of up to One Hundred Ten Thousand Dollars (\$110,000) equal to two (2) months of operations;
- e. establish and maintain a cash reserve for repairs, maintenance and improvements to the sewer utility system of up to One Hundred Fifty Thousand Dollars (\$150,000) per year;
- f. make payments on the bond and interest indebtedness to the State of Indiana when the funds therefor are available;
- g. continue to hold monthly public meetings in order that the customers of the utility and the public are kept informed as to the operation of the utilities;
- h. continue to employ and utilize the engineering, financial and legal advice from Commonwealth Engineering, Inc.; H.J. Umbaugh and Associates; and Mary Ann Gay, respectively;
- i. continue with its current insurance carrier and establish the necessary financial institutions for deposit of the utilities' funds.

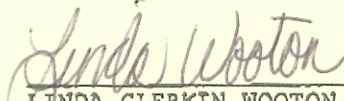
SO RESOLVED this 21 day of January, 2008.

JENNINGS NORTHWEST REGIONAL UTILITIES

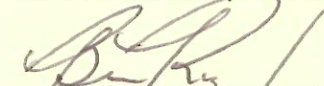
  
EDWIN WHITAKER, President

  
THOMAS TRULOCK, Vice President

ATTEST:

  
LINDA CLERKIN WOOTON, Secretary

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DAVID BRINKMAN, Treasurer

  
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BRIAN RONEY, Member