



# Lake Station, Indiana

**\$20.86 million acquisition improves water quality and service reliability for customers**

## INFRASTRUCTURE CHALLENGES: HELPING LAKE STATION FIND A LIFELINE

For years, the City of Lake Station’s water infrastructure experienced chronic issues including persistent discolored water, frequent main breaks and the inability to comply with stringent environmental regulations at its water treatment plant. The City had made no significant infrastructure improvements in nearly two decades and with mounting municipal debt, had no funds to pay qualified candidates to operate the system.

## LONG-TERM SOLUTIONS THROUGH SYSTEM SALE

In June 2017, Lake Station's City Council authorized the sale of the water system to Indiana American Water. The Indiana Utility Regulatory Commission approved the acquisition in August 2018, and by October 2019, the transaction was finalized at a purchase price of approximately \$20.68 million.

The sale of Lake Station’s water system to Indiana American Water, an experienced water service provider with extensive financial, operational and regulatory experience marked a pivotal shift in Lake Station’s future. Indiana American Water serves over 245,000 people in Northwest Indiana in communities such as Gary, Merrillville, Chesterton and Portage, making Lake Station’s 3,270 water customers a natural addition to its operations. The sale provided the City of Lake Station with immediate financial relief as City officials used a substantial portion of the proceeds to eliminate more than \$11 million of debt largely due to the city’s water treatment plant. This left over \$9 million in proceeds remaining for other pressing community needs.

## SHARED BENEFITS TO THE CITY AND CUSTOMERS

- Infusion of capital from the sale which Lake Station used to eliminate debt and invest in roads and public works projects.
- Professional management and expertise of water system operations
- 24/7 customer service and emergency response

Since 2020, Indiana American Water has invested over \$5 million in water infrastructure improvements including:

- Water main replacement and upgrades to aging infrastructure
- Installation of new hydrants and valves
- New customer meters and water service lines to address leaks
- Modern equipment and SCADA at the water treatment facility

### INDIANA AMERICAN WATER'S INVESTMENTS IN LAKE STATION

YEAR	INVESTMENT
2020	\$1.42 million
2021	\$0.38 million
2022	\$1.52 million
2023	\$1.27 million
2024	\$0.49 million
<b>TOTAL</b>	<b>\$5.08 million</b>

“Once Indiana American Water acquired us, they also acquired our infrastructure, we were able to sit back and watch them work. It’s been a blessing to this City. We are very confident with Indiana American Water and would suggest them to any municipality.”

- **Bill Carroll, Mayor of Lake Station**